

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

AMENDMENT NO. 1
TO
FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

ALLSTATE LIFE GLOBAL FUNDING
(As depositor of the trusts described herein)
(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State of Organization)
Not Applicable
(I.R.S. Employer Identification Number)
6525 Morrison Boulevard, Suite 318
Charlotte, NC 28211
(704) 365-0569
(Address, Including Zip Code, and Telephone Number,
Including Area Code, of Registrant's Principal Executive Offices)

Douglas K. Johnson
President of AMACAR Pacific Corp.,
Administrator of Allstate Life Global Funding
and Allstate Life Global Funding Trusts
6525 Morrison Boulevard
Suite 318
Charlotte, NC 28211
(704) 365-0569

(Name, Address, Including Zip Code, and Telephone Number, Including
Area Code, of Agents For Service with Respect to the Registrants)

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125 West 55th Street
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ALLSTATE LIFE INSURANCE COMPANY
(As issuer of the funding agreements described herein)
(Exact Name of Registrant as Specified in Its Charter)

Illinois
(State of Organization)
36-2554642
(I.R.S. Employer Identification Number)
3100 Sanders Road
Northbrook, IL 60062
(847) 402-5000
(Address, Including Zip Code, and Telephone Number,
Including Area Code, of Registrant's Principal Executive Offices)

Michael J. Velotta
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10 South Dearborn Street
Chicago, Illinois 60603
(312) 853-7000

Approximate date of commencement of proposed sale to the public:
As soon as practicable after this registration statement becomes effective.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If delivery of the Prospectus is expected to be made pursuant to Rule 434, please check the following box.

CALCULATION OF REGISTRATION FEE

Title of Securities to be Registered	Amount To Be Registered(1)	Proposed Maximum Aggregate Price Per Unit	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee
Secured Medium Term Notes	\$4,000,000,000	100%	\$4,000,000,000	\$323,600(3)
Funding Notes(4)	\$4,000,000,000	100%	\$4,000,000,000(4)	None(4)
Funding Agreements(4)	\$4,000,000,000	100%	\$4,000,000,000(4)	None(4)

Or, if any securities are (a) denominated or payable in a foreign or composite currency or currencies, such principal amount as shall result in an aggregate initial offering price equivalent to \$4,000,000,000, at the time of initial offering, (b) issued at an original issue discount, such greater principal amount as shall result in an aggregate initial offering price of \$4,000,000,000, or (c) issued with their principal amount payable at maturity to be determined with reference to a currency exchange rate or other index, such principal amount as shall result in an aggregate initial offering price of \$4,000,000,000.

- (1) The amount of securities being registered represents the maximum aggregate principal amount of securities which, on January 27, 2004, are expected to be offered for sale.
- (2) Estimated solely for the purpose of determining the amount of the registration fee.
- (3) \$276,000 of the total registration fee of \$323,600 was paid in connection with the registration statement on Form S-3 (File No. 333-101424), originally filed on November 22, 2002 and withdrawn on June 11, 2003, and \$47,600 of the total registration fee of \$323,600 was paid on January 27, 2004 prior to the initial filing of this registration statement.
- (4) Registered solely pursuant to Rule 140 under the Securities Act. \$4,000,000,000 is the estimated maximum aggregate offering price of all the securities being registered.

The registrants hereby amend this registration statement on a date necessary to delay their effectiveness until the registrants file a further amendment specifically stating that this registration statement will become effective according to Section 8(a) of the Securities Act of 1933 or until this registration statement shall become effective on the date the Commission determines.

EXPLANATORY NOTE

This registration statement contains:

- two prospectus supplements relating to one or more series of notes (one for an offering of series of secured medium term notes which are intended to be offered primarily to institutional investors and the other for an offering of series of secured medium term notes which are referred to as Allstate LifeSM CoreNotes® in the prospectus supplements and which are intended to be offered primarily to retail investors) which one or more newly created Delaware special purpose statutory trusts may offer from time to time to the public, with payment of principal of, any premium and interest on, and any other amounts due and owing with respect to, the notes to be secured by one or more applicable funding agreements issued by Allstate Life Insurance Company, and sold to, and deposited into, the issuing trust by Allstate Life Global Funding; and
- a base prospectus relating to one or more series of secured medium term notes (including series of Allstate LifeSM CoreNotes®) which may be issued and sold by the trusts to the public, with payment of principal of, any premium and interest on, and any other amounts due and owing with respect to, the notes to be secured by one or more applicable funding agreements issued by Allstate Life Insurance Company, and sold to, and deposited into, the issuing trust by Allstate Life Global Funding.

Each offering of a series of notes made under this registration statement will be made pursuant to:

- one of the prospectus supplements included in this registration statement, with the specifications of the notes offered thereby set forth in a pricing supplement; or
- a newly filed prospectus supplement to the base prospectus, with the specification of the notes offered thereby set forth in such newly filed prospectus supplement or a pricing supplement.

"Allstate LifeSM" is a registered service mark of Allstate Insurance Company.

"CoreNotes®" is a registered service mark of Merrill Lynch & Co., Inc.

The information in this prospectus supplement is not complete and may be changed. Neither the depositor nor the trusts may sell these securities until the registration statement filed with the SEC is effective. This prospectus supplement is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer of or sale is not permitted or would require registration or qualification under the securities laws of the jurisdiction.

Subject to Completion
Preliminary Prospectus Supplement dated , 2004

PROSPECTUS SUPPLEMENT
(To Prospectus dated)

\$4,000,000,000
Allstate Life Global Funding
Depositor
Secured Medium Term Notes
Due Between Nine Months and 30 Years From the Date of Issue
Issued Through
Allstate Life Global Funding Trusts

Allstate Life Global Funding (the "depositor" or "Global Funding") is a statutory trust formed under the laws of the State of Delaware. Its sole purpose is to facilitate the programs for the issuance of one or more series of secured medium term notes, which are referred to in this prospectus supplement as "notes". Each series of notes will be issued by a separate newly created Delaware statutory trust (each, a "trust"). Allstate Life Global Funding will be the sole beneficial owner of each trust that is formed. The notes may have an aggregate principal amount of up to \$4,000,000,000 or the equivalent amount in one or more foreign or composite currencies.

The specific terms of each series of notes will be set forth in a separate pricing supplement.

The notes of each series:

- will be the unconditional, direct, non-recourse, secured and unsubordinated obligations of the issuing trust;
- will be secured by one or more funding agreements issued by Allstate Life Insurance Company ("Allstate Life"), and sold to, and deposited into, the issuing trust by Allstate Life Global Funding;
- will have a stated maturity of nine months to 30 years from the date of issue;
- will have redemption and/or repayment provisions, if applicable, whether mandatory or at the option of the issuing trust or the holders of such notes;
- will provide for payments in U.S. dollars or one or more foreign currencies;
- will be in book-entry or definitive form;
- will bear interest at fixed or floating rates, or bear no interest at all; unless otherwise specified in the applicable pricing supplement, each trust will pay interest on the relevant series of notes on a monthly, quarterly, semiannual or annual basis;
- will be secured by the right, title and interest of the issuing trust in and to (1) the funding agreement(s) held by that trust, (2) all proceeds of such funding agreement(s) and (3) all books and records pertaining to such funding agreement(s); and
- may be sold to United States and foreign institutional and other investors.

Investing in the notes involves risks that are described in the "Risk Factors" section beginning on page S-11.

Neither the Securities and Exchange Commission, any state securities commission nor any state insurance commission has approved or disapproved of these securities or determined if this prospectus supplement, the accompanying prospectus or any pricing supplement is truthful or complete. Any representation to the contrary is a criminal offense.

Merrill Lynch & Co.

A.G. Edwards & Sons, Inc.

Banc of America Securities LLC

Banc One Capital Markets, Inc.

Barclays Capital

Citigroup

Credit Suisse First Boston

Deutsche Bank Securities

Goldman, Sachs & Co.

JPMorgan

Lehman Brothers

Morgan Stanley

UBS Investment Bank

Wachovia Securities

The date of this prospectus supplement is _____, 2004.

TABLE OF CONTENTS

	<u>Page</u>
Prospectus Supplement	
Forward-Looking Statements	S-1
About This Prospectus Supplement and the Pricing Supplements	S-2
Summary	S-3
Risk Factors	S-11
Allstate Life Global Funding Trusts	S-18
Allstate Life Global Funding	S-18
Allstate Life Insurance Company	S-19
Description of the Notes	S-20
Global Clearance and Settlement Procedures	S-46
Special Provisions Relating to Foreign Currency Notes	S-48
Description of the Funding Agreements	S-50
United States Federal Income Tax Considerations	S-51
Plan of Distribution	S-62
Prospectus	
Forward-Looking Statements	1
About This Prospectus	2
Available Information	2
Incorporation of Documents by Reference	3
Description of Allstate Life Global Funding and the Trusts	4
Description of Allstate Life Insurance Company	6
Ratio of Earnings to Fixed Charges	7
Use of Proceeds	7
Description of the Notes	8
Description of the Indentures	9
Description of the Funding Notes	19
Description of the Funding Agreements	20
Description of Support and Expenses Agreements	25
Description of Administrative Services Agreements	26
ERISA Considerations	27
Plan of Distribution	30
Legal Opinions	30
Experts	31

The trusts may sell the notes to one or more of the agents referred to below (collectively, the "Agents") as principals for resale at varying or fixed offering prices or through the applicable Agent(s) as agents using their reasonable efforts on behalf of each issuing trust. The trusts may also sell notes directly to investors without the assistance of any Agent. Unless otherwise specified in the applicable

pricing supplement, any note sold to an Agent as principal will be purchased by that Agent at a price equal to 100% of the principal amount thereof less a percentage of the principal amount equal to the commission applicable to an agency sale of a note of identical maturity. Unless otherwise specified in the applicable pricing supplement, each trust will pay a commission to an Agent, ranging from .150% to .875% of the principal amount of each note, depending upon its stated maturity, sold through that Agent as its agent.

You should rely on the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and each applicable pricing supplement. Neither the registrants nor any Agent has authorized any other person to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. Neither the registrants nor any Agent is making an offer to sell the notes in any jurisdiction where the offer or sale is not permitted. You should assume that the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and the applicable pricing supplement is accurate only as of its respective date.

FORWARD-LOOKING STATEMENTS

Allstate Life

This prospectus supplement, the accompanying prospectus and each applicable pricing supplement may include forward-looking statements of Allstate Life. These forward-looking statements are not statements of historical fact but rather reflect Allstate Life's current expectations, estimates and predictions about future results and events. These statements may use words such as "anticipate," "believe," "estimate," "expect," "intend," "predict," "project" and similar expressions as they relate to Allstate Life or its management. When Allstate Life makes forward-looking statements, Allstate Life is basing them on its management's beliefs and assumptions, using information currently available to Allstate Life. These forward-looking statements are subject to risks, uncertainties and assumptions, including but not limited to, risks, uncertainties and assumptions discussed in this prospectus supplement, the accompanying prospectus and in each applicable pricing supplement. Factors that can cause or contribute to these differences include those described under the heading "Risk Factors" in this prospectus supplement. Allstate Life undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

If one or more of these or other risks or uncertainties materialize, or if Allstate Life's underlying assumptions prove to be incorrect, actual results may vary materially from what Allstate Life projected. Any forward-looking statements of Allstate Life you read in this prospectus supplement, the accompanying prospectus or any pricing supplement reflect Allstate Life's current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to Allstate Life's operations, results of operations, growth strategy and liquidity. All subsequent written and oral forward-looking statements attributable to Allstate Life or individuals acting on Allstate Life's behalf are expressly qualified in their entirety by this section. You should specifically consider the factors identified in this prospectus supplement, the accompanying prospectus and each applicable pricing supplement which could cause actual results to differ before making an investment decision.

Global Funding and the Trusts

This prospectus supplement, the accompanying prospectus and each applicable pricing supplement may include forward-looking statements of Global Funding and the trusts. These forward-looking statements are subject to risks, uncertainties and assumptions, including but not limited to, risks, uncertainties and assumptions discussed in this prospectus supplement, the accompanying prospectus and in each applicable pricing supplement. Global Funding does not, and the trusts will not, undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

You should specifically consider the factors identified in this prospectus supplement, the accompanying prospectus and each applicable pricing supplement before making an investment decision. Global Funding and the issuing trusts are not currently entitled to the safe harbors contained in Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Therefore, forward-looking statements of Global Funding and the issuing trusts in this prospectus supplement and the accompanying prospectus are not currently and will never be entitled to these safe harbors.

S-1

ABOUT THIS PROSPECTUS SUPPLEMENT AND THE PRICING SUPPLEMENTS

This document is a prospectus supplement and supplements a prospectus which is part of a registration statement filed with the Securities and Exchange Commission (the "SEC") by Allstate Life Global Funding and Allstate Life Insurance Company (the "registrants"). This prospectus supplement provides you with a general description of the notes that each trust may offer in connection with the secured medium term notes program described in this prospectus supplement and the accompanying prospectus (this "program") and supplements the description of the notes contained in the accompanying prospectus. The trusts may sell these notes with a total initial public offering price or purchase price of up to \$4,000,000,000 or the equivalent amount in one or more foreign currencies, less any amount of notes previously issued by the trusts under this program or pursuant to a separate prospectus supplement that relates to the Allstate LifeSM CoreNotes[®] program pursuant to which the notes may be offered by the trusts from time to time primarily to retail investors (the "Allstate LifeSM CoreNotes[®] program").

The specific terms and conditions of notes being sold will be contained in a pricing supplement. A copy of that pricing supplement will be provided to you along with a copy of this prospectus supplement and the accompanying prospectus. That pricing supplement also may add, update, supplement or clarify information in this prospectus supplement and the accompanying prospectus. You should carefully review such additional, updated, supplemental or clarifying information contained in the pricing supplement. You should read this prospectus supplement and the accompanying prospectus and the pricing supplement together with the additional information that is incorporated by reference in this prospectus supplement and the accompanying prospectus. That additional information is described under the heading "Incorporation of Documents by Reference" in the accompanying prospectus.

In connection with the issuance of any series of notes, the Agents have reserved the right to appoint one of them to act as a stabilizing agent. Such appointment will be disclosed in the applicable pricing supplement. In connection with the issuance of any series of notes, the stabilizing agent or any person acting on its behalf may over-allot or effect transactions with a view to supporting the market price of the notes at a level higher than that which might otherwise prevail for a limited period. However, there is no obligation on the stabilizing agent or any other person acting on its behalf to do this. Such stabilizing, if commenced, may be discontinued at any time and must be brought to an end after a limited period. Any such stabilizing shall be conducted in compliance with all relevant laws, rules and regulations. For a description of these activities, see "Plan of Distribution".

In this prospectus supplement, references to the "depositor" and "Global Funding" are to Allstate Life Global Funding. References to the "trusts" are to Allstate Life Global Funding Trusts. References to an "issuing trust" are to a trust with respect to the series of notes issued and sold to the public by that trust. These references are not to Allstate Life Insurance Company. In this prospectus supplement, references to "Allstate Life" are to Allstate Life Insurance Company.

In this prospectus supplement, references to "United States dollars," "U.S. dollars" or "\$" are to lawful currency of the United States of America, and references to "Euro" are to the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the treaty establishing the European Community, as amended.

S-2

SUMMARY

This section summarizes certain of the legal and financial terms of the notes that are described in more detail in "Description of the Notes" beginning on page S- and other information described elsewhere in this prospectus supplement or in the accompanying prospectus. Final terms of any particular series of notes will be set at the time of sale and will be contained in the pricing supplement relating to that series of notes. That pricing supplement may add to, update, supplement or clarify the terms contained in this summary. In addition, you should read the more detailed information appearing elsewhere in the accompanying prospectus, this prospectus supplement and the applicable pricing supplement.

The Trusts	Each series of notes will be issued by a separate newly created Delaware statutory trust (each, a "trust") formed by Allstate Life Global Funding, as trust beneficial owner, AMACAR Pacific Corp., as administrator (the "administrator"), and Wilmington Trust Company, as Delaware trustee (the "Delaware trustee"), pursuant to the filing of a certificate of trust and the execution of a trust agreement. Each trust agreement pursuant to which various trusts may be formed from time to time to issue notes is referred to in this prospectus supplement as a "trust agreement". Allstate Life Global Funding will be the sole beneficial owner of each trust that is formed.
Depositor	Allstate Life Global Funding is the depositor of the funding agreements into the issuing trusts.
Purposes of Depositor and Trusts	<p>The sole purpose of Global Funding is to facilitate the programs for the issuance of notes. The sole purpose of each trust is to issue the related series of notes to the public, which notes will be secured by one or more funding agreements issued by Allstate Life, and assigned absolutely to, and deposited into, the issuing trust by Global Funding. Each trust will use the net proceeds received from issuing its series of notes to acquire one or more funding agreements. Each trust will hold the collateral described below pertaining to its series of notes to fund its obligations under that series of notes. Each trust will pledge and collaterally assign the funding agreements held in that trust to the indenture trustee for the benefit of the holders of that trust's series of notes. Holders of notes of a series may only look to the funding agreement(s) and any other collateral held in, or pledged and collaterally assigned to the indenture trustee by, the issuing trust for payment on their notes and not to the assets held in any other trust.</p> <p>No trust will be affiliated with Allstate Life.</p>

S-3

Allstate Life Can Issue Medium Term Notes and Funding Agreements Directly to Investors	Allstate Life is able to issue its own medium term notes directly to investors and does issue funding agreements directly to qualified investors. However, by securing each trust's notes with one or more of Allstate Life's funding agreements, such trust's notes are secured by an asset that would have a higher priority in insolvency than unsecured medium term notes of Allstate Life and may be entitled to receive a higher investment rating than unsecured medium term notes of Allstate Life. In addition, funding agreements are very difficult to transfer and have no active secondary market. By securing each trust's notes with one or more of Allstate Life's funding agreements, investors may be able to avail themselves of many of the benefits of Allstate Life's funding agreements while benefiting from the liquidity afforded by each trust's medium term notes.
Collateral; Status	<p>The notes of a series will be secured by the right, title and interest of the issuing trust in and to (1) the funding agreement(s) held by that trust, (2) all proceeds of such funding agreement(s) and (3) all books and records pertaining to such funding agreement(s). In this prospectus supplement, references to "other collateral" are to items (2) and (3) above.</p> <p>The notes of a series will be the unconditional, direct, non-recourse and unsubordinated obligations of the issuing trust and will rank equally among themselves. Each series of notes will be secured by and payable solely out of the assets of the issuing trust, and holders of such series of notes will have no right against the assets of Global Funding or the assets of any other trust.</p> <p>Each series of notes may be accelerated in the payment of principal and outstanding interest if an event of default under the notes occurs. Upon the occurrence of an event of default, the indenture trustee (described below) on behalf of the holders of notes may only proceed against the collateral held in the issuing trust.</p> <p>The notes of each series are not, and will not be, insurance contracts, insurance policies or funding agreements.</p> <p>The notes are not obligations of Allstate Life, Global Funding or any other person or entity other than the trust that issued the relevant notes. The notes are not guaranteed by any person or entity. The notes will not benefit from any insurance guaranty fund coverage or any similar protection.</p>
Funding Agreements	Each trust will use the net proceeds received from the offering of its series of notes to purchase from Global Funding one or more funding agreements issued by Allstate Life. The funding agreement(s) will have a principal amount equal to the principal amount of the related series of notes. The funding agreement(s) will otherwise have payment and other terms substantially similar to the related series of notes.

S-4

The funding agreements are unsecured obligations of Allstate Life, an Illinois stock life insurance company. In the event of insolvency of an Illinois insurance company, claims against the insurer's estate are prioritized pursuant to Section 5/205 of the Illinois Insurance Code. Under Section 5/205(1)(d) of the Illinois Insurance Code, claims by "policyholders, beneficiaries, and insureds, under insurance policies, annuity contracts, and funding agreements" receive payment prior to any distribution to general creditors not falling within any other priority class under the Illinois Insurance Code.

The registrants believe that in a properly prepared and presented case in a delinquency proceeding under

Article XIII of the Illinois Insurance Code, 215 ILCS Section 5/187 *et seq.* (the "Illinois Liquidation Act"), the timely and properly filed claims of an owner under the funding agreement (with the possible exception of claims for Additional Amounts, as discussed below) would be entitled to distribution *pari passu* with claims made by other policyholders, beneficiaries, and insureds under other insurance policies, insurance contracts, annuities and funding agreements issued by Allstate Life, and the claims of the Illinois Life and Health Insurance Guaranty Association, and any similar organization in another state, in accordance with Section 5/205(1)(d) of the Illinois Liquidation Act, and an owner's claims under the funding agreement should not be recharacterized as other than the claims of a policyholder, beneficiary, or insured under an insurance policy, insurance contract, annuity or funding agreement.

The obligations of Allstate Life under any funding agreement will not be guaranteed by any person or entity.

If a funding agreement so provides, Allstate Life may be required to pay Additional Amounts (as such term is defined therein) to the indenture trustee as collateral assignee of the funding agreement. For a discussion regarding payment of Additional Amounts, see "Description of the Notes—Withholding Tax and Payment of Additional Amounts". Although such payments could be viewed as a claim under the funding agreements within the meaning of Section 5/205(1)(d), they may also be argued to be a separate payment obligation. Therefore, while in a proceeding before a court of competent jurisdiction the court might find that a claim for an Additional Amount constitutes a claim under a funding agreement, it also might find that such a claim is not a claim entitled to the priority afforded by Section 5/205(1)(d). If a claim for an Additional Amount does not constitute a claim entitled to the priority afforded by Section 5/205(1)(d), then in a properly prepared and presented case any claim for an Additional Amount would be entitled to the same priority as claims of general creditors of Allstate Life under Section 5/205(1)(g).

S-5

	<p>With respect to the issuance of any series of the notes, the aggregate amount of Allstate Life's liabilities that would rank <i>pari passu</i> with each funding agreement securing such series of notes is disclosed in the financial statements of Allstate Life contained in Allstate Life's most recent Annual Report on Form 10-K or Quarterly Report on Form 10-Q filed with the SEC, in each case as of the date of such financial statements. This amount appears in the Consolidated Statements of Financial Position as a liability under the line item entitled "Contractholder funds".</p>
Indentures and Indenture Trustee	<p>Each series of notes will be issued by the issuing trust pursuant to a separate indenture (each, an "indenture") to be entered into between the issuing trust and J.P. Morgan Trust Company, National Association, in its capacity as indenture trustee (including any successor, the "indenture trustee"). Each indenture will be subject to and qualified under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"). The indenture trustee is not affiliated with the trusts, the depositor or Allstate Life.</p>
Funding Notes	<p>Each trust will use the net proceeds received from the issuance of the related series of notes to purchase a funding note (each, a "funding note") from Global Funding. Global Funding will use the net proceeds received from the sale of the related funding note to purchase one or more funding agreements issued by Allstate Life. Global Funding will immediately assign absolutely to, and deposit into, the issuing trust each such funding agreement, and the relevant funding note will be surrendered.</p> <p>Each funding note will have a principal amount equal to the principal amount of the related series of notes. Each funding note will otherwise have payment and other terms substantially similar to the related series of notes, except that each funding note will contain a provision that makes it immediately cancelable upon the transfer by Global Funding of the related funding agreement(s) to the related issuing trust.</p>
Ratings	<p>Unless otherwise indicated in the applicable pricing supplement, each series of notes, the related funding note and the funding agreement(s) securing such series of notes will have an issue credit rating of _____ from Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. We expect the program to be rated _____ by Moody's Investors Service, Inc. ("Moody's"). If Moody's changes the program rating, the new program rating will be specified in the applicable pricing supplement. Notes of a series will be issued under the program only in the event that, at the time of issuance of such series of notes, at least one nationally recognized rating agency would assign an investment grade rating to such series of notes, the related funding note and the funding agreement(s) securing such series of notes.</p>

S-6

Agents	<p>Merrill Lynch, Pierce, Fenner & Smith Incorporated, A.G. Edwards & Sons, Inc., Banc of America Securities LLC, Banc One Capital Markets, Inc., Barclays Capital Inc., Citigroup Global Markets Inc., Credit Suisse First Boston LLC, Deutsche Bank Securities Inc., Goldman, Sachs & Co., J.P. Morgan Securities Inc., Lehman Brothers Inc., Morgan Stanley & Co. Incorporated, UBS Securities LLC and Wachovia Securities L.L.C.</p>
Secured Medium Term Notes Program	<p>This prospectus supplement relates to notes that each trust may issue and sell to institutional investors under this secured medium term notes program.</p>
Allstate Life SM CoreNotes® Program	<p>Included in the registration statement, of which this prospectus supplement is a part, is another prospectus supplement relating to notes that may be issued and sold to retail investors by one or more newly established Delaware statutory trusts under the related Allstate LifeSM CoreNotes® program. The terms of the Allstate LifeSM CoreNotes® are identical in all material respects to the terms of the notes to be sold under this program, as described in this prospectus supplement, except that the Allstate LifeSM CoreNotes®:</p>

- may not be issued as amortizing notes;

- will be denominated in U.S. dollars only;
- will not provide for the payment of additional amounts relating to any required withholding under any circumstances; and
- may contain a survivor's option, permitting optional repayment of notes of a series of notes, subject to certain limitations, prior to maturity, if requested, following the death of the beneficial owner of notes of that series.

Amount	A maximum of \$4,000,000,000 of notes, or the equivalent in one or more foreign currencies, may be issued in connection with this prospectus supplement, less any amount of notes previously issued under this program, the related Allstate Life SM CoreNotes [®] program or otherwise under the accompanying prospectus.
Payment of Principal and Interest	<p>Principal and interest payments, if any, on any series of notes will be made solely from the proceeds of one or more funding agreements, and any other collateral, securing such series of notes. Each series of notes may be interest bearing or non-interest bearing.</p> <p>Each series of notes that bears interest may bear interest at either a fixed rate or a floating rate, or a combination of fixed and floating rates, as specified in the applicable pricing supplement.</p> <p>A trust may issue amortizing notes that pay an amount in respect of both interest and principal amortized over the life of the note, if so specified in the applicable pricing supplement.</p>

S-7

Interest Rate	<p>The principal amount of each note (other than amortizing notes) will be payable on its stated maturity date, repayment date or redemption date, as specified in the applicable pricing supplement, at the corporate trust office of the paying agent or any other place designated by the issuing trust.</p> <p>Interest, if any, will be payable on the dates set forth in the applicable pricing supplement.</p> <p>Each fixed rate note will bear interest from its date of issue at the rate stated in the applicable pricing supplement until the principal is paid.</p> <p>Each floating rate note will bear interest from the date of issue until the principal is paid at a rate determined by reference to an interest rate or interest rate formula, which may be adjusted by a spread and/or spread multiplier (each as more fully described under "Description of the Notes"). The pricing supplement will designate one or more of the following base rates, along with the index maturity for that base rate:</p> <ul style="list-style-type: none"> • the CD Rate, • the CMT Rate, • the Commercial Paper Rate, • the Eleventh District Cost of Funds Rate, • the Federal Funds Rate, • LIBOR, • EURIBOR, • the Prime Rate, • the Treasury Rate, or • such other base rate or interest rate formula as may be set forth in the applicable pricing supplement.
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Redemption and Repayment	A trust will redeem its series of notes if Allstate Life redeems each funding agreement securing such series of notes. Except as otherwise specified in the accompanying prospectus, this prospectus supplement or the applicable pricing supplement, the funding agreement(s) securing a series of notes will not be redeemable by Allstate Life, and a series of notes will not be repayable at the option of the holders prior to its stated maturity date. Unless otherwise specified in the applicable pricing supplement, the notes will not be subject to any sinking fund.
Maturities	Each series of notes will mature nine months to 30 years from its date of original issuance. Each series of notes will have the same maturity date as the related funding agreement(s).

S-8

Currencies and Denominations	Unless otherwise specified in the applicable pricing supplement, notes will be denominated in U.S. dollars and will be issued and sold in denominations of \$1,000 and integral multiples of \$1,000 in excess thereof.
Listing	Unless otherwise specified in the applicable pricing supplement, a series of notes will not be listed on any securities exchange.

Forms of Notes

Each series of notes will be issued in fully registered form and, unless otherwise specified in the applicable pricing supplement, will be initially represented by one or more book-entry notes registered in the name of Cede & Co., the nominee of The Depository Trust Company ("DTC"), as depository, or in the name of a common depository for Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear") or Clearstream Banking, societe anonyme ("Clearstream Luxembourg"), in each case as depository, or by one or more definitive notes. Each book-entry note will be held by the indenture trustee as custodian for the applicable depository.

Clearing Systems

Unless otherwise specified in the applicable pricing supplement, the notes will be cleared through DTC.

Administration of Global Funding and the Trusts

Wilmington Trust Company, a Delaware banking corporation, will initially be the sole trustee of Global Funding and each trust. The Delaware trustee will not be obligated in any way to make payments under or in respect of any notes, any funding notes or any funding agreements. The Delaware trustee is not affiliated with Allstate Life or the indenture trustee.

AMACAR Pacific Corp. will initially be the administrator of Global Funding and each trust. The administrator will not be obligated in any way to make any payments under or in respect of the notes, any funding notes or any funding agreements. The administrator is not affiliated with Allstate Life or the indenture trustee.

Allstate Life and Global Funding entered into a support and expenses agreement dated as of (the "depositor support agreement"). Pursuant to the depositor support agreement, Allstate Life agreed, among other things, to pay certain costs and expenses relating to the offering, sale and issuance of each funding note and certain costs, expenses and taxes incurred by Global Funding. Pursuant to the depositor trust agreement, Allstate Life also agreed to indemnify the indenture trustee, the Delaware trustee, the administrator and each other service provider, as well as Global Funding, with respect to certain matters.

S-9

In connection with the issuance of a series of notes, Allstate Life and the issuing trust will enter into a support and expenses agreement (each, a "support agreement"). Under each support agreement, Allstate Life will agree to pay certain costs and expenses relating to the offering, sale and issuance of the applicable series of notes and certain costs, expenses and taxes incurred by the issuing trust. Pursuant to each support agreement, Allstate Life will also agree to indemnify the indenture trustee, the Delaware trustee, the administrator and each other service provider, as well as the issuing trust, with respect to certain matters.

Governing Law

The notes, each indenture and each funding note will be governed by, and construed in accordance with, the laws of the State of New York. The depositor trust agreement is, and each trust agreement will be, governed by, and construed in accordance with, the laws of the State of Delaware. The funding agreements will be governed by the laws of the State of Illinois.

S-10

RISK FACTORS

Your investment in the notes includes risks. In consultation with your own financial and legal advisers, you should carefully consider, among other matters, the following discussion of risks before deciding whether an investment in the notes is suitable for you. The notes are not an appropriate investment for you if you do not understand their significant components and/or financial matters. You should also consult the discussion of risk factors set forth in Allstate Life's Annual Report on Form 10-K for the year ended December 31, 2002, which is incorporated into this prospectus supplement and the accompanying prospectus by reference.

Risk Factors Relating to the Depositor and the Trusts

Each trust will have limited resources and therefore its ability to make timely payments with respect to its series of notes will depend upon Allstate Life making payments under the relevant funding agreement

The ability of a trust to make timely payments with respect to the related series of notes is principally dependent upon Allstate Life making the related payments under each relevant funding agreement. Each trust is a special purpose statutory trust formed for the purpose of the issuance of the related series of notes. The obligations under a series of notes will be secured by and payable solely from the collateral held in the issuing trust. No series of notes will have any right to receive payments from the collateral related to any other series of notes.

The notes of a series are the obligations only of the issuing trust and are not obligations of, or guaranteed by, Allstate Life or any of its affiliates

The notes are not obligations of Allstate Life, Global Funding or any other person or entity other than the issuing trust. The notes are not guaranteed by any person or entity. Except pursuant to the terms of the funding agreement(s) included in the collateral for each series of notes, none of these entities nor any agent, trustee or beneficial owner of Global Funding or the trusts, in respect of any trust, is under any obligation to provide funds or capital to Global Funding or the trusts or with respect to any series of notes issued by the trusts. The net worth of Global Funding on the date hereof is approximately \$1,000 and is not expected to increase materially. The net worth of each trust is expected to be minimal.

As of the date hereof, Global Funding has, and as of the date of issue of any series of notes, the issuing trust will have, no prior operating history

Global Funding is and the trusts will be special purpose statutory trusts organized under the laws of the State of Delaware. Global Funding exists for the sole purpose of facilitating the programs for the issuance of notes. Each trust will exist for the exclusive purposes of: issuing and selling one series of notes to investors; using the net proceeds from the sale of series of notes to acquire the related collateral, including one or more funding agreements; and engaging in other activities necessary or incidental thereto. As of the date hereof, Global Funding has, and as of the date of issue of any series of notes, the issuing trust will have, no prior operating history.

Risk Factors Relating to the Notes

The notes of a series are non-recourse obligations of the issuing trust

The obligations under the notes of a series are non-recourse obligations payable solely from the applicable collateral constituting the assets of the issuing trust. If any event of default shall occur under any series of the notes, the rights of the holders of the notes of such series and the indenture trustee, on behalf of such holders, will be limited to a proceeding against the applicable collateral. None of such holders or the indenture trustee will have the right to proceed against the collateral related to any

other series of notes, Global Funding, any other trust or any of Allstate Life, its officers, directors, affiliates, employees or agents or any of the trustees, beneficial owners or agents, or any of their respective officers, directors, affiliates, employees or agents in the case of any judgment in which there is deficiency remaining after foreclosure of any property included in such collateral. If an event of default shall have occurred under a series of notes, the indenture trustee will be entitled to have its fees and expenses paid solely from the collateral of such series of notes before holders of the notes of such series receive payment of the amounts then due and owing with respect to their notes; *provided*, that such priority of the indenture trustee over the holders of the notes of a series will be limited to an aggregate amount of no more than \$250,000 for all series of notes. All claims of the holders of a series of notes in excess of amounts received from the related collateral will be extinguished. In addition, in certain circumstances an event of default under a series of notes may not constitute an event of default under the applicable funding agreement(s). In that event, it is possible that the obligations under any series of notes may be accelerated while the obligations of Allstate Life under the applicable funding agreement(s) may not be similarly accelerated. If this occurs, the indenture trustee may have no or limited ability to proceed against the applicable funding agreement(s) and the related collateral and holders of the notes may not be paid in full, or in a timely manner upon such acceleration. See "Description of the Indentures—Events of Default" in the accompanying prospectus.

Allstate Life will be the sole obligor under the funding agreements

Since Allstate Life will be the sole obligor under the funding agreements, the ability of a trust to meet its obligations, and your ability to receive payments from such trust, with respect to a particular series of notes, will be principally dependent upon Allstate Life's ability to perform its obligations under each applicable funding agreement held by the issuing trust. Despite this, you will have no direct contractual rights against Allstate Life under any such funding agreement. Pursuant to the terms of each funding agreement, recourse rights to Allstate Life will belong to the issuing trust, its successors and permitted assignees. In connection with the offering and sale of a series of notes, the issuing trust will pledge, collaterally assign and grant a security interest in the collateral for such series of notes to the indenture trustee on behalf of the holders of the applicable series of notes and the other persons identified in the relevant indenture. Recourse to Allstate Life under each such funding agreement will be enforceable only by the indenture trustee as a secured party on behalf of holders of such series of notes and the other persons identified in the relevant indenture. Accordingly, if Allstate Life fails to perform its obligations under the applicable funding agreement(s), your ability to receive payments from the issuing trust would be materially and adversely affected.

Nonetheless, since Allstate Life is a registrant, purchasers of notes may be able to proceed directly against Allstate Life to enforce their rights under the Federal securities laws and their rights under the Federal securities laws will be no different than if they purchased the underlying funding agreements directly from Allstate Life.

The notes could be deemed to be participations in the funding agreements or could otherwise be deemed to be contracts of insurance and holders of the notes could be found to be acting as insurance agents or brokers

The laws and regulations of each state of the United States and the District of Columbia (the "covered jurisdictions") contain broad definitions of the activities that may constitute the conduct of the business of insurance in such jurisdictions. Because the primary asset of each trust will be one or more funding agreements issued by Allstate Life, which will be sold to, and deposited into, the issuing trust by Global Funding, it is possible that a trust's issuance of notes, Global Funding's issuance of the related funding note or the performance of the issuing trust's obligations under the notes, including the payment or prepayment of amounts due under the notes, or the purchase, resale or assignment of the notes by any investor or any person who acquires the notes directly or indirectly from such investor

- could be characterized by one or more jurisdictions as the conduct of the business of insurance by Global Funding, the issuing trust, any such investor or any such other person or
- could otherwise subject Global Funding, the issuing trust, any such investor or any such other person to regulation under the insurance laws of one or more covered jurisdictions.

This could, among other effects, require such persons to be subject to regulatory licensure or other qualifications and levels of compliance that cannot practically be achieved. Failure to comply with such requirements could subject any such person to regulatory penalties. In the event Global Funding or any trust is subject to any such penalties or any other liabilities resulting from such regulation, the ability of holders to receive payment under the notes could be materially and adversely affected. In addition, any such failure to comply or the threat of any such regulation could reduce liquidity with respect to the notes, prevent an investor from transferring notes and reduce the marketability and market value of the notes. Therefore, any such regulation or threat of regulation by any one or more covered jurisdictions could result in an investor either being unable to liquidate its investment in the notes or, upon any such liquidation, receiving a value significantly less than the initial investment in the notes.

The Illinois Department of Insurance has confirmed that it does not consider the sale of publicly offered funding agreement backed medium term notes to violate the Illinois Insurance Code. In addition, the Illinois Department of Insurance has approved the form of funding agreement to be used in connection with the offering of notes.

Based primarily upon communications with the staff of the insurance regulatory bodies in most states and advice of LeBoeuf, Lamb, Greene & MacRae, L.L.P., Allstate Life and Global Funding believe that:

- the notes should not be subject to regulation as participations in the funding agreements themselves or otherwise constitute insurance contracts under the insurance laws of the covered jurisdictions; and
- Global Funding, the trusts and persons selling or purchasing the notes should not be subject to regulation as doing an insurance business under the insurance laws of the covered jurisdictions by virtue of their respective activities in connection with the offer, sale and/or purchase of the notes.

There are, however, wide variations in the insurance laws of the covered jurisdictions, subtle nuances in their application, and a general absence of any consistent pattern of interpretation or enforcement. Insurance regulatory authorities have broad discretionary powers in administering the insurance laws, including the authority to modify or withdraw a regulatory interpretation, impose new rules, and take a position contrary to Allstate Life's. In addition, state courts are not bound by any regulatory interpretations and could take a position contrary to Allstate Life's. Consequently, there can be no assurance that the purchase, resale or assignment of the notes or the funding notes will not subject the parties to such transaction to regulation or enforcement proceedings under the insurance laws of one or more covered jurisdictions.

Notes of a series may be redeemed early if the trust becomes obligated to pay Additional Amounts

If a trust is obligated to withhold or deduct any taxes or pay any additional amount (as defined in "Description of the Notes—Withholding Tax and Payment of Additional Amounts") with respect to any payment on the notes of a series to non-U.S. Holders, or if there is a material probability that the issuing trust will become obligated to withhold or deduct any such taxes or pay any additional amount (in the opinion of independent legal counsel selected by Allstate Life), in each case pursuant to a change in or amendment to any United States tax laws or any regulation or ruling thereunder or any change in the position of the Internal Revenue Service regarding the application or interpretation thereof, then Allstate Life, pursuant to the terms of the relevant funding agreement(s), may terminate

the relevant funding agreement(s). If Allstate Life terminates the relevant funding agreement(s), the issuing trust will redeem the particular series of notes by giving not less than 30 nor more than 75 days' notice. Upon such redemption, the trust will pay holders of such series of notes the outstanding amounts then due and owing with respect to their notes. If a trust redeems your notes, you may not be able to invest the redemption proceeds in a comparable security at an interest rate equal to the interest rate on your notes being redeemed.

Payments under funding agreements may be insufficient to pay principal and interest, if any, under the notes

Payments of the principal of and any interest on a series of notes will be made solely from the payments the issuing trust receives under the applicable funding agreement(s). Unless otherwise specified in this prospectus supplement or the applicable pricing supplement, Allstate Life will not pay any Additional Amounts (as defined in the applicable funding agreement) in respect of a funding agreement to compensate for any withholding or deduction for or on account of any present or future taxes, duties, levies, assessments or governmental charges of whatever nature imposed or levied on payments in respect of a funding agreement, by or on behalf of any governmental authority and each holder of a note of the related series of notes will be deemed for all purposes to have received cash in an amount equal to the portion of such withholding or deduction that is attributable to such holder's interest in the notes, as equitably determined by the issuing trust. Under this circumstance, the issuing trust will not actually pay, or cause to be paid, to such holder all of the amounts which would have been receivable by such holder in the absence of such taxes, duties, levies, assessments or other governmental charges.

Redemption may adversely affect your return on the notes

If your notes are redeemable at the option of the issuing trust, it may choose to redeem your notes at times when prevailing interest rates are relatively low. In addition, if your notes are subject to mandatory redemption, the issuing trust may be required to redeem your notes also at times when prevailing interest rates are relatively low. As a result, you may not be able to reinvest the redemption proceeds in a comparable security at an interest rate equal to the interest rate on your notes being redeemed.

There may not be any trading market for your notes; Many factors affect the trading and market value of your notes

Upon issuance, the notes of a series will not have an established trading market. No assurance can be given that a trading market for your notes will ever develop or be maintained if developed. In addition to the creditworthiness of Allstate Life and the issuing trust, many factors affect the trading market for, and trading value of, your notes. These factors include:

- the complexity and volatility of the formula applicable to your notes;
- the method of calculating the principal, premium and interest in respect of your notes;
- the time remaining to the maturity of your notes;
- the outstanding amount of the applicable series of notes;
- any redemption features of your notes;
- the amount of other debt securities linked to the formula applicable to your notes; and
- the level, direction and volatility of market interest rates generally.

There may be a limited number of buyers if you decide to sell your notes. This may affect the price you receive for your notes or your ability to sell your notes at all. In addition, notes that are

designed for specific investment objectives or strategies often experience a more limited trading market and more price volatility than those not so designed. You should not purchase notes unless you understand and know you can bear all of the investment risks involving your notes.

Foreign currency notes are subject to exchange rate and exchange control risks

If you invest in notes that are denominated and/or payable in a currency other than U.S. dollars, which are referred to in this prospectus supplement as "foreign currency notes," you will be subject to significant risks not associated with an investment in a debt security denominated and payable in U.S. dollars. These risks include the possibility of material changes in the exchange rate between U.S. dollars and the applicable foreign currency and the imposition or modification of exchange controls by the applicable governments. The trusts will have no control over the factors that generally affect these risks, including economic, financial and political events and the supply and demand for the applicable currencies. Moreover, if payments on your foreign currency notes are determined by reference to a formula containing a multiplier or leverage factor, the effect of any change in the exchange rates between the applicable currencies will be magnified. In recent years, exchange rates between certain currencies have been highly volatile and volatility between these currencies or with other currencies may be expected in the future. Fluctuations between currencies in the past are not necessarily indicative, however, of fluctuations that may occur in the future. Depreciation of your payment currency would result in a decrease (1) in the equivalent yield in U.S. dollars of your foreign currency notes, (2) in the U.S. dollar equivalent value of the principal and any premium payable at maturity or any earlier redemption of your foreign currency notes and (3) generally, in the U.S. dollar equivalent market value of your foreign currency notes.

Governmental exchange controls could affect exchange rates and the availability of the payment currency for your foreign currency notes on a required payment date. Even if there are no exchange controls, it is possible that your payment currency will not be available on a required payment date for circumstances beyond the control of the issuing trust. In these cases the issuing trust will be allowed to satisfy the obligations in respect of your foreign currency notes in U.S. dollars.

Ratings of the medium term note program described in this prospectus supplement, the Allstate LifeSM CoreNotes[®] program and each series of notes may not reflect all risks of an investment in the notes

Each series of notes will be rated by at least one nationally recognized statistical rating organization. The ratings of such notes will primarily reflect the financial strength of Allstate Life and will change in accordance with the rating of Allstate Life's financial strength and with any change in the priority status under Illinois law of funding agreements. Any rating is not a recommendation to purchase, sell or hold any particular security, including the notes. Such ratings do not comment as to market price or suitability for a particular investor. In addition, there can be no assurance that a rating will be maintained for any given period of time or that a rating will not be lowered or withdrawn in its entirety. The ratings of the medium term note program described in this prospectus supplement, the Allstate LifeSM CoreNotes[®] program and each series of notes may not reflect the potential impact of all risks related to structure and other factors on any trading market for, or trading value of, your notes.

If market interest rates increase above the interest rate of notes bearing interest at a fixed rate, such notes bearing interest at a fixed rate generally decline in value because debt instruments of the same face value priced at market interest rates will yield higher income. Consequently, if you purchase fixed rate notes and market interest rates increase above the fixed interest rate on the notes you have purchased, the market value of your notes may decline. Allstate Life can give no assurance regarding the future level of market interest rates.

S-15

If you purchase discount notes, the amount payable to you upon early redemption, repayment or acceleration of these notes may be less than the principal amount (i.e., par) of the notes plus accrued but unpaid interest and premium, if any

If you purchase discount notes, the amount payable to you upon early redemption, repayment or acceleration of these notes may be less than the principal amount thereof plus accrued and unpaid interest. The amount payable will be determined by the formula set forth in this prospectus supplement or pricing supplement.

Risk Factors Relating to the Collateral

The funding agreements are unsecured obligations of Allstate Life. If the funding agreements were not determined to be insurance contracts, they would be accorded the same priority in an insolvency of Allstate Life as its other general unsecured obligations

The primary assets of each trust will be one or more funding agreements, and payments on the notes of a series will principally depend on payments under each related funding agreement(s). In addition, each trust will grant a security interest in, pledge and assign as collateral each funding agreement it acquires with the proceeds from the offering of a series of notes together with the related collateral to the indenture trustee, on behalf of the holders of the notes of such series and other persons specified in the relevant indenture, to secure the obligations under that series of notes.

In the event of insolvency of an Illinois insurance company, claims against the insurer's estate are prioritized pursuant to Section 5/205 of the Illinois Insurance Code. Under Section 5/205(1)(d) of the Illinois Insurance Code, claims by "policyholders, beneficiaries, and insureds, under insurance policies, annuity contracts, and funding agreements" receive payment prior to any distribution to general creditors not falling within any other priority class under the Illinois Insurance Code. The funding agreements are unsecured obligations of Allstate Life.

Lord, Bissell & Brook, special Illinois insurance regulatory counsel of Allstate Life, has opined that, subject to the limitations, qualifications and assumptions set forth in its opinion letter, in a properly prepared and presented case, (1) in a delinquency proceeding under Article XIII of the Illinois Insurance Code, 215 ILCS Section 5/187 *et seq.* (the "Illinois Liquidation Act"), the timely and properly filed claims of an owner under the funding agreement (with the possible exception of claims for Additional Amounts, as discussed below) would be entitled to distribution *pari passu* with claims made by other policyholders, beneficiaries, and insureds under other insurance policies, insurance contracts, annuities and funding agreements issued by Allstate Life, and the claims of the Illinois Life and Health Insurance Guaranty Association, and any similar organization in another state, in accordance with Section 5/205(1)(d) of the Illinois Liquidation Act, and (2) an owner's claims under the funding agreement should not be recharacterized as other than the claims of a policyholder, beneficiary, or insured under an insurance policy, insurance contract, annuity or funding agreement.

In the absence of controlling judicial precedents, the opinion of Lord, Bissell & Brook is based on a reasoned analysis of Illinois statutes, as well as application of other states' judicial decisions involving similar or analogous circumstances. Investors should note that in the event of the insolvency of an insurance company, however, the judicial application of statutes governing the distribution of the insurer's general assets has typically proceeded on a case-by-case basis.

Additional Amounts may be considered a separate payment obligation and may not be subject to the same priority as other amounts claimed under the funding agreements

If a funding agreement so provides, Allstate Life may be required to pay Additional Amounts (as such term is defined therein) to the indenture trustee as collateral assignee of the funding agreement. Although such payments could be viewed as a claim under the funding agreements within the meaning

S-16

of Section 5/205(1)(d), they may also be argued to be a separate payment obligation. Therefore, while in a proceeding before a court of competent jurisdiction, the court might find that a claim for an Additional Amount constitutes a claim under a funding agreement, it also might find that such a claim is not a claim entitled to the priority afforded by Section 5/205(1)(d). Lord, Bissell & Brook has opined that if a claim for an Additional Amount does not constitute a claim entitled to the priority afforded by Section 5/205(1)(d), then in a properly prepared and presented case any claim for an Additional Amount would be entitled to the same priority as claims of general creditors of Allstate Life under Section 5/205(1)(g). Accordingly, in the event of the insolvency of Allstate Life, your claim for any payments of Additional Amounts may be subordinated to claims for other amounts under the applicable funding agreement.

Changes in Federal tax legislation could adversely affect Allstate Life's business

Under the Internal Revenue Code of 1986, as amended (the "Code"), United States Federal income tax payable by policyholders on investment earnings is deferred during the accumulation period of certain life insurance and annuity products. Thus, taxes, if any, are payable on income attributable to a distribution under the contract for the year in which the distribution is made. This favorable tax treatment may give certain of Allstate Life's products a competitive advantage over other noninsurance products. On May 28, 2003, President Bush signed the Jobs and Growth Tax Relief Reconciliation Act of 2003, which reduces the federal income tax rates applicable to certain dividends and capital gains realized by individuals. This legislation may lessen the competitive advantage of certain of Allstate Life's products vis-à-vis other investments that generate dividend and/or capital gain income. As a result, demand for certain of Allstate Life's products that offer income tax deferral may be negatively impacted. Additionally, Congress has from time to time considered other legislation that would reduce or eliminate the benefits to policyowners of the deferral of taxation on the accretion of value within certain insurance products or otherwise affect the taxation of insurance products and insurance companies. To the extent that the Code is revised to reduce the tax deferred status of insurance products, or to reduce the taxation of competing products, all life insurance companies, including Allstate Life, could be adversely affected.

S-17

ALLSTATE LIFE GLOBAL FUNDING TRUSTS

Each series of notes will be issued by a separate newly created trust formed by Global Funding, the administrator and the Delaware trustee pursuant to the filing of a certificate of trust and the execution of the applicable trust agreement. Global Funding will be the sole beneficial owner of each trust that is formed.

After formation, each trust will not engage in any activity other than:

issuing and selling a single series of notes;

- immediately acquiring a funding note and immediately canceling such funding note in exchange for one or more funding agreement(s);
- acquiring, holding and maintaining the funding agreement(s);
- pledging, assigning as collateral and granting a security interest in the applicable funding agreement(s) to the indenture trustee;
- making payments on the applicable series of notes; and
- engaging in other activities that are necessary, suitable or convenient to accomplish the foregoing or are incidental to or connected with those activities.

The principal executive offices of the trusts will be located at Allstate Life Global Funding Trusts, c/o: AMACAR Pacific Corp., 6525 Morrison Boulevard, Suite 318, Charlotte, North Carolina 28211. The telephone number will be (704) 365-0569. For more information about the trusts, see "Description of Allstate Life Global Funding and the Trusts" in the accompanying prospectus.

ALLSTATE LIFE GLOBAL FUNDING

Global Funding is a special purpose statutory trust formed under the laws of the State of Delaware, pursuant to the filing of a certificate of trust and the execution of the depositor trust agreement between the administrator and the Delaware trustee. The sole purpose of Global Funding is to facilitate the programs for the issuance of notes.

Global Funding will not engage in any activity other than:

- beneficially owning the trusts;
- issuing one or more funding notes;
- acquiring one or more funding agreements from Allstate Life;
- assigning absolutely the funding agreements to, and depositing such funding agreements into, the trusts; and
- engaging in other activities that are necessary, suitable or convenient to accomplish the foregoing or are incidental to or connected with those activities.

The principal executive offices of Global Funding are located at Allstate Life Global Funding, c/o: AMACAR Pacific Corp., 6525 Morrison Boulevard, Suite 318, Charlotte, North Carolina 28211. The telephone number is (704) 365-0569. For more information about Global Funding, see "Description of Allstate Life Global Funding and the Trusts" in the accompanying prospectus.

S-18

ALLSTATE LIFE INSURANCE COMPANY

Allstate Life was incorporated in 1957 as a stock life insurance company under the laws of the State of Illinois. It conducts substantially all of its life insurance operations directly or through its wholly owned life insurance subsidiaries. It is a wholly owned subsidiary of Allstate Insurance Company ("AIC"), a stock property-liability insurance company incorporated under the laws of the State of Illinois. All of the outstanding stock of AIC is owned by The Allstate Corporation, a publicly owned holding company incorporated under the laws of the State of Delaware.

The Allstate Corporation, together with its subsidiaries, is the second largest personal property and casualty insurer in the United States on the basis of 2002 statutory premiums earned. Widely known through the "You're In Good Hands With Allstate®" slogan, The Allstate Corporation, through its subsidiaries, provides insurance products to more than 16 million households and has approximately 12,900 exclusive agents and financial specialists in the U.S. and Canada. For more information about Allstate Life, see "Description of Allstate Life Insurance Company" in the accompanying prospectus.

Allstate Life's principal executive offices are located at 3100 Sanders Road, Northbrook, Illinois 60062 and its telephone number is (847) 402-5000.

S-19

DESCRIPTION OF THE NOTES

This section provides a summary description of the material provisions of the notes. Each series of notes will be issued pursuant to a separate indenture (each, an "indenture") to be entered into between the issuing trust and J.P. Morgan Trust Company, National Association, as indenture trustee (including any successor, the "indenture trustee"). The provisions of the notes are not restated in their entirety and you should read the actual provisions set forth in the standard indenture terms filed as an exhibit to the registration statement of which this prospectus supplement and the accompanying prospectus form a part because those provisions, and not this description, will define your rights as an owner of an interest in the notes of a series. The terms and conditions of the notes described in this section will apply to each series of notes, except that the specific terms of a series of notes will be added in the applicable pricing supplement and each book-entry or definitive note (each, a "note certificate") representing the notes of such series. It is important for you to consider the information contained in this prospectus supplement, the accompanying prospectus, the applicable indenture, the applicable pricing supplement and the note certificates in making your investment decision.

This section describes some technical concepts and occasionally contains defined terms. You should refer to the standard indenture terms and the form of note certificates filed as exhibits to the registration statement to which this prospectus supplement and the accompanying prospectus relate for the full description of those concepts and complete definitions of those terms.

General

Indentures

Each trust will issue its series of notes subject to and entitled to the benefits of a separate indenture. Each indenture will be subject to, qualified under and governed by, the Trust Indenture Act. The aggregate principal amount of notes that may be authenticated and delivered under each indenture will be unlimited. For a description of the indentures, see "Description of the Indentures" beginning on page of the accompanying prospectus.

Collateral

Pursuant to each indenture, the issuing trust will assign each funding agreement held by it to the indenture trustee on behalf of the holders of the notes issued by such trust. Each series of notes will be secured by a first priority perfected security interest in the "collateral" for such series of notes in favor of the indenture trustee, on behalf of the holders of the notes of such series and the other persons identified in the relevant indentures which will consist of the right, title and interest of the issuing trust in and to:

- the funding agreement(s) held by the issuing trust;
- all proceeds of the relevant funding agreement(s); and
- all books and records pertaining to the relevant funding agreement(s).

Ranking

The notes of a series will be the unconditional, direct, non-recourse and unsubordinated obligations of the issuing trust and will rank equally among themselves. Each series of notes will be secured by and payable solely out of the assets of the issuing trust, and holders of such series of notes will have no right against the assets of Global Funding or the assets of any other trust.

S-20

Pricing Supplement

The pricing supplement relating to the offering of a series of notes will describe the following terms:

- the principal amount and specified currency for the notes;
- whether the notes are:
 - fixed rate notes,
 - floating rate notes,
 - amortizing notes, meaning that a portion or all of the principal amount is payable prior to the stated maturity date in accordance with a schedule or by application of a formula, and/or
 - discount notes that do not bear any interest currently or bear interest at a rate that is below market rates at the time of issuance;
- the price at which the notes will be issued, which will be expressed as a percentage of the aggregate principal amount or face amount;
- the original issue date on which the notes will be issued;
- the stated maturity date;
- if the notes are fixed rate notes, the rate per annum at which the notes will bear any interest and the interest payment date frequency;
- if the notes are floating rate notes, relevant terms such as:
 - the interest rate basis or interest rate bases,
 - the initial interest rate,
 - the interest reset period or the interest reset dates,
 - the interest payment dates,
 - the index maturity,
 - any maximum interest rate,
 - the minimum interest rate,
 - the spread and/or spread multiplier, and
 - any other terms relating to the particular method of calculating the interest rate for the notes and whether and how the spread and/or spread multiplier may be changed prior to the stated maturity date;
- if the notes are amortizing notes, the terms for repayment prior to the stated maturity date;
- whether the notes may be redeemed by the issuing trust, or repaid at the option of the holders, prior to the stated maturity date and the terms of their redemption or repayment, provided that any such redemption or repayment will be accompanied by the simultaneous redemption or repayment of the relevant funding agreement(s);

- any special United States federal income tax considerations relating to the purchase, ownership and disposition of the notes; and

- any other terms of the notes provided in the accompanying prospectus to be set forth in a pricing supplement or that are otherwise consistent with the provisions of the indenture under which the notes will be issued.

The pricing supplement also may add, update, supplement or clarify information in this prospectus supplement and the accompanying prospectus.

Pricing Options

Notes that bear interest will either bear interest at fixed or floating rates, as specified in the applicable pricing supplement. The trusts may also issue discount notes and amortizing notes, as specified in the applicable pricing supplement.

Maturities

Each series of notes will mature on a day nine months to 30 years from its date of issue (the "stated maturity date"), as specified in the applicable pricing supplement, unless its principal (or, any installment of its principal) becomes due and payable prior to the stated maturity date, whether, as applicable, by the declaration of acceleration of maturity, notice of redemption at the option of the issuing trust, notice of the registered holder's option to elect repayment or otherwise (the stated maturity date or any date prior to the stated maturity date on which the particular series of notes becomes due and payable, as the case may be, is referred to as the "maturity date" with respect to the principal of such series of notes repayable on that date). Each series of notes will mature on or prior to 30 years from its date of original issuance. Each series of notes will have the same maturity as the related funding agreement(s).

Currency

Unless otherwise specified in the applicable pricing supplement, the notes of a series will be denominated in, and payments of principal, premium, if any, and/or interest or other amounts, if any, in respect thereof will be made in, United States dollars. Each series of notes also may be denominated in, and payments of principal, premium, if any, and/or interest or other amounts, if any, in respect thereof may be made in, one or more foreign currencies. See "Special Provisions Relating to Foreign Currency Notes—Payment of Principal, Premium, if any, and Interest, if any". The currency in which a particular series of notes is denominated (or, if that currency is no longer legal tender for the payment of public and private debts in the country issuing that currency or, in the case of Euro, in the member states of the European Union that have adopted the single currency in accordance with the treaty establishing the European Community, as amended by the treaty on European Union, the currency which is then legal tender in the related country or in the adopting member states of the European Union, as the case may be) is referred to as the "specified currency" with respect to such series of notes.

You will be required to pay for your notes in the specified currency. At the present time, there are limited facilities in the United States for the conversion of United States dollars into foreign currencies and vice versa, and commercial banks do not generally offer non-United States dollar checking or savings account facilities in the United States. The Agent from or through which a foreign currency note is purchased may be prepared to arrange for the conversion of United States dollars into the specified currency in order to enable you to pay for your foreign currency note, provided that you make a request to that Agent on or prior to the fifth business day (as defined below) preceding the date of delivery of the particular foreign currency note, or by any other day determined by that Agent. Each conversion will be made by an Agent on the terms and subject to the conditions, limitations and charges as that Agent may from time to time establish in accordance with its regular foreign exchange

practices. You will be required to bear all costs of exchange in respect of your foreign currency note. See "Special Provisions Relating to Foreign Currency Notes".

The issuing trust may (if so specified in the applicable pricing supplement) without the consent of the holders of any note or coupon, redenominate all, but not less than all, of the notes of a series on or after the date on which the member state of the European Union in whose national currency such notes are denominated has become a participant member in the third stage of the European economic and monetary union as more fully set out in the applicable pricing supplement.

Form of Notes; Denominations

The issuing trust will issue each note of a series as a book-entry note represented by one or more fully registered global securities or as a fully registered definitive note. Unless otherwise specified in the applicable pricing supplement, the minimum denominations of each note will be \$1,000 and integral multiples of \$1,000 in excess thereof.

Listing

Unless otherwise specified in the applicable pricing supplement, a series of notes will not be listed on any securities exchange.

Payments

The issuing trust will make payments of principal of, and premium, if any, and interest and other amounts due and owing, if any, on book-entry notes through the indenture trustee to the account of the depository or its nominee. See "—Form of Notes" and "—Clearing Systems". In the case of definitive notes, payments of principal of, and premium, if any, and interest and other amounts due and owing, if any, will be made on the maturity date in immediately available funds upon presentation and surrender thereof (and, in the case of any repayment on an optional repayment date, upon submission of a duly completed election form if and as required by the provisions described below) at the office or agency maintained by the issuing trust for this purpose in the Borough of Manhattan, The City of New York, currently the paying agency office of the indenture trustee located at 4 New York Plaza, 1st Floor, New York, New York 10004. The issuing trust will make payments of interest and other amounts due and owing, if any, on the maturity date of a definitive note to the person to whom payment of the principal thereof and premium, if any, thereon shall be made. The issuing trust will make payments of interest and other amounts due and owing, if any, on a definitive note on any interest payment date (as defined below) other than the maturity date by check mailed to the address of the registered holder entitled thereto appearing in the applicable note register. Notwithstanding the foregoing, the issuing trust will make payments of interest and other amounts due and owing, if any, on any interest payment date other than the maturity date to each registered holder of \$10,000,000 (or, if the specified currency is other than United States dollars, the equivalent thereof in the particular specified currency) or more in aggregate principal amount of definitive notes (whether having identical or different terms and provisions) by wire transfer of immediately available funds if the applicable registered holder has delivered appropriate wire transfer instructions in writing to the indenture trustee not less than 15 days prior to the particular interest payment date. Any wire transfer instructions received by the indenture trustee shall remain in effect until revoked by the applicable registered holder. For special payment terms applicable to foreign currency notes, see "Special Provisions Relating to Foreign Currency Notes—Payment of Principal, Premium, if any, and Interest, if any".

Business Day

"Business day" means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which commercial banks are authorized or required by law, regulation or executive order to

close in The City of New York; provided, however, that, with respect to foreign currency notes, the day must also not be a day on which commercial banks are authorized or required by law, regulation or executive order to close in the principal financial center (as defined below) of the country issuing the specified currency (or, if the specified currency is Euro, the day must also be a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is open).

Principal Financial Center

"Principal financial center" means, as applicable:

- the capital city of the country issuing the specified currency; or
- the capital city of the country to which the LIBOR currency relates;

provided, however, that with respect to United States dollars, Australian dollars, Canadian dollars, Euro, South African rand and Swiss francs, the "principal financial center" shall be The City of New York, Sydney, Toronto, London (solely in the case of the LIBOR currency), Johannesburg and Zurich, respectively.

Registration and Transfer of Notes

Book-entry notes may be transferred or exchanged only through the clearing systems (described below). Registration of transfer or exchange of definitive notes of a series will be made at the office or agency maintained by the issuing trust for this purpose in the Borough of Manhattan, The City of New York, which is currently the corporate trust office of the indenture trustee. No service charge will be imposed for any such registration of transfer or exchange of notes, but the issuing trust may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith (other than certain exchanges not involving any transfer).

Withholding Tax and Payment of Additional Amounts

All amounts due in respect of the notes will be made without withholding or deduction for or on account of any present or future taxes, duties, levies, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of any governmental authority in the United States having the power to tax payments on the notes unless the withholding or deduction is required by law.

Unless otherwise specified in the applicable pricing supplement, a trust will not pay any additional amounts ("additional amounts") to holders of any series of notes in the event that any withholding or deduction is so required by law, regulation or official interpretation thereof, and the imposition of a requirement to make any such withholding or deduction will not give rise to any independent right or obligation to redeem the notes of such series.

If a trust so specifies in the applicable pricing supplement, such trust will pay, or cause to be paid, additional amounts to non-U.S. Holders (as defined in "United States Federal Income Tax Considerations") to compensate for any withholding or deduction for or on account of any present or future taxes, duties, levies, assessments or governmental charges of whatever nature imposed or levied on payments on the notes of the relevant series by or on behalf of any governmental authority in the United States having the power to tax, so that the net amount received by the holders of the notes of such series, after giving effect to such withholding or deduction, whether or not currently payable, will equal the amount that would have been received under the notes of such series were no such deduction or withholding required; provided that no such additional amounts shall be required for or on account of:

- any tax, duty, levy, assessment or other governmental charge imposed which would not have been imposed but for a holder or beneficial owner of one or more of the notes of such series,

- having any present or former connection with the United States, including, without limitation, being or having been a citizen or resident thereof, or having been present, having been incorporated in, having engaged in a trade or business or having (or having had) a permanent establishment or principal office therein,
- being a controlled foreign corporation (within the meaning of Section 957(a) of the Code) related (within the meaning of Code Section 864(d)(4)) to Allstate Life,
- being an actual or constructive owner of 10% or more of the total combined voting power of all classes of stock of Allstate Life entitled to vote.
- being a bank for United States federal income tax purposes whose receipt of interest on the note is described in Section 881(c)(3)(A) of the Code, or
- being subject to backup withholding as of the date of the purchase by the holder of the note;
- any tax, duty, levy, assessment or other governmental charge which would not have been imposed but for the presentation of the note (where presentation is required) for payment on a date more than 30 days after the date on which such payment becomes due and payable or the date on which payment is duly provided for, whichever occurs later;
- any tax, duty, levy, assessment or other governmental charge which is imposed or withheld solely by reason of the failure of the holder or beneficial owner of a note to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of such note, if compliance is required by statute, by regulation of the United States Treasury Department, judicial or administrative interpretation, other law or by an applicable income tax treaty to which the United States is a party as a condition to exemption from such tax, duty, levy, assessment or other governmental charge;
- any inheritance, gift, estate, personal property, sales, transfer or similar tax, duty, levy, assessment, or similar governmental charge;
- any tax, duty, levy, assessment, or other governmental charge that is payable otherwise than by withholding from payments in respect of the notes of such series;
- any tax, duty, levy, assessment or governmental charge imposed by reason of payments on the notes of such series being treated as contingent interest described in Section 871(h)(4) of the Code provided such treatment was described in the applicable pricing supplement;
- any tax, duty, levy, assessment or governmental charge that would not have been imposed but for an election by the holder of the notes of such series, the effect of which is to make one or more payments in respect of the notes of such series subject to United States federal income tax or withholding tax provisions; or

- any combination of the items described in the bullets above.

On June 3, 2003, the European Council of Economic and Finance Ministers adopted a new directive regarding the taxation of savings income. The directive is scheduled to be applied by member states from January 1, 2005, provided that certain non-member state countries adopt similar measures from the same date. Under the directive, each member state will be required to provide to the tax authorities of another member state details of payments of interest or other similar income paid by a person within its jurisdiction to an individual resident in that other member state; however, Austria, Belgium and Luxembourg may instead apply a withholding system for a transitional period in relation to such payments, deducting tax at rates rising over time to 35%. The transitional period is to commence on the date from which the directive is to be applied by member states and to terminate at

S-25

the end of the first fiscal year following agreement by certain non-member state countries to the exchange of information relating to such payments. For the avoidance of doubt, should any deduction or withholding on account of tax be required to be made, or be made, pursuant to the directive no additional amounts shall be payable or paid by the trusts.

Security; Non-Recourse Obligations

The notes of a series will solely be the obligations of the issuing trust, and will not be guaranteed by any person or entity. The obligations under each series of notes will be secured by all of the rights and title of the issuing trust in one or more funding agreements issued by Allstate Life and other rights and assets included in the applicable collateral held in the issuing trust.

Since Allstate Life will be the sole obligor under the funding agreements, the ability of a trust to meet its obligations, and your ability to receive payments from such trust, with respect to a particular series of notes, will be principally dependent upon Allstate Life's ability to perform its obligations under each applicable funding agreement held by the issuing trust. Despite this, you will have no direct contractual rights against Allstate Life under any such funding agreement. Pursuant to the terms of each funding agreement, recourse rights to Allstate Life will belong to the issuing trust, its successors and permitted assignees. In connection with the offering and sale of a series of notes, the issuing trust will pledge, collateralize and grant a security interest in the collateral for such series of notes to the indenture trustee on behalf of the holders of the applicable series of notes and the other persons identified in the relevant indenture. Accordingly, recourse to Allstate Life under each such funding agreement will be enforceable only by the indenture trustee as a secured party on behalf of holders of such series of notes and the other persons identified in the relevant indenture.

Nonetheless, since Allstate Life is a registrant, purchasers of notes may be able to proceed directly against Allstate Life to enforce their rights under the Federal securities laws and their rights under the Federal securities laws will be no different than if they purchased the underlying funding agreements directly from Allstate Life.

Redemption, Repayment and Repurchase of Notes

Unless otherwise specified in the applicable pricing supplement and provided for in the applicable funding agreement(s), and except as provided with respect to an optional tax event redemption, the notes of a series will not be redeemable, except at the applicable maturity date, when all notes of such series will be redeemed.

Optional Redemption by the Issuer; No Sinking Fund

If an initial redemption date is specified in the applicable pricing supplement and provided for in the applicable funding agreement(s), the issuing trust may redeem the particular series of notes prior to its stated maturity date at its option on any date on or after that initial redemption date in whole or from time to time in part in increments of \$1,000 or any other integral multiple of an authorized denomination specified in the applicable pricing supplement (provided that any remaining principal amount thereof shall be at least \$1,000 or other minimum authorized denomination applicable thereto), at the applicable redemption price (as defined below), together with unpaid interest accrued thereon to the date of redemption. "Redemption price," with respect to a series of notes, means an amount equal to the initial redemption percentage specified in the applicable pricing supplement (as adjusted by the annual redemption percentage reduction, if applicable) multiplied by the unpaid principal amount thereof to be redeemed. The initial redemption percentage, if any, applicable to a series of notes shall decline at each anniversary of the initial redemption date by an amount equal to the applicable annual redemption percentage reduction, if any, until the redemption price is equal to 100% of the unpaid

S-26

amount thereof to be redeemed. For a discussion of the redemption of discount notes, see "—Discount Notes".

No series of notes will be subject to, or entitled to the benefit of, any sinking fund unless otherwise indicated in the applicable pricing supplement.

The applicable pricing supplement may provide that the notes of a series may be redeemed by the issuing trust and the terms of such redemption. If so specified, the issuing trust will give a notice of redemption to each holder of the notes to be redeemed not less than 30 days nor more than 60 days prior to the date fixed for redemption.

If the notes of a series may be redeemed by the issuing trust when more than 20% of the principal of such notes is outstanding, the notes will be designated as "callable" notes in the applicable pricing supplement. Unless otherwise specified in the applicable pricing supplement, such series of notes will otherwise be subject to the redemption provisions described above.

Repayment at Option of Holder

A series of notes may permit, upon the terms and subject to the limitations set forth in the applicable pricing supplement, redemption at the option of persons designated in the applicable pricing supplement. If one or more series of notes provides for such optional redemption, the persons designated in the applicable pricing supplement may require the issuing trust to repay the notes of such series prior to their stated maturity date in whole or from time to time in part in increments of \$1,000 or any other integral multiple of an authorized denomination specified in the applicable pricing supplement (provided that any remaining principal amount thereof shall be at least \$1,000 or other minimum authorized denomination applicable thereto), at a repayment price equal to 100% of the unpaid principal amount thereof to be repaid, together with unpaid interest accrued thereon to the date of repayment and any other amounts then due and owing. Exercise of the repayment option will be irrevocable. For a discussion of the repayment of discount notes, see "—Discount Notes".

Only DTC may exercise a repayment option in respect of notes of a series issued in book-entry form. Accordingly, beneficial owners of notes that desire to exercise their repayment option, if any, with respect to all or any portion of such notes, must instruct the participant through which they own their interest to direct DTC to exercise the repayment option on their behalf by delivering the duly completed election form to the indenture trustee. In order to ensure that the election form is received by the indenture trustee on a particular day, the applicable beneficial owner must so instruct the participant through which it owns its interest before such participant's deadline for accepting instructions for that day. Participants may have different deadlines for accepting instructions from their customers. Accordingly, a beneficial owner should consult the participant through which it owns its interest in the notes for the participant's deadline for receiving payment instructions. In addition, at the time such instructions are given,

each such beneficial owner will cause such participant to transfer such beneficial owner's interest in the notes issued in book-entry form, on DTC's records, to the indenture trustee.

Unless otherwise specified in the applicable pricing supplement, the notes of a series will not provide any holder with the option to have the issuing trust repay the note on a date or dates specified prior to its maturity date.

Repurchase of Notes

Each trust may purchase some or all notes of a series issued by such trust in the open market or otherwise at any time, and from time to time, with the prior written consent of Allstate Life as to both the making of such purchase and the purchase price to be paid for such notes. If Allstate Life, in its sole discretion, consents to such purchase of notes by the issuing trust, then such trust, the indenture

S-27

trustee and Allstate Life will be obligated to take such actions as may be necessary or desirable to effect the prepayment of such portion, or the entirety, of the current Principal Amount (as defined in the applicable funding agreement) under each applicable funding agreement as may be necessary to provide for the payment of the purchase price for such notes. Upon such payment, the Principal Amount under each funding agreement shall be reduced (1) with respect to any purchase of notes that bear interest at fixed or floating rates, by an amount equal to the aggregate principal amount of the notes as purchased (or the portion thereof applicable to such funding agreement) and (2) with respect to any purchase of notes other than notes that bear interest at fixed or floating rates, by an amount to be agreed between the issuing trust and Allstate Life to reflect such prepayment under the funding agreement.

Optional Tax Event Redemption

If under the applicable pricing supplement the issuing trust is required at any time to pay additional amounts or if such trust is obligated to withhold or deduct any United States taxes with respect to any payment under the notes of the relevant series or if there is a material probability that the issuing trust will become obligated to withhold or deduct any such United States taxes or otherwise pay additional amounts (in the opinion of independent legal counsel selected by Allstate Life), in each case pursuant to any change in or amendment to any United States tax laws (or any regulations or rulings thereunder) or any change in position of the Internal Revenue Service regarding the application or interpretation thereof (including, but not limited to, Allstate Life's or the issuing trust's receipt of a written adjustment from the Internal Revenue Service in connection with an audit) (a "tax event"), then Allstate Life, pursuant to the terms of the relevant funding agreement, may terminate the relevant funding agreement. If Allstate Life terminates the relevant funding agreement, the issuing trust will redeem the particular series of notes for the outstanding principal of and any accrued but unpaid interest and any other amounts then due and owing on its series of notes, or such other amount which is specified in the pricing supplement for such series of notes by giving not less than 30 and no more than 75 days prior written notice to the holders of such series of notes, provided that no such notice of termination may be given earlier than 90 days prior to the earliest day when the issuing trust would become obligated to pay such additional amounts were a payment in respect of the notes of such series then due.

Interest

Each interest-bearing series of notes will bear interest from its date of issue at the rate per annum, in the case of notes that bear interest at fixed rates, or pursuant to the interest rate formula, in the case of notes that bear interest at floating rates, in each case as specified in the applicable pricing supplement, until the principal thereof is paid. The issuing trust will make interest payments in respect of the relevant series of notes in an amount equal to the interest accrued from and including the immediately preceding interest payment date in respect of which interest has been paid or from and including the date of issue, if no interest has been paid, to but excluding the applicable interest payment date or the maturity date, as the case may be (each, an "interest period").

Interest on each series of notes will be payable in arrears on each interest payment date and on the maturity date. The first payment of interest on any series of notes originally issued between a regular interest record date (as defined below) and the related interest payment date will be made on the interest payment date immediately following the next succeeding regular interest record date to the registered holder on the next succeeding regular interest record date. The "regular interest record date" shall be the fifteenth calendar day, whether or not a business day, immediately preceding the related interest payment date.

S-28

Fixed Rate Notes

Interest on each series of notes that bears interest at fixed rates will be payable on the date(s) specified in the applicable pricing supplement (each, an "interest payment date" with respect to a series of notes that bears interest at fixed rates) and on the maturity date. Interest on each series of notes that bears interest at fixed rates will be computed on the basis of a 360-day year of twelve 30-day months.

If any interest payment date or the maturity date of a series of notes that bears interest at fixed rates falls on a day that is not a business day, the issuing trust will make the required payment of principal, premium, if any, and/or interest or other amounts on the next succeeding business day, and no additional interest will accrue in respect of the payment made on that next succeeding business day.

Floating Rate Notes

Interest on each series of notes that bears interest at floating rates will be determined by reference to the applicable interest rate basis or interest rate bases, which may, as described below, include:

- the CD Rate,
- the CMT Rate,
- the Commercial Paper Rate,
- the Eleventh District Cost of Funds Rate,
- the Federal Funds Rate,
- LIBOR,
- EURIBOR,

- the Prime Rate,
- the Treasury Rate, or
- any other interest rate basis or interest rate formula as may be specified in the applicable pricing supplement.

The applicable pricing supplement will specify certain terms of the particular series of notes that bears interest at floating rates, including:

- whether the note that bears interest at floating rates is:
 - a "Regular Floating Rate Note,"
 - a "Floating Rate/Fixed Rate Note" or
 - an "Inverse Floating Rate Note,"
- the fixed rate commencement date, if applicable,
- fixed interest rate, if applicable,
- interest rate basis or bases,
- initial interest rate, if any,
- interest reset dates,
- interest payment dates,
- index maturity,

S-29

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- maximum interest rate and/or minimum interest rate, if any,
 - spread and/or spread multiplier, or
 - if one or more of the applicable interest rate bases is LIBOR, the LIBOR currency and LIBOR page.

The rate derived from the applicable interest rate basis will be determined in accordance with the related provisions below. The interest rate in effect on each day will be based on:

- if that day is an interest reset date, the rate determined as of the interest determination date (as defined below) immediately preceding that interest reset date, or
- if that day is not an interest reset date, the rate determined as of the interest determination date immediately preceding the most recent interest reset date.

The "spread" is the number of basis points (one one-hundredth of a percentage point) specified in the applicable pricing supplement to be added to or subtracted from the related interest rate basis or bases applicable to a series of notes that bears interest at floating rates. The "spread multiplier" is the percentage specified in the applicable pricing supplement of the related interest rate basis or bases applicable to a series of notes that bears interest at floating rates by which the interest rate basis or bases will be multiplied to determine the applicable interest rate. The "index maturity" is the period to maturity of the instrument or obligation with respect to which the related interest rate basis or bases will be calculated.

Regular Floating Rate Notes

Unless a series of notes that bears interest at floating rates is designated as a series of Floating Rate/Fixed Rate notes or a series of Inverse Floating Rate notes, or as having an addendum attached or having other/additional provisions apply, in each case relating to a different interest rate formula, such series of notes that bears interest at floating rates will be a series of Regular Floating Rate notes and will bear interest at the rate determined by reference to the applicable interest rate basis or bases:

- plus or minus the applicable spread, if any, and/or
- multiplied by the applicable spread multiplier, if any.

Commencing on the first interest reset date, as specified in the relevant pricing supplement, the rate at which interest on a series of Regular Floating Rate notes is payable will be reset as of each interest reset date; provided, however, that the interest rate in effect for the period, if any, from the date of issue to the first interest reset date will be the initial interest rate.

Floating Rate/Fixed Rate Notes

If a series of notes that bears interest at floating rates is designated as a series of Floating Rate/Fixed Rate notes, such series of notes that bears interest at floating rates will bear interest at the rate determined by reference to the applicable interest rate basis or bases:

- plus or minus the applicable spread, if any, and/or
- multiplied by the applicable spread multiplier, if any.

Commencing on the first interest reset date, the rate at which interest on a series of Floating Rate/Fixed Rate notes is payable will be reset as of each interest reset date; provided, however, that:

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- the interest rate in effect commencing on the fixed rate commencement date will be the fixed interest rate, if specified in the applicable pricing supplement, or, if not so specified, the interest rate in effect on the day immediately preceding the fixed rate commencement date.

Inverse Floating Rate Notes

If a series of notes that bears interest at floating rates is designated as a series of Inverse Floating Rate notes, such series of notes that bears interest at floating rates will bear interest at the fixed interest rate minus the rate determined by reference to the applicable interest rate basis or bases:

- plus or minus the applicable spread, if any, and/or
- multiplied by the applicable spread multiplier, if any;

provided, however, that interest on a series of Inverse Floating Rate notes will not be less than zero. Commencing on the first interest reset date, the rate at which interest on a series of Inverse Floating Rate notes is payable will be reset as of each interest reset date; provided, however, that the interest rate in effect for the period, if any, from the date of issue to the first interest reset date will be the initial interest rate.

Interest Reset Dates

The applicable pricing supplement will specify the dates on which the rate of interest on a series of notes that bears interest at floating rates will be reset (each, an "interest reset date"), and the period between interest reset dates will be the "interest reset period". Unless otherwise specified in the applicable pricing supplement, the interest reset dates will be, in the case of a series of notes that bears interest at floating rates which reset:

- daily—each business day;
- weekly—the Wednesday of each week, with the exception of weekly reset series of notes that bears interest at floating rates as to which the Treasury Rate is an applicable interest rate basis, which will reset the Tuesday of each week;
- monthly—the third Wednesday of each month, with the exception of monthly reset series of notes that bears interest at floating rates as to which the Eleventh District Cost of Funds Rate is an applicable interest rate basis, which will reset on the first calendar day of the month;
- quarterly—the third Wednesday of March, June, September and December of each year;
- semiannually—the third Wednesday of the two months specified in the applicable pricing supplement; and
- annually—the third Wednesday of the month specified in the applicable pricing supplement; provided, however, that, with respect to any series of Floating Rate/Fixed Rate notes, the rate of interest thereon will not reset after the particular fixed rate commencement date.

If any interest reset date for any series of notes that bears interest at floating rates would otherwise be a day that is not a business day, the particular interest reset date will be postponed to the next succeeding business day, except that in the case of a series of notes that bears interest at floating rates as to which LIBOR is an applicable interest rate basis and that business day falls in the next succeeding calendar month, the particular interest reset date will be the immediately preceding business day.

Interest Determination Dates

The interest rate applicable to a series of notes that bears interest at floating rates for an interest reset period commencing on the related interest reset date will be determined by reference to the applicable interest rate basis as of the particular "interest determination date," which will be:

- with respect to the Commercial Paper Rate, Federal Funds Rate and the Prime Rate—the business day immediately preceding the related interest reset date;
- with respect to the CD Rate and the CMT Rate—the second business day preceding the related interest reset date;
- with respect to the Eleventh District Cost of Funds Rate—the last working day of the month immediately preceding the related interest reset date on which the Federal Home Loan Bank of San Francisco publishes the Eleventh District Index (as defined below);
- with respect to LIBOR—the second London banking day (as defined below) preceding the related interest reset date; and
- with respect to the Treasury Rate—the day in the week in which the related interest reset date falls on which day Treasury Bills (as defined below) are normally auctioned (i.e., Treasury Bills are normally sold at auction on Monday of each week, unless that day is a legal holiday, in which case the auction is normally held on the following Tuesday, except that the auction may be held on the preceding Friday); provided, however, that if an auction is held on the Friday of the week preceding the related interest reset date, the interest determination date will be the preceding Friday.

The interest determination date pertaining to a series of notes that bears interest at floating rates the interest rate of which is determined with reference to two or more interest rate bases will be the latest business day which is at least two business days before the related interest reset date for the applicable note that bears interest at floating rates on which each interest reset basis is determinable.

Calculation Dates

The indenture trustee will be the "calculation agent," unless otherwise specified in the applicable pricing supplement. The interest rate applicable to each interest reset period will be determined by the calculation agent on or prior to the calculation date (as defined below), except with respect to LIBOR and the Eleventh District Cost of Funds Rate, which will be determined on the particular interest determination date. Upon request of the registered holder of a series of notes that bears interest at floating rates, the calculation agent will disclose the interest rate then in effect and, if determined, the interest rate that will become effective as a result of a determination made for the next

succeeding interest reset date with respect to the particular series of notes that bears interest at floating rates. The "calculation date," if applicable, pertaining to any interest determination date will be the earlier of:

- the tenth calendar day after the particular interest determination date or, if such day is not a business day, the next succeeding business day; or
- the business day immediately preceding the applicable interest payment date or the maturity date, as the case may be.

Maximum and Minimum Interest Rates

A series of notes that bears interest at floating rates may also have either or both of the following if specified in the applicable pricing supplement:

- a maximum numerical limitation, or ceiling, that may accrue during any interest reset period (a "maximum interest rate"); and

S-32

- a minimum numerical limitation, or floor, that may accrue during any interest reset period (a "minimum interest rate").

In addition to any maximum interest rate that may apply to a series of notes that bears interest at floating rates, the interest rate on a series of notes that bears interest at floating rates will in no event be higher than the maximum rate permitted by New York law, as the same may be modified by United States law of general application.

Interest Payments

Unless otherwise specified in the applicable pricing supplement or in this prospectus supplement, interest on each series of notes that bears interest at floating rates will be payable on the date(s) specified in the accompanying prospectus under the caption "Description of the Notes—Payment of Interest" (each, an "interest payment date" with respect to such series of notes that bears interest at floating rates). Unless the applicable pricing supplement indicates otherwise, the interest payment dates will be, in the case of a series of notes that bears interest at floating rates which reset:

- daily, weekly or monthly—the third Wednesday of each month or on the third Wednesday of March, June, September and December of each year, as specified in the applicable pricing supplement;
- quarterly—the third Wednesday of March, June, September and December of each year;
- semiannually—the third Wednesday of the two months of each year specified in the applicable pricing supplement; and
- annually—the third Wednesday of the month of each year specified in the applicable pricing supplement.

In addition, the maturity date will also be an interest payment date.

If any interest payment date other than the maturity date for any series of notes that bears interest at floating rates would otherwise be a day that is not a business day, such interest payment date will be postponed to the next succeeding business day, except that in the case of a series of notes that bears interest at floating rates as to which LIBOR is an applicable interest rate basis and that business day falls in the next succeeding calendar month, the particular interest payment date will be the immediately preceding business day. If the maturity date of a series of notes that bears interest at floating rates falls on a day that is not a business day, the issuing trust will make the required payment of principal, premium, if any, and interest or other amounts on the next succeeding business day, and no additional interest will accrue in respect of the payment made on that next succeeding business day.

All percentages resulting from any calculation on notes that bear interest at floating rates will be rounded to the nearest one hundred-thousandth of a percentage point, with five one-millionths of a percentage point rounded upwards. For example, 9.876545% (or .09876545) would be rounded to 9.87655% (or .0987655). All dollar amounts used in or resulting from any calculation on notes that bear interest at floating rates will be rounded, in the case of United States dollars, to the nearest cent or, in the case of a foreign currency, to the nearest unit (with one-half cent or unit being rounded upwards).

With respect to each series of notes that bears interest at floating rates, accrued interest is calculated by multiplying the principal amount of such series of notes that bears interest at floating rates by an accrued interest factor. The accrued interest factor is computed by adding the interest factor calculated for each day in the particular interest period. The interest factor for each day will be computed by dividing the interest rate applicable to such day by 360, in the case of a series of notes that bears interest at floating rates as to which the CD Rate, the Commercial Paper Rate, the Eleventh District Cost of Funds Rate, the Federal Funds Rate, LIBOR or the Prime Rate is an applicable

S-33

interest rate basis, or by the actual number of days in the year, in the case of a series of notes that bears interest at floating rates as to which the CMT Rate or the Treasury Rate is an applicable interest rate basis. The interest factor for a series of notes that bears interest at floating rates as to which the interest rate is calculated with reference to two or more interest rate bases will be calculated in each period in the same manner as if only the applicable interest rate basis specified in the applicable pricing supplement applied.

The calculation agent shall determine the rate derived from each interest rate basis in accordance with the following provisions.

CD Rate

"CD Rate" means:

- (1) the rate on the particular interest determination date for negotiable United States dollar certificates of deposit having the index maturity specified in the applicable pricing supplement as published in H.15(519) (as defined below) under the caption "CDs (secondary market)," or
- (2) if the rate referred to in clause (1) is not so published by 3:00 P.M., New York City time, on the related calculation date, the rate on the particular interest determination date for negotiable United States dollar certificates of deposit of the particular index maturity as published in H.15 Daily Update (as defined below), or other recognized electronic source used for the purpose of displaying the applicable rate, under the caption "CDs (secondary market)," or
- (3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related calculation date, the rate on the particular interest determination date calculated by the calculation agent as the arithmetic mean of the secondary market offered rates as of 10:00 A.M., New York City time, on that

interest determination date, of three leading non-bank dealers in negotiable United States dollar certificates of deposit in The City of New York (which may include the Agents or their affiliates) selected by the calculation agent for negotiable United States dollar certificates of deposit of major United States money market banks for negotiable United States certificates of deposit with a remaining maturity closest to the particular index maturity in an amount that is representative for a single transaction in that market at that time, or

(4) if the dealers so selected by the calculation agent are not quoting as mentioned in clause (3), the CD Rate in effect on the particular interest determination date.

"H.15(519)" means the weekly statistical release designated as H.15(519), or any successor publication, published by the Board of Governors of the Federal Reserve System.

"H.15 Daily Update" means the daily update of H.15(519), available through the world-wide-web site of the Board of Governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/H15/update>, or any successor site or publication.

CMT Rate

"CMT Rate" means:

(1) if CMT Moneyline Telerate Page 7051 is specified in the applicable pricing supplement:

(a) the percentage equal to the yield for United States Treasury securities at "constant maturity" having the index maturity specified in the applicable pricing supplement as published in H.15(519) under the caption "Treasury Constant Maturities," as the yield is displayed on Moneyline Telerate (or any successor service) on page 7051 (or any other page as may replace the specified page on that service) ("Moneyline Telerate Page 7051"), for the particular interest determination date, or

S-34

(b) if the rate referred to in clause (a) does not so appear on Moneyline Telerate Page 7051, the percentage equal to the yield for United States Treasury securities at "constant maturity" having the particular index maturity and for the particular interest determination date as published in H.15(519) under the caption "Treasury Constant Maturities," or

(c) if the rate referred to in clause (b) does not so appear in H.15(519), the rate on the particular interest determination date for the period of the particular index maturity as may then be published by either the Federal Reserve System Board of Governors or the United States Department of the Treasury that the calculation agent determines to be comparable to the rate which would otherwise have been published in H.15(519), or

(d) if the rate referred to in clause (c) is not so published, the rate on the particular interest determination date calculated by the calculation agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on that interest determination date of three leading primary United States government securities dealers in The City of New York (which may include the Agents or their affiliates) (each, a "reference dealer"), selected by the calculation agent from five reference dealers selected by the calculation agent and eliminating the highest quotation, or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the particular index maturity, a remaining term to maturity no more than one year shorter than that index maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or

(e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on the particular interest determination date calculated by the calculation agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated, or

(f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on the particular interest determination date calculated by the calculation agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on that interest determination date of three reference dealers selected by the calculation agent from five reference dealers selected by the calculation agent and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the particular index maturity, a remaining term to maturity closest to that index maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or

(g) if fewer than five but more than two prices referred to in clause (f) are provided as requested, the rate on the particular interest determination date calculated by the calculation agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated, or

(h) if fewer than three prices referred to in clause (f) are provided as requested, the CMT Rate in effect on the particular interest determination date.

(2) if CMT Moneyline Telerate Page 7052 is specified in the applicable pricing supplement:

(a) the percentage equal to the one-week or one-month, as specified in the applicable pricing supplement, average yield for United States Treasury securities at "constant maturity" having the index maturity specified in the applicable pricing supplement as published in H.15(519) opposite the caption "Treasury Constant Maturities," as the yield is displayed on Moneyline Telerate (or any successor service) (on page 7052 or any other page as may replace

S-35

the specified page on that service) ("Moneyline Telerate Page 7052"), for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the particular interest determination date falls, or

(b) if the rate referred to in clause (a) does not so appear on Moneyline Telerate Page 7052, the percentage equal to the one-week or one-month, as specified in the applicable pricing supplement, average yield for United States Treasury securities at "constant maturity" having the particular index maturity and for the week or month, as applicable, preceding the particular interest determination date as published in H.15(519) opposite the caption "Treasury Constant Maturities," or

(c) if the rate referred to in clause (b) does not so appear in H.15(519), the one-week or one-month, as specified in the applicable pricing supplement, average yield for United States Treasury securities at "constant maturity" having the particular index maturity as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the particular interest determination date falls, or

(d) if the rate referred to in clause (c) is not so published, the rate on the particular interest determination date calculated by the calculation agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on that interest determination date of three reference dealers selected by the calculation agent from five reference dealers selected by the calculation agent and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the particular index maturity, a remaining term to maturity no more than one year shorter than that index maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or

(e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on the particular interest determination date calculated by the calculation agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated, or

(f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on the particular interest determination date calculated by the calculation agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on that interest determination date of three reference dealers selected by the calculation agent from five reference dealers selected by the calculation agent and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the particular index maturity, a remaining term to maturity closest to that index maturity and in a principal amount that is representative for a single transaction in the securities in that market at the time, or

(g) if fewer than five but more than two prices referred to in clause (f) are provided as requested, the rate on the particular interest determination date calculated by the calculation agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated, or

(h) if fewer than three prices referred to in clause (f) are provided as requested, the CMT Rate in effect on that interest determination date.

If two United States Treasury securities with an original maturity greater than the index maturity specified in the applicable pricing supplement have remaining terms to maturity equally close to the

S-36

particular index maturity, the quotes for the United States Treasury security with the shorter original remaining term to maturity will be used.

Commercial Paper Rate

"Commercial Paper Rate" means:

(1) the Money Market Yield (as defined below) on the particular interest determination date of the rate for commercial paper having the index maturity specified in the applicable pricing supplement as published in H.15(519) under the caption "Commercial Paper—Nonfinancial," or

(2) if the rate referred to in clause (1) is not so published by 3:00 P.M., New York City time, on the related calculation date, the Money Market Yield of the rate on the particular interest determination date for commercial paper having the particular index maturity as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the caption "Commercial Paper—Nonfinancial," or

(3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related calculation date, the rate on the particular interest determination date calculated by the calculation agent as the Money Market Yield of the arithmetic mean of the offered rates at approximately 11:00 A.M., New York City time, on that interest determination date of three leading dealers of United States dollar commercial paper in The City of New York (which may include the Agents or their affiliates) selected by the calculation agent for commercial paper having the particular index maturity placed for industrial issuers whose bond rating is "Aa," or the equivalent, from a nationally recognized statistical rating organization, or

(4) if the dealers so selected by the calculation agent are not quoting as mentioned in clause (3), the Commercial Paper Rate in effect on the particular interest determination date.

"Money Market Yield" means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal, and "M" refers to the actual number of days in the applicable interest reset period.

Eleventh District Cost of Funds Rate

"Eleventh District Cost of Funds Rate" means:

(1) the rate equal to the monthly weighted average cost of funds for the calendar month immediately preceding the month in which the particular interest determination date falls as set forth under the caption "11th District" on the display on Moneyline Telerate (or any successor service) on page 7058 (or any other page as may replace the specified page on that service) ("Moneyline Telerate Page 7058") as of 11:00 A.M., San Francisco time, on that interest determination date, or

(2) if the rate referred to in clause (1) does not so appear on Moneyline Telerate Page 7058, the monthly weighted average cost of funds paid by member institutions of the Eleventh Federal Home Loan Bank District that was most recently announced (the "Eleventh District Index") by the Federal Home Loan Bank of San Francisco as the cost of funds for the calendar month immediately preceding that interest determination date, or

S-37

(3) if the Federal Home Loan Bank of San Francisco fails to announce the Eleventh District Index on or prior to the particular interest determination date for the calendar month immediately preceding that interest determination date, the Eleventh District Cost of Funds Rate in effect on the particular interest determination date.

"Federal Funds Rate" means:

(1) the rate on the particular interest determination date for United States dollar federal funds as published in H.15(519) under the caption "Federal Funds (Effective)" and displayed on Moneyline Telerate (or any successor service) on page 120 (or any other page as may replace the specified page on that service) ("Moneyline Telerate Page 120"), or

(2) if the rate referred to in clause (1) does not so appear on Moneyline Telerate Page 120 or is not so published by 3:00 P.M., New York City time, on the related calculation date, the rate on the particular interest determination date for United States dollar federal funds as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the caption "Federal Funds (Effective)," or

(3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related calculation date, the rate on the particular interest determination date calculated by the calculation agent as the arithmetic mean of the rates for the last transaction in overnight United States dollar federal funds arranged by three leading brokers of United States dollar federal funds transactions in The City of New York (which may include the Agents or their affiliates), selected by the calculation agent prior to 9:00 A.M., New York City time, on that interest determination date, or

(4) if the brokers so selected by the calculation agent are not quoting as mentioned in clause (3), the Federal Funds Rate in effect on the particular interest determination date.

LIBOR

"LIBOR" means:

(1) if "LIBOR Moneyline Telerate" is specified in the applicable pricing supplement or if neither "LIBOR Reuters" nor "LIBOR Moneyline Telerate" is specified in the applicable pricing supplement as the method for calculating LIBOR, the rate for deposits in the LIBOR currency having the index maturity specified in the applicable pricing supplement, commencing on the related interest reset date, that appears on the LIBOR page as of 11:00 A.M., London time, on the particular interest determination date, or

(2) if "LIBOR Reuters" is specified in the applicable pricing supplement, the arithmetic mean of the offered rates, calculated by the calculation agent, or the offered rate, if the LIBOR page by its terms provides only for a single rate, for deposits in the LIBOR currency having the particular index maturity, commencing on the related interest reset date, that appear or appears, as the case may be, on the LIBOR page as of 11:00 A.M., London time, on the particular interest determination date, or

(3) if fewer than two offered rates appear, or no rate appears, as the case may be, on the particular interest determination date on the LIBOR page as specified in clause (1) or (2), as applicable, the rate calculated by the calculation agent of at least two offered quotations obtained by the calculation agent after requesting the principal London offices of each of four major reference banks (which may include affiliates of the Agents), in the London interbank market to provide the calculation agent with its offered quotation for deposits in the LIBOR currency for the

S-38

period of the particular index maturity, commencing on the related interest reset date, to prime banks in the London interbank market at approximately 11:00 A.M., London time, on that interest determination date and in a principal amount that is representative for a single transaction in the LIBOR currency in that market at that time, or

(4) if fewer than two offered quotations referred to in clause (3) are provided as requested, the rate calculated by the calculation agent as the arithmetic mean of the rates quoted at approximately 11:00 A.M., in the applicable principal financial center, on the particular interest determination date by three major banks (which may include affiliates of the Agents), in that principal financial center selected by the calculation agent for loans in the LIBOR currency to leading European banks, having the particular index maturity and in a principal amount that is representative for a single transaction in the LIBOR currency in that market at that time, or

(5) if the banks so selected by the calculation agent are not quoting as mentioned in clause (4), LIBOR in effect on the particular interest determination date.

"LIBOR currency" means the currency specified in the applicable pricing supplement as to which LIBOR shall be calculated or, if no currency is specified in the applicable pricing supplement, United States dollars.

"LIBOR page" means either:

- if "LIBOR Reuters" is specified in the applicable pricing supplement, the display on the Reuter Monitor Money Rates Service (or any successor service) on the page specified in the applicable pricing supplement (or any other page as may replace that page on that service) for the purpose of displaying the London interbank rates of major banks for the LIBOR currency; or
- if "LIBOR Moneyline Telerate" is specified in the applicable pricing supplement or neither "LIBOR Reuters" nor "LIBOR Moneyline Telerate" is specified in the applicable pricing supplement as the method for calculating LIBOR, the display on Moneyline Telerate (or any successor service) on the page specified in the applicable pricing supplement (or any other page as may replace such page on such service) for the purpose of displaying the London interbank rates of major banks for the LIBOR currency.

"London banking day" means a day on which commercial banks are open for business (including dealings in the LIBOR currency) in London.

EURIBOR

"EURIBOR" means, with respect to any interest determination date relating to a series of EURIBOR notes or a series of notes that bears interest at floating rates for which the interest rate is determined with reference to EURIBOR (a "EURIBOR interest determination date"), the rate for deposits in Euros as sponsored, calculated and published jointly by the European Banking Federation and ACI—The Financial Market Association, or any company established by the joint sponsors for purposes of compiling and publishing those rates, having the index maturity specified in the applicable pricing supplement, commencing on the applicable interest reset date, as the rate appears on Moneyline Telerate, Inc., or any successor service, on page 248 (or any other page as may replace that specified page on the service) ("Moneyline Telerate Page 248") as of 11:00 A.M., Brussels time, on the applicable EURIBOR interest determination date. If such rate does not appear on Moneyline Telerate Page 248, or is not so published by 11:00 A.M., Brussels time, on the applicable EURIBOR interest determination date, such rate will be calculated by the calculation agent and will be the arithmetic mean of at least two quotations obtained by the calculation agent after requesting the principal Euro-zone (as defined below) offices of four major banks in the Euro-zone interbank market to provide the calculation agent with its offered quotation for deposits in Euros for the period of the index maturity specified in the applicable pricing supplement, commencing on the applicable interest

reset date, to prime banks in the Euro-zone interbank market at approximately 11:00 A.M., Brussels time, on the applicable EURIBOR interest determination date and in a principal amount not less than the equivalent of \$1 million in Euros that is representative for a single transaction in Euros in the market at that time. If fewer than two such quotations are so provided, the rate on the applicable EURIBOR interest determination date will be calculated by the calculation agent and will be the arithmetic mean of the rates quoted at approximately 11:00 A.M., Brussels time, on such EURIBOR interest determination date by four major banks in the Euro-zone for loans in Euros to leading European banks, having the index maturity specified in the applicable pricing supplement, commencing on the applicable interest reset date and in a principal amount not less than the equivalent of \$1 million in Euros that is representative for a single transaction in Euros in the market at that time. If the banks so selected by the calculation agent are not quoting as mentioned above, EURIBOR will be EURIBOR in effect on the applicable EURIBOR interest determination date.

"Euro-zone" means the region comprised of member states of the European Union that have adopted the single currency in accordance with the treaty establishing the European Community, as amended by the treaty on European Union.

Prime Rate

"Prime Rate" means:

- (1) the rate on the particular interest determination date as published in H.15(519) under the caption "Bank Prime Loan," or
- (2) if the rate referred to in clause (1) is not so published by 3:00 P.M., New York City time, on the related calculation date, the rate on the particular interest determination date as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the caption "Bank Prime Loan," or
- (3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related calculation date, the rate on the particular interest determination date calculated by the calculation agent as the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen US PRIME 1 Page (as defined below) as the applicable bank's prime rate or base lending rate as of 11:00 A.M., New York City time, on that interest determination date, or
- (4) if fewer than four rates referred to in clause (3) are so published by 3:00 P.M., New York City time, on the related calculation date, the rate on the particular interest determination date calculated by the calculation agent as the arithmetic mean of the prime rates or base lending rates quoted on the basis of the actual number of days in the year divided by a 360-day year as of the close of business on that interest determination date by three major banks (which may include affiliates of the Agents) in The City of New York selected by the calculation agent, or
- (5) if the banks so selected by the calculation agent are not quoting as mentioned in clause (4), the Prime Rate in effect on the particular interest determination date.

"Reuters Screen US PRIME 1 Page" means the display on the Reuter Monitor Money Rates Service (or any successor service) on the "US PRIME 1" page (or any other page as may replace that page on that service) for the purpose of displaying prime rates or base lending rates of major United States banks.

Treasury Rate

"Treasury Rate" means:

- (1) the rate from the auction held on the Treasury Rate interest determination date (the "Auction") of direct obligations of the United States ("Treasury Bills") having the index maturity specified in the applicable pricing supplement under the caption "INVESTMENT RATE" on the display on Moneyline Telerate (or any successor service) on page 56 (or any other page as may replace that page on that service) ("Moneyline Telerate Page 56") or page 57 (or any other page as may replace that page on that service) ("Moneyline Telerate Page 57"), or
- (2) if the rate referred to in clause (1) is not so published by 3:00 P.M., New York City time, on the related calculation date, the Bond Equivalent Yield (as defined below) of the rate for the applicable Treasury Bills as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the caption "U.S. Government Securities/Treasury Bills/Auction High," or
- (3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related calculation date, the Bond Equivalent Yield of the auction rate of the applicable Treasury Bills as announced by the United States Department of the Treasury, or
- (4) if the rate referred to in clause (3) is not so announced by the United States Department of the Treasury, or if the Auction is not held, the Bond Equivalent Yield of the rate on the particular interest determination date of the applicable Treasury Bills as published in H.15(519) under the caption "U.S. Government Securities/Treasury Bills/Secondary Market," or
- (5) if the rate referred to in clause (4) is not so published by 3:00 P.M., New York City time, on the related calculation date, the rate on the particular interest determination date of the applicable Treasury Bills as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the caption "U.S. Government Securities/Treasury Bills/Secondary Market," or
- (6) if the rate referred to in clause (5) is not so published by 3:00 P.M., New York City time, on the related calculation date, the rate on the particular interest determination date calculated by the calculation agent as the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 P.M., New York City time, on that interest determination date, of three primary United States government securities dealers (which may include the Agents or their affiliates) selected by the calculation agent, for the issue of Treasury Bills with a remaining maturity closest to the index maturity specified in the applicable pricing supplement, or
- (7) if the dealers so selected by the calculation agent are not quoting as mentioned in clause (6), the Treasury Rate in effect on the particular interest determination date.

"Bond Equivalent Yield" means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

Other/Additional Provisions; Addendum

Any provisions with respect to the notes of a series, including the specification and determination of one or more interest rate bases, the calculation of the interest rate applicable to a series of notes that bears interest at floating rates, the interest payment dates, the stated maturity date, any redemption or repayment provisions or any other term relating to the applicable series of notes, may be modified and/or supplemented as specified under "Other/Additional Provisions" on the face thereof or in an addendum relating thereto, if so specified on the face thereof and, in each case, described in the applicable pricing supplement.

Discount Notes

The trusts may from time to time issue series of notes ("discount notes") that have an issue price (as specified in the applicable pricing supplement) that is less than 100% of the principal amount thereof (i.e. par) by more than a percentage equal to the product of 0.25% and the number of full years to the stated maturity date. A series of discount notes may not bear any interest currently or may bear interest at a rate that is below market rates at the time of issuance. The difference between the issue price of a series of discount notes and par is referred to as the "discount". In the event of redemption, repayment or acceleration of maturity of a series of discount notes, the amount payable to the holders of such series of discount notes will be equal to the sum of:

- the issue price (increased by any accruals of discount) and, in the event of any redemption of such series of discount notes, if applicable, multiplied by the initial redemption percentage (as adjusted by the annual redemption percentage reduction, if applicable); and
- any unpaid interest accrued on such series of discount notes to the date of the redemption, repayment or acceleration of maturity, as the case may be.

For purposes of determining the amount of discount that has accrued as of any date on which a redemption, repayment or acceleration of maturity occurs for a series of discount notes, a discount will be accrued using a constant yield method. The constant yield will be calculated using a 30-day month, 360-day year convention, a compounding period that, except for the initial period (as defined below), corresponds to the shortest period between interest payment dates for the applicable series of discount notes (with ratable accruals within a compounding period), a coupon rate equal to the initial coupon rate applicable to the applicable series of discount notes and an assumption that the maturity of such series of discount notes will not be accelerated. If the period from the date of issue to the first interest payment date for a series of discount notes (the "initial period") is shorter than the compounding period for such series of discount notes, a proportionate amount of the yield for an entire compounding period will be accrued. If the initial period is longer than the compounding period, then the period will be divided into a regular compounding period and a short period with the short period being treated as provided in the preceding sentence. The accrual of the applicable discount may differ from the accrual of original issue discount for purposes of the Code, certain series of discount notes may not be treated as having original issue discount within the meaning of the Code, and certain series of notes other than discount notes may be treated as issued with original issue discount for federal income tax purposes. See "United States Federal Income Tax Considerations".

Amortizing Notes

The trusts may from time to time issue series of notes ("amortizing notes") with the amount of principal thereof and interest thereon payable in installments over their terms. Unless otherwise specified in the applicable pricing supplement, interest on each series of amortizing notes will be computed on the basis of a 360-day year of twelve 30-day months. Payments with respect to a series of amortizing notes will be applied first to interest due and payable thereon and then to the reduction of the unpaid principal amount thereof. Further information concerning additional terms and provisions of

a particular series of amortizing notes will be specified in the applicable pricing supplement, including a table setting forth repayment information for such series of amortizing notes.

Form of Notes

Book-entry notes

When a trust issues notes in book-entry form, it will issue one or more global securities representing the entire issue of notes. Unless otherwise specified in the applicable pricing supplement, these certificates will name a nominee of The Depository Trust Company, New York, New York ("DTC") as the owner of the notes. DTC maintains a computerized system that will reflect your ownership of the applicable notes through an account you will maintain with your broker/dealer, bank, trust company or other representative. If specified in the applicable pricing supplement, notes may also be issued in book-entry form and registered in the name of a nominee for Euroclear and Clearstream Luxembourg. For additional information regarding such notes, you should review "Special Provisions Relating to Foreign Currency Notes" below.

Unless otherwise specified in the applicable pricing supplement, DTC's nominee will be considered the owner of your notes in the records of the issuing trust and will be the entity entitled to cast a vote regarding your notes. However, DTC and the broker/dealers, banks, trust companies and other representatives that are part of DTC's computerized system are required to contact you for voting instructions.

Definitive Notes

When a trust issues notes in definitive form, you will receive a note certificate evidencing your notes. The certificate will name you as the owner of such notes, unless you choose to have your broker/dealer, bank, trust company or other representative hold these certificates for you. If your name appears on the note certificate evidencing your notes, then you will be considered the owner of your notes for all purposes under the relevant indenture. For example, if the issuing trust needs to ask the holders of the applicable series of notes to vote on a proposed amendment to such series of notes, you will be asked to cast the vote regarding your notes. If you have chosen to have some other entity hold the note certificates for you, that entity will be considered the owner of your notes in the records of the issuing trust and will be entitled to cast the vote regarding your notes. However, this entity is required to contact you for voting instructions.

Exchanges

Definitive notes cannot be exchanged for book-entry notes. Book-entry notes can be exchanged for definitive notes only if (1) the depository notifies the issuing trust that it is unwilling or unable to continue as depository for the global securities or the issuing trust becomes aware that the depository has ceased to be a clearing agency registered under the Exchange Act and, in any such case such trust fails to appoint a successor to the depository within 60 calendar days, (2) the issuing trust, in its sole discretion, determines that the global securities representing the notes of the relevant series shall be exchangeable for definitive notes or (3) an event of default has occurred and is

continuing with respect to the relevant series of notes under the applicable indenture. In these limited circumstances, the issuing trust will issue to you definitive notes in exchange for the book-entry notes. There will be no service charge for this exchange, but if a tax or other governmental charge is imposed, the issuing trust may require you to pay it.

Clearing Systems

Unless specified in the applicable pricing supplement, each note will be deposited with, or on behalf of, DTC, as depository, and registered in the name of Cede & Co. (DTC's partnership)

S-43

nominee). Investors may elect to hold interests in the notes through DTC (in the United States) or, if the notes are eligible, through Clearstream Luxembourg or Euroclear, as operator (the "Euroclear Operator") of the Euroclear System, if they are participants in such systems or indirectly through organizations which are participants in such systems. Clearstream Luxembourg and the Euroclear Operator will hold interests on behalf of their participants through customers' securities accounts in Clearstream Luxembourg's and the Euroclear Operator's names, respectively, on the books of their respective depositories, which in turn will hold such interests in customers' securities accounts in the depositories' names on the books of the DTC. It is anticipated that Citibank, N.A. will act as depository for Clearstream Luxembourg and that The Chase Manhattan Bank will act as depository for the Euroclear Operator (in such capacities, the "U.S. Depositories").

If specified in the applicable pricing supplement, notes of a series may also be issued in registered global form and registered in the name of a nominee for, and deposited with, a common depository for Euroclear and Clearstream Luxembourg.

Clearstream Luxembourg advises that it is incorporated under the laws of Luxembourg as a professional depository. Clearstream Luxembourg holds securities for its participating organizations ("Clearstream Participants") and facilitates the clearance and settlement of securities transactions between Clearstream Participants through electronic book-entry changes in accounts of Clearstream Participants, thereby eliminating the need for physical movement of certificates. Clearstream Luxembourg provides to Clearstream Participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream Luxembourg interfaces with domestic markets in several countries. As a professional depository, Clearstream Luxembourg is subject to regulation by the Luxembourg Monetary Institute. Clearstream Participants are recognized financial institutions around the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations and may include the Agents named in this prospectus supplement or any applicable pricing supplement. Indirect access to Clearstream Luxembourg is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Clearstream Participant either directly or indirectly.

Distributions with respect to the notes held beneficially through Clearstream Luxembourg will be credited to cash accounts of Clearstream Participants in accordance with its rules and procedures, to the extent received by the U.S. Depository for Clearstream Luxembourg.

The Euroclear Operator advises that Euroclear was created in 1968 to hold securities for participants of Euroclear ("Euroclear Participants") and to clear and settle transactions between Euroclear Participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear includes various other services, including securities lending and borrowing and interfaces with domestic markets in several countries. Euroclear is operated by the Euroclear Operator under contract with Euroclear Clearance Systems S.C., a Belgian cooperative corporation (the "Cooperative"). All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator, not the Cooperative. The Cooperative establishes policy for Euroclear on behalf of Euroclear Participants. Euroclear Participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include the Agents named in this prospectus supplement or any applicable pricing supplement. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear Participant, either directly or indirectly.

The Euroclear Operator was granted a banking license by the Belgian Banking and Finance Commission in 2000, authorizing it to carry out banking activities on a global basis. It took over

S-44

operation of Euroclear from the Brussels, Belgium office of Morgan Guaranty Trust Company of New York on December 31, 2000. Securities clearance accounts and cash accounts with the Euroclear Operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law (collectively, the "Terms and Conditions"). The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear Participants, and has no record of or relationship with persons holding through Euroclear Participants.

Distributions with respect to notes held beneficially through Euroclear will be credited to the cash accounts of Euroclear Participants in accordance with the Terms and Conditions, to the extent received by the U.S. Depository for Euroclear.

S-45

GLOBAL CLEARANCE AND SETTLEMENT PROCEDURES

General

Initial settlement for the notes of a series will be made in immediately available funds. Secondary market trading between DTC Participants will occur in the ordinary way in accordance with DTC's rules and will be settled in immediately available funds using DTC's Same-Day Funds Settlement System. Secondary market trading between Clearstream Participants and/or Euroclear Participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Clearstream Luxembourg and Euroclear and will be settled using the procedures applicable to conventional eurobonds in immediately available funds. Cross-market transfers between persons holding directly or indirectly through DTC on the one hand, and directly or indirectly through Clearstream Participants or Euroclear Participants, on the other, will be effected in DTC in accordance with DTC's rules on behalf of the relevant European international clearing system by its U.S. Depository. However, such cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (European time). The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to its U.S. Depository to take action to effect final settlement on its behalf by delivering or receiving notes in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Clearstream Participants and Euroclear Participants may not deliver instructions directly

to DTC. Because of time-zone differences, credits of notes received in Clearstream Luxembourg or Euroclear as a result of a transaction with a DTC Participant will be made during subsequent securities settlement processing and will be credited the business day following the DTC settlement date. Such credits or any transactions in such notes settled during such processing will be reported to the relevant Euroclear Participants or Clearstream Participants on such business day. Cash received in Clearstream Luxembourg or Euroclear as a result of sales of notes by or through a Clearstream Participant or a Euroclear Participant to a DTC Participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream Luxembourg or Euroclear cash account only as of the business day following settlement in the DTC.

Although the DTC, Clearstream Luxembourg and the Euroclear Operator have agreed to the foregoing procedures in order to facilitate transfers of notes among participants in DTC, Clearstream Luxembourg and Euroclear, they are under no obligation to perform or continue to perform such procedures and such procedures may be discontinued at any time.

Certain alternative clearance and settlement procedures will apply if the applicable pricing supplement specifies that notes of a series are denominated in non-U.S. dollar currencies. Such alternative procedures are described below under "Special Provisions Relating to Foreign Currency Notes".

Secondary Market Trading

Because the purchaser determines the place of delivery, it is important to establish at the time of trading of any notes where both the purchaser's and seller's accounts are located to ensure that settlement can be made on the desired value date.

Trading between DTC Participants

Secondary market sales of notes held in DTC between DTC participants will occur in the ordinary way in accordance with DTC rules and will be settled using the procedures applicable to United States corporate debt obligations.

S-46

Trading between Euroclear and/or Clearstream Participants

Secondary market sales of beneficial interests in the notes held through Euroclear or Clearstream Luxembourg to purchasers that will hold beneficial interests through Euroclear or Clearstream Luxembourg will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream Luxembourg and will be settled using the procedures applicable to conventional eurobonds.

Trading between DTC Seller and Euroclear/Clearstream Luxembourg Purchaser

When book-entry interests in notes are to be transferred from the account of a DTC participant to the account of a Euroclear or Clearstream Luxembourg account holder, the purchaser must first send instructions to Euroclear or Clearstream Luxembourg through a participant at least one business day prior to the settlement date. Euroclear or Clearstream Luxembourg will then instruct its depository to receive the notes and make payment for them. On the settlement date, the depository will make payment to the DTC participant's account and the notes will be credited to the depository's account. After settlement has been completed, DTC will credit the notes to the U.S. Depository for Euroclear or Clearstream Luxembourg, as the case may be. Euroclear or Clearstream Luxembourg will credit the notes, in accordance with its usual procedures, to the participant's account, and the participant will then credit the purchaser's account. These securities credits will appear the next day (European time) after the settlement date. The cash debit from the account of Euroclear or Clearstream Luxembourg will be back-valued to the value date (which will be the preceding day if settlement occurs in New York). If settlement is not completed on the intended value date (i.e., the trade fails), the cash debit will instead be valued at the actual settlement date. Since the settlement will occur during New York business hours, a DTC participant selling an interest in the notes can use its usual procedures for transferring notes to the U.S. Depository for Euroclear or Clearstream Luxembourg, as the case may be, for the benefit of Euroclear Participants or Clearstream Participants. The DTC seller will receive the sale proceeds on the settlement date. Thus, to the DTC seller, a cross-market sale will settle no differently than a trade between two DTC Participants.

Trading between a Euroclear or Clearstream Luxembourg Seller and a DTC Purchaser

Due to time zone differences in their favor, Euroclear participants and Clearstream Luxembourg participants can use their usual procedures to transfer notes through the applicable U.S. Depository to a DTC participant. The seller must first send instructions to Euroclear or Clearstream Luxembourg through a participant at least one business day prior to the settlement date. Euroclear or Clearstream Luxembourg will then instruct its U.S. Depository to credit the notes to the DTC participant's account and receive payment. The payment will be credited in the account of the Euroclear or Clearstream Luxembourg participant on the following day, but the receipt of the cash proceeds will be back-valued to the value date (which will be the preceding day if settlement occurs in New York). If settlement is not completed on the intended value date (i.e., the trade fails), the receipt of the cash proceeds will instead be valued at the actual settlement date.

Although the foregoing sets out the procedures of Euroclear, Clearstream Luxembourg and DTC in order to facilitate the transfers of interests in the notes among participants of DTC, Clearstream Luxembourg and Euroclear, none of Euroclear, Clearstream Luxembourg or DTC is under any obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. Neither the registrants and the trusts nor any Agent or any paying agent or any affiliate of any of the above, or any person by whom any of the above is controlled for the purposes of the Securities Act, will have any responsibility for the performance by DTC, Euroclear and Clearstream Luxembourg or their respective direct or indirect participants or account holders of their respective obligations under the rules and procedures governing their operations or for the sufficiency for any purpose of the arrangements described above.

S-47

SPECIAL PROVISIONS RELATING TO FOREIGN CURRENCY NOTES

General

Unless otherwise specified in the applicable pricing supplement, foreign currency notes will not be sold in, or to residents of, the country issuing the specified currency. The information set forth in this prospectus supplement is directed to prospective purchasers who are United States residents. The trusts and the Agents disclaim any responsibility to advise prospective purchasers who are residents of countries other than the United States with respect to any matters that may affect the purchase, holding or receipt of payments of principal of, and premium, if any, and interest, if any, on, their foreign currency notes. These purchasers should consult their own financial and legal advisors with regard to these risks. See "Risk Factors—Risk Factors Relating to the Notes—Foreign currency notes are subject to exchange rates and exchange control risks".

Payment of Principal, Premium, if any, and Interest, if any

Unless otherwise specified in the applicable pricing supplement, each trust is obligated to make payments of principal of, and premium, if any, and interest, if any, on, a foreign currency note issued by it in the specified currency. Any amounts so payable by such trust in the specified currency will be converted by the exchange rate agent named

in the applicable pricing supplement (the "exchange rate agent") into United States dollars for payment to the registered holders thereof unless otherwise specified in the applicable pricing supplement or a registered holder elects, in the manner described below, to receive these amounts in the specified currency.

Any United States dollar amount to be received by registered holders of a series of foreign currency notes will be based on the highest bid quotation in The City of New York received by the exchange rate agent at approximately 11:00 A.M., New York City time, on the second business day preceding the applicable payment date from three recognized foreign exchange dealers (one of whom may be the exchange rate agent) selected by the exchange rate agent and approved by the issuing trust for the purchase by the quoting dealer of the specified currency for United States dollars for settlement on that payment date in the aggregate amount of the specified currency payable to all registered holders of such series of foreign currency notes scheduled to receive United States dollar payments and at which the applicable dealer commits to execute a contract. All currency exchange costs will be borne by the relevant registered holders of such series of foreign currency notes by deductions from any payments. If three bid quotations are not available, payments will be made in the specified currency.

Registered holders of foreign currency notes may elect to receive all or a specified portion of any payment of principal, premium, if any, and/or interest, if any, in the specified currency by submitting a written request to the indenture trustee at its corporate trust office in The City of New York on or prior to the applicable regular interest record date or at least fifteen calendar days prior to the maturity date, as the case may be. This written request may be mailed or hand delivered or sent by cable, telex or other form of facsimile transmission. This election will remain in effect until revoked by written notice delivered to the indenture trustee on or prior to a regular interest record date or at least fifteen calendar days prior to the maturity date, as the case may be. Registered holders of foreign currency notes to be held in the name of a broker or nominee should contact their broker or nominee to determine whether and how an election to receive payments in the specified currency may be made.

Unless otherwise specified in the applicable pricing supplement, if the specified currency is other than United States dollars, a beneficial owner of a global security which elects to receive payments of principal, premium, if any, and/or interest, if any, in the specified currency must notify the participant through which it owns its interest on or prior to the applicable regular interest record date or at least fifteen calendar days prior to the maturity date, as the case may be, of its election. The applicable participant must notify the depository of its election on or prior to the third business day after the applicable regular interest record date or at least twelve calendar days prior to the maturity date, as the

S-48

case may be, and the depository will notify the indenture trustee of that election on or prior to the fifth business day after the applicable regular interest record date or at least ten calendar days prior to the maturity date, as the case may be. If complete instructions are received by the participant from the applicable beneficial owner and forwarded by the participant to the depository, and by the depository to the indenture trustee, on or prior to such dates, then the applicable beneficial owner will receive payments in the specified currency.

Each trust will make payments of the principal of, and premium, if any, and/or interest, if any, on, foreign currency notes which are to be made in United States dollars in the manner specified herein with respect to notes denominated in United States dollars. See "Description of the Notes—General". Each trust will make payments of interest, if any, on foreign currency notes which are to be made in the specified currency on an interest payment date other than the maturity date by check mailed to the address of the registered holders of their foreign currency notes as they appear in the applicable note register, subject to the right to receive these interest payments by wire transfer of immediately available funds under the circumstances described under "Description of the Notes—General". Each trust will make payments of principal of, and premium, if any, and/or interest, if any, on, foreign currency notes which are to be made in the specified currency on the maturity date by wire transfer of immediately available funds to an account with a bank designated at least fifteen calendar days prior to the maturity date by the applicable registered holder, provided the particular bank has appropriate facilities to make these payments and the particular foreign currency note is presented and surrendered at the office or agency maintained by the issuing trust for this purpose in the Borough of Manhattan, The City of New York, in time for the indenture trustee to make these payments in accordance with its normal procedures.

Availability of Specified Currency

If the specified currency for foreign currency notes is not available for any required payment of principal, premium, if any, and/or interest, if any, due to the imposition of exchange controls or other circumstances beyond the control of the issuing trust, such trust will be entitled to satisfy the obligations to the registered holders of these foreign currency notes by making payments in United States dollars on the basis of the market exchange rate, computed by the exchange rate agent as described above, on the second business day prior to the particular payment or, if the market exchange rate is not then available, on the basis of the most recently available market exchange rate.

The "market exchange rate" for a specified currency other than United States dollars means the noon dollar buying rate in The City of New York for cable transfers for the specified currency as certified for customs purposes (or, if not so certified, as otherwise determined) by the Federal Reserve Bank of New York.

All determinations made by the exchange rate agent shall be at its sole discretion and shall, in the absence of manifest error, be conclusive for all purposes and binding on the registered holders of the foreign currency notes.

Judgments

Under current New York law, a state court in the State of New York would be required to render a judgment in respect of a foreign currency note in the specified currency, and a judgment in the specified currency would be converted into United States dollars at the exchange rate prevailing on the date of entry of the judgment. Accordingly, registered holders of foreign currency notes would be subject to exchange rate fluctuations between the date of entry of a foreign currency judgment and the time when the amount of the foreign currency judgment is paid in United States dollars and converted by the applicable registered holder into the specified currency. It is not certain, however, whether a

S-49

non-New York state court would follow the same rules and procedures with respect to conversions of foreign currency judgments.

Each trust will indemnify the registered holder of any note issued by it against any loss incurred as a result of any judgment or order being given or made for any amount due under the particular note and that judgment or order requiring payment in a currency (the "judgment currency") other than the specified currency, and as a result of any variation between:

- the rate of exchange at which the specified currency amount is converted into the judgment currency for the purpose of that judgment or order; and
- the rate of exchange at which the registered holder, on the date of payment of that judgment or order, is able to purchase the specified currency with the amount of the judgment currency actually received.

Each trust will use the net proceeds from the issuance of its series of notes to the public to purchase from Global Funding one or more funding agreements issued by Allstate Life. The funding agreement(s) will have a principal amount equal to the principal amount of the related series of notes. The funding agreement(s) will otherwise have payment and other terms substantially similar to the related series of notes.

The funding agreement(s) may be interest bearing or non-interest bearing and, if interest bearing, may bear interest at fixed or floating rates. The calculation of the interest rate, the due dates for payments and other payment terms of each funding agreement will be determined in the manner substantially similar to that described above under "Description of the Notes". An amount equal to the principal amount of the funding agreement plus accrued but unpaid interest, if any, and accrued discount, if any (in the case of a discount funding agreement) (other than an amortizing funding agreement) will be payable on its maturity date. Allstate Life may issue an amortizing funding agreement that pays an amount in respect of both interest and deposit amount over the life of the funding agreement. For a more detailed discussion of the funding agreements, see "Description of the Funding Agreement" in the accompanying prospectus.

S-50

UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

General

This section provides a discussion of the material United States Federal income tax consequences of the purchase, ownership and disposition of the notes. This summary is based upon laws, regulations, rulings and decisions now in effect, all of which are subject to change (including changes in effective dates) or possible differing interpretations. This summary deals only with notes held as capital assets and does not purport to deal with persons in special tax situations, such as financial institutions, partnerships, insurance companies, regulated investment companies, dealers in securities or currencies, persons holding notes as a hedge against currency risks or as a position in a "straddle" for tax purposes, or persons whose functional currency is not the United States dollar. It also does not deal with holders other than initial purchasers of notes (except where otherwise specifically noted). Persons considering the purchase of the notes should consult their own tax advisors concerning the application of United States Federal income tax laws to their particular situations as well as any consequences of the purchase, ownership and disposition of the notes arising under the laws of any other taxing jurisdiction. This summary does not consider the United States Federal income tax consequences of the purchase, ownership or disposition of a note by a partnership. If a partnership holds a note, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. Partnerships holding a note, and partners in a partnership holding a note, should consult their tax advisors.

As used herein, the term "U.S. Holder" means a beneficial owner of a note that is for United States Federal income tax purposes:

- a citizen or resident of the United States;
- a corporation (including an entity treated as a corporation for United States Federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate whose income is subject to United States Federal income tax regardless of its source; or
- subject to applicable transition rules, a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust.

As used in this section, the term "non-U.S. Holder" means a beneficial owner of a note that is an individual, a corporation, an estate or trust that is not a U.S. Holder.

Classification of the Issuer and Notes

In the opinion of LeBoeuf, Lamb, Greene & MacRae, L.L.P., special tax counsel to Global Funding, under current law and based on certain facts and assumptions contained in such opinion:

- Global Funding and each trust will be ignored for United States Federal income tax purposes and will not be treated as an association or a publicly traded partnership taxable as a corporation; and
- the notes will be classified as indebtedness of Allstate Life for United States Federal income tax purposes.

Allstate Life, Global Funding and each trust agree, and each holder and beneficial owner of notes by purchasing the notes agrees, for all United States Federal, state and local income and franchise tax purposes (i) to treat the notes as indebtedness of Allstate Life, (ii) Global Funding and each trust will

S-51

be ignored and will not be treated as an association or a publicly traded partnership taxable as a corporation and (iii) to not take any action inconsistent with the treatment described in (i) and (ii) unless otherwise required by law. The remainder of this discussion assumes the notes are properly treated as indebtedness of Allstate Life for all United States Federal income tax purposes.

An opinion of tax counsel is not binding on the Internal Revenue Service (the "IRS") or the courts, and no ruling on any of the consequences or issues discussed below will be sought from the IRS. The IRS might assert that each trust should be treated as a separate grantor trust for United States Federal income tax purposes, in which case the holders of beneficial interests in the notes related to such trust would be treated as owning a pro rata undivided interest in the assets of such trust. In such a case, the tax consequences to beneficial owners of the notes would not be materially different than those described herein. Persons considering the purchase of notes should consult their own tax advisors about the United States Federal income tax consequences of an investment in the notes and the application of United States Federal income tax laws, as well as the laws of any state, local or foreign taxing jurisdictions, to their particular situations.

U.S. Holders

Payments of Interest

Except as described below, payments of interest on a note generally will be taxable to a U.S. Holder as ordinary interest income at the time such payments are accrued or are received (in accordance with the U.S. Holder's regular method of tax accounting).

Discount Notes

The following summary is a general discussion of the United States Federal income tax consequences to U.S. Holders of the purchase, ownership and disposition of notes issued with original issue discount ("discount notes").

For United States Federal income tax purposes, original issue discount ("OID") is the excess of the stated redemption price at maturity of a note over its issue price, if such excess equals or exceeds a *de minimis* amount (generally $\frac{1}{4}$ of 1% of the note's stated redemption price at maturity multiplied by the number of complete years to its maturity from its issue date or, in the case of a note providing for the payment of any amount other than qualified stated interest (as defined below) prior to maturity, multiplied by the weighted average maturity of such note). The issue price of each note in an issue of notes equals the first price at which a substantial amount of such notes has been sold (ignoring sales to bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers). The stated redemption price at maturity of a note is the sum of all payments provided by the note other than "qualified stated interest" payments. The term "qualified stated interest" generally means stated interest that is unconditionally payable in cash or property (other than debt instruments of the issuer) at least annually at a single fixed rate. In addition, if a note bears interest for one or more accrual periods at a rate below the rate applicable for the remaining term of such note (*e.g.*, notes with teaser rates or interest holidays), and if the greater of either the resulting foregone interest on such note or any "true" discount on such note (*i.e.*, the excess of the note's stated principal amount over its issue price) equals or exceeds a specified *de minimis* amount, then some or all of the stated interest on the note would be treated as OID rather than qualified stated interest.

Payments of qualified stated interest on a note are taxable to a U.S. Holder as ordinary interest income at the time such payments are accrued or are received (in accordance with the U.S. Holder's regular method of tax accounting). A U.S. Holder of a discount note must include OID in income as ordinary interest for United States Federal income tax purposes as it accrues under a constant yield method in advance of receipt of the cash payments attributable to such income, regardless of such

S-52

U.S. Holder's regular method of tax accounting. In general, the amount of OID included in income by the initial U.S. Holder of a discount note is the sum of the daily portions of OID with respect to such discount note for each day during the taxable year (or portion of the taxable year) on which such U.S. Holder held such discount note. The "daily portion" of OID on any discount note is determined by allocating to each day in any accrual period a ratable portion of the OID allocable to that accrual period. An "accrual period" may be of any length and the accrual periods may vary in length over the term of the discount note, provided that each accrual period is no longer than one year and each scheduled payment of principal or interest occurs either on the final day of an accrual period or on the first day of an accrual period. The amount of OID allocable to each accrual period is generally equal to the difference between:

- the product of the discount note's adjusted issue price at the beginning of such accrual period and its yield to maturity (determined on the basis of compounding at the close of each accrual period and appropriately adjusted to take into account the length of the particular accrual period); and
- the amount of any qualified stated interest payments allocable to such accrual period. The "adjusted issue price" of a discount note at the beginning of any accrual period is the sum of the issue price of the discount note plus the amount of OID allocable to all prior accrual periods minus the amount of any prior payments on the discount note that were not qualified stated interest payments. Under these rules, U.S. Holders generally will have to include in income increasingly greater amounts of OID in successive accrual periods.

A U.S. Holder who purchases a discount note for an amount that is greater than its adjusted issue price as of the purchase date and less than or equal to the sum of all amounts payable on the discount note after the purchase date other than payments of qualified stated interest, will be considered to have purchased the discount note at an "acquisition premium". Under the acquisition premium rules, the amount of OID which such U.S. Holder must include in its gross income with respect to such discount note for any taxable year (or portion thereof in which the U.S. Holder holds the discount note) will be reduced (but not below zero) by the portion of the acquisition premium properly allocable to the period.

Floating Rate Notes

Notes that bear interest at floating rates ("variable notes") are subject to special rules whereby a variable note will qualify as a "variable rate debt instrument" if:

- its issue price does not exceed the total noncontingent principal payments due under the variable note by more than a specified *de minimis* amount;
- it provides for stated interest, paid or compounded at least annually, at current values of, one or more qualified floating rates, a single fixed rate and one or more qualified floating rates, a single objective rate, or a single fixed rate and a single objective rate that is a qualified inverse floating rate; and
- it does not provide for any principal payments which are contingent.

A "qualified floating rate" is any variable rate where variations in the value of such rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the variable note is denominated. Although a multiple of a qualified floating rate will generally not itself constitute a qualified floating rate, a variable rate equal to the product of a qualified floating rate and a fixed multiple that is greater than .65 but not more than 1.35 will constitute a qualified floating rate. A variable rate equal to the product of a qualified floating rate and a fixed multiple that is greater than .65 but not more than 1.35, increased or decreased by a fixed rate, will also constitute a qualified floating rate. In addition, two or more qualified floating rates that can

S-53

reasonably be expected to have approximately the same values throughout the term of the variable note (*e.g.*, two or more qualified floating rates with values within 25 basis points of each other as determined on the variable note's issue date) will be treated as a single qualified floating rate. Notwithstanding the foregoing, a variable rate that would otherwise constitute a qualified floating rate but which is subject to one or more restrictions such as a maximum numerical limitation (*i.e.*, a cap) or a minimum numerical limitation (*i.e.*, a floor) may, under certain circumstances, fail to be treated as a qualified floating rate unless such cap or floor is fixed throughout the term of the note. An "objective rate" is a rate that is not itself a qualified floating rate but which is determined using a single fixed formula and that is based on objective financial or economic information. A rate will not qualify as an objective rate if it is based on information that is within the control of Allstate Life (or a related party) or that is unique to the circumstances of Allstate Life (or a related party), such as dividends, profits, or the value of Allstate Life's stock (although a rate does not fail to be an objective rate merely because it is based on the credit quality of Allstate Life). A "qualified inverse floating rate" is any objective rate where such rate is equal to a fixed rate minus a qualified floating rate, as long as variations in the rate can reasonably be expected to inversely reflect contemporaneous variations in the qualified floating rate. In addition, if a variable note provides for stated interest at a fixed rate for an initial period of one year or less followed by a variable rate that is either a qualified floating rate or an objective rate and if the variable rate on the variable note's issue date is intended to approximate the fixed rate (*e.g.*, the value of the variable rate on the issue date does not differ from the value of the fixed rate by more than 25 basis points), then the fixed rate and the variable rate together will constitute either a single qualified floating rate or objective rate, as the case may be.

If a variable note that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof qualifies as a "variable rate debt instrument" and if the interest on such note is unconditionally payable in cash or property (other than debt instruments of the issuer) at least annually, then all stated interest on the note will constitute qualified stated interest and will be taxed accordingly. Thus, a variable note that provides for stated interest at either a single qualified floating rate or

a single objective rate throughout the term thereof and that qualifies as a "variable rate debt instrument" will generally not be treated as having been issued with OID unless the variable note is issued at a "true" discount (*i.e.*, at a price below the note's stated principal amount) in excess of a specified *de minimis* amount. The amount of qualified stated interest and the amount of OID, if any, that accrues during an accrual period on such a variable note is determined under the rules applicable to fixed rate debt instruments by assuming that the variable rate is a fixed rate equal to:

- in the case of a qualified floating rate or qualified inverse floating rate, the value, as of the issue date, of the qualified floating rate or qualified inverse floating rate; or
- in the case of an objective rate (other than a qualified inverse floating rate), a fixed rate that reflects the yield that is reasonably expected for the variable note. The qualified stated interest allocable to an accrual period is the amount of interest actually paid during such accrual period.

In general, any other variable note that qualifies as a "variable rate debt instrument" will be converted into an "equivalent" fixed rate debt instrument for purposes of determining the amount and accrual of OID and qualified stated interest on the variable note. A variable note is converted into an "equivalent" fixed rate debt instrument by substituting any qualified floating rate or qualified inverse floating rate provided for under the terms of the variable note with a fixed rate equal to the value of the qualified floating rate or qualified inverse floating rate, as the case may be, as of the variable note's issue date. Any objective rate (other than a qualified inverse floating rate) provided for under the terms of the variable note is converted into a fixed rate that reflects the yield that is reasonably expected for the variable note. In the case of a variable note that qualifies as a "variable rate debt instrument" and provides for stated interest at a single fixed rate in addition to either one or more qualified floating rates or a qualified inverse floating rate, the fixed rate is initially converted into a

S-54

qualified floating rate (or a qualified inverse floating rate, if the variable note provides for a qualified inverse floating rate). Under such circumstances, the qualified floating rate or qualified inverse floating rate that replaces the fixed rate must be such that the fair market value of the variable note as of the variable note's issue date is approximately the same as the fair market value of an otherwise identical debt instrument that provides for either the qualified floating rate or qualified inverse floating rate rather than the fixed rate. Subsequent to converting the fixed rate into either a qualified floating rate or a qualified inverse floating rate, the variable note is then converted into an "equivalent" fixed rate debt instrument in the manner described above.

Once the variable note is converted into an "equivalent" fixed rate debt instrument pursuant to the foregoing rules, the amount of OID and qualified stated interest, if any, are determined for the "equivalent" fixed rate debt instrument by applying the general OID rules to the "equivalent" fixed rate debt instrument. A U.S. Holder of the variable note will account for such OID and qualified stated interest as if the U.S. Holder held the "equivalent" fixed rate debt instrument. Each accrual period appropriate adjustments will be made to the amount of qualified stated interest or OID assumed to have been accrued or paid with respect to the "equivalent" fixed rate debt instrument in the event that such amounts differ from the actual amount of interest accrued or paid on the variable note during the accrual period.

If the variable note does not qualify as a "variable rate debt instrument" then the variable note would be treated as a contingent payment debt instrument. A U.S. Holder of a contingent payment debt instrument is generally required to include future contingent and noncontingent interest payments in income under the constant yield method as such interest accrues based on Allstate Life's determination of the "comparable yield" and the establishment of a "projected payment schedule" that must produce the comparable yield. The comparable yield is the yield at which Allstate Life would issue a fixed rate debt instrument with similar terms and conditions. The projected payment schedule consists of all stated principal payments and a projected amount and time for each contingent interest payment. If the actual amount of any contingent payment, once determined, differs from the projected amounts, appropriate adjustments are to be made to the amounts required to be included in gross income by the U.S. Holder. The yield, timing and amounts set forth in the projected payment schedule are for purposes of computing the OID only and are not assurances by the trusts with respect to any aspect of the notes. Because U.S. Holders will generally be bound by Allstate Life's determination of the comparable yield and by the projected payment schedule for United States Federal income tax purposes, a U.S. Holder's income inclusions may be accelerated relative to the time payments under the notes are in fact made. The IRS has authority to disregard a projected payment schedule it determines to be unreasonable. Any gain recognized by a U.S. Holder on the sale, exchange, or retirement of a contingent payment debt instrument will be treated as interest income and all or a portion of any loss realized could be treated as ordinary loss as opposed to capital loss (depending upon the circumstances). The United States Federal income tax treatment of variable notes that are treated as contingent payment debt instruments will be more fully described in the applicable pricing supplement. Purchasers of contingent payment debt instruments should carefully examine the applicable pricing supplement and should consult their own tax advisor with respect to such notes.

Certain of the notes:

- may be redeemable at the option of the issuing trust prior to their stated maturity (a "call option"); and/or
- may be repayable at the option of the holder prior to their stated maturity (a "put option"). Notes containing such features may be subject to rules that differ from the general rules discussed above.

S-55

Investors intending to purchase notes with such features should consult their own tax advisors, since the OID consequences will depend, in part, on the particular terms and features of the purchased notes.

U.S. Holders may generally, upon election, include in income all interest (including stated interest, acquisition discount, OID, *de minimis* OID, market discount, *de minimis* market discount, and unstated interest, as adjusted by any amortizable bond premium or acquisition premium) that accrues on a debt instrument by using the constant yield method applicable to OID, subject to certain limitations and exceptions.

Short-Term Notes

Notes that have a fixed maturity of one year or less ("short-term notes") will be treated as having been issued with OID. In general, an individual or other cash method U.S. Holder is not required to accrue such OID unless the U.S. Holder elects to do so. If such an election is not made, any gain recognized by the U.S. Holder on the sale, exchange or maturity of the short-term note will be ordinary income to the extent of the OID accrued on a straight-line basis, or upon election under the constant yield method (based on daily compounding), through the date of sale or maturity, and a portion of the deductions otherwise allowable to the U.S. Holder for interest on borrowings allocable to the short-term note will be deferred until a corresponding amount of income is realized. U.S. Holders who report income for United States Federal income tax purposes under the accrual method, and certain other holders including banks and dealers in securities, are required to accrue OID on a short-term note on a straight-line basis unless an election is made to accrue the OID under a constant yield method (based on daily compounding).

Market Discount

If a U.S. Holder purchases a note, other than a discount note, for an amount that is less than its issue price (or, in the case of a subsequent purchaser, its stated redemption price at maturity) or, in the case of a discount note, for an amount that is less than its adjusted issue price as of the purchase date, such U.S. Holder will be treated as having purchased such note at a "market discount," unless such market discount is less than a specified *de minimis* amount.

Under the market discount rules, a U.S. Holder will be required to treat any partial principal payment (or, in the case of a discount note, any payment that does not constitute qualified stated interest) on, or any gain realized on the sale, exchange, retirement or other disposition of, a note as ordinary income to the extent of the lesser of:

- the amount of such payment or realized gain; and
- the market discount which has not previously been included in income and is treated as having accrued on such note at the time of such payment or disposition.

Market discount will be considered to accrue ratably during the period from the date of acquisition to the maturity date of the note, unless the U.S. Holder elects to accrue market discount on the basis of semiannual compounding.

A U.S. Holder may be required to defer the deduction of all or a portion of the interest paid or accrued on any indebtedness incurred or maintained to purchase or carry a note with market discount until the maturity of the note or certain earlier dispositions, because a current deduction of such holder's "net direct interest expense" is only allowed to the extent the interest expense exceeds an allocable portion of market discount. Net direct interest expense is the excess of interest paid or accrued to purchase or carry the market discount note over the interest (including OID) includible in the purchaser's gross income. A U.S. Holder may elect to include market discount in income currently as it accrues (on either a ratable or semiannual compounding basis), in which case the rules described

S-56

above regarding the treatment as ordinary income of gain upon the disposition of the note, the receipt of certain cash payments and the deferral of interest deductions will not apply. Generally, such currently included market discount is treated as ordinary interest for United States Federal income tax purposes. Such an election will apply to all debt instruments acquired by the U.S. Holder on or after the first day of the first taxable year to which such election applies and may be revoked only with the consent of the IRS.

Premium

If a U.S. Holder purchases a note for an amount that is greater than the sum of all amounts payable on the note after the purchase date other than payments of qualified stated interest, such U.S. Holder will be considered to have purchased the note with "amortizable bond premium" equal in amount to such excess. A U.S. Holder may elect to amortize such premium using a constant yield method over the remaining term of the note and may offset interest otherwise required to be included in gross income in respect of the note during any taxable year by the amortized amount of such excess for the taxable year. However, if the note may be optionally redeemed after the U.S. Holder acquires it at a price in excess of its stated redemption price at maturity, special rules would apply which could result in a deferral of the amortization of some bond premium until later in the term of the note. Any election to amortize bond premium applies to all taxable debt instruments held or acquired by the U.S. Holder on or after the first day of the first taxable year to which such election applies and may be revoked only with the consent of the IRS.

Disposition of a Note

Except as discussed above, upon the sale, exchange, redemption (including a redemption in connection with a tax event), retirement or other disposition of a note, a U.S. Holder generally will recognize taxable gain or loss equal to the difference between the amount realized on the sale, exchange, retirement (other than amounts representing accrued and unpaid interest) or other disposition and such U.S. Holder's adjusted tax basis in the note. A U.S. Holder's adjusted tax basis in a note generally will equal such U.S. Holder's initial investment in the note increased by any OID included in income (and accrued market discount, if any, if the U.S. Holder has included such market discount in income) and decreased by the amount of any payments, other than qualified stated interest payments, received and amortizable bond premium taken into account with respect to such note. Such gain or loss generally will be long-term capital gain or loss if the note were held for more than one year. Non-corporate taxpayers are subject to reduced maximum rates on long-term capital gains and are generally subject to tax at ordinary income rates on short-term capital gains. The deductibility of capital losses is subject to certain limitations. Prospective investors should consult their own tax advisors concerning these tax law provisions.

Notes Denominated or on which Interest is Payable in a Foreign Currency

As used in this section, "foreign currency" means a currency other than U.S. dollars.

Payments of Interest on a Foreign Currency Note

Cash Method

A U.S. Holder who uses the cash method of accounting for United States Federal income tax purposes and who receives a payment of interest on a foreign currency note (other than OID or market discount) will be required to include in income the U.S. dollar value of the foreign currency payment (determined on the date such payment is received) regardless of whether the payment is in fact converted to U.S. dollars at that time, and such U.S. dollar value will be the U.S. Holder's tax basis in such foreign currency.

S-57

Accrual Method

A U.S. Holder who uses the accrual method of accounting for United States Federal income tax purposes, or who otherwise is required to accrue interest prior to receipt, will be required to include in income the U.S. dollar value of the amount of interest income (including OID or market discount and reduced by amortizable bond premium to the extent applicable) that has accrued and is otherwise required to be taken into account with respect to a foreign currency note during an accrual period. The U.S. dollar value of such accrued income will be determined by translating such income at the average rate of exchange for the accrual period or, with respect to an accrual period that spans two taxable years, at the average rate for the partial period within the taxable year. A U.S. Holder may elect, however, to translate such accrued interest income using the rate of exchange on the last day of the accrual period or, with respect to an accrual period that spans two taxable years, using the rate of exchange on the last day of the taxable year. If the last day of an accrual period is within five business days of the date of receipt of the accrued interest, a U.S. Holder may translate such interest using the rate of exchange on the date of receipt. The above election will apply to other debt obligations held by the U.S. Holder and may not be changed without the consent of the IRS. A U.S. Holder should consult a tax advisor before making the above election. A U.S. Holder will recognize exchange gain or loss (which will be treated as ordinary income or loss) with respect to accrued interest income on the date such income is received. The amount of ordinary income or loss recognized will equal the difference, if any, between the U.S. dollar value of the foreign currency payment received (determined on the date such payment is received) in respect of such accrual period and the U.S. dollar value of interest income that has accrued during such accrual period (as determined above).

Purchase, Sale and Retirement of Foreign Currency Notes

A U.S. Holder who purchases a foreign currency note with previously owned foreign currency will recognize ordinary income or loss in an amount equal to the difference, if any, between such U.S. Holder's tax basis in the foreign currency and the U.S. dollar fair market value of the foreign currency used to purchase the foreign currency note, determined on the date of purchase.

Except as discussed above with respect to short-term notes, upon the sale, exchange, redemption (including a redemption in connection with a tax event) or retirement of a foreign currency note, a U.S. Holder will recognize taxable gain or loss equal to the difference between the amount realized on the sale, exchange or retirement and such U.S. Holder's adjusted tax basis in the foreign currency note. Such gain or loss generally will be capital gain or loss (except to the extent of any accrued market discount not previously included in the U.S. Holder's income) and will be long-term capital gain or loss if at the time of sale, exchange or retirement the foreign currency note has been held by such U.S. Holder for more than one year. To the extent the gain realized represents accrued but unpaid interest, however, such amounts must be taken into account as interest income, with exchange gain or loss computed as described in "Payments of Interest in a Foreign Currency" above. If a U.S. Holder receives foreign currency on such a sale, exchange or retirement the amount realized will be based on the U.S. dollar value of the foreign currency on the date the payment is received or the foreign currency note is disposed of (or deemed disposed of as a result of a material change in the terms of the foreign currency note). In the case of a foreign currency note that is denominated in foreign currency and is traded on an established securities market, a cash basis U.S. Holder (or, upon election, an accrual basis U.S. Holder) will determine the U.S. dollar value of the amount realized by translating the foreign currency payment at the spot rate of exchange on the settlement date of the sale. A U.S. Holder's adjusted tax basis in a foreign currency note will equal the cost of the foreign currency note to such U.S. Holder, increased by the amounts of any market discount or OID previously included in income by the U.S. Holder with respect to such foreign currency note and reduced by any amortized acquisition or other premium and any principal payments received by the U.S. Holder. A U.S. Holder's tax basis in a foreign currency note, and the amount of any subsequent adjustments to such

S-58

U.S. Holder's tax basis, will be the U.S. dollar value of the foreign currency amount paid for such foreign currency note, or of the foreign currency amount of the adjustment, determined on the date of such purchase or adjustment.

Gain or loss realized upon the sale, exchange or retirement of a foreign currency note that is attributable to fluctuations in currency exchange rates will be ordinary income or loss which will not be treated as interest income or expense. Gain or loss attributable to fluctuations in exchange rates will equal the difference between the U.S. dollar value of the foreign currency principal amount of the foreign currency note, determined on the date such payment is received or the foreign currency note is disposed of, and the U.S. dollar value of the foreign currency principal amount of the foreign currency note, determined on the date the U.S. Holder acquired the foreign currency note. Such foreign currency gain or loss will be recognized only to the extent of the total gain or loss realized by the U.S. Holder on the sale, exchange or retirement of the foreign currency note.

Original Issue Discount

In the case of a discount note or short-term note:

- OID is determined in units of the foreign currency;
- accrued OID is translated into U.S. dollars as described in "Payments of Interest in a Foreign Currency—Accrual Method" above; and
- the amount of foreign currency gain or loss on the accrued OID is determined by comparing the amount of income received attributable to the discount (either upon payment, maturity or an earlier disposition), as translated into U.S. dollars at the rate of exchange on the date of such receipt, with the amount of OID accrued, as translated above.

Premium and Market Discount

In the case of a foreign currency note with market discount:

- market discount is determined in units of the foreign currency;
- accrued market discount taken into account upon the receipt of any partial principal payment or upon the sale, exchange, retirement or other disposition of the foreign currency note (other than accrued market discount required to be taken into account currently) is translated into U.S. dollars at the exchange rate on such disposition date (and no part of such accrued market discount is treated as exchange gain or loss); and
- accrued market discount currently includible in income by a U.S. Holder for any accrual period is translated into U.S. dollars on the basis of the average exchange rate in effect during such accrual period, and the exchange gain or loss is determined upon the receipt of any partial principal payment or upon the sale, exchange, retirement or other disposition of the foreign currency note in the manner described in "Payments of Interest in a Foreign Currency—Accrual Method" above with respect to computation of exchange gain or loss on accrued interest.

With respect to a foreign currency note acquired with amortizable bond premium, such premium is determined in the relevant foreign currency and reduces interest income in units of the foreign currency. Although not entirely clear, a U.S. Holder should recognize exchange gain or loss equal to the difference between the U.S. dollar value of the bond premium amortized with respect to a period, determined on the date the interest attributable to such period is received, and the U.S. dollar value of the bond premium determined on the date of the acquisition of the foreign currency note.

S-59

Exchange of Foreign Currencies

A U.S. Holder will have a tax basis in any foreign currency received as interest or on the sale, exchange or retirement of a foreign currency note equal to the U.S. dollar value of such foreign currency, determined at the time the interest is received or at the time of the sale, exchange or retirement. Any gain or loss realized by a U.S. Holder on a sale or other disposition of foreign currency (including its exchange for U.S. dollars or its use to purchase foreign currency notes) will be ordinary income or loss.

Non-U.S. Holders

Payments of interest (including OID, if any) on a note received by a non-U.S. Holder that does not hold its notes in connection with the conduct of a trade or business in the United States, will generally not be subject to United States Federal withholding tax pursuant to the "Portfolio Interest Exemption" unless:

- the non-U.S. Holder is a direct or indirect 10% or greater shareholder of Allstate Life;
- the non-U.S. Holder is a controlled foreign corporation related to Allstate Life;
- the non-U.S. Holder is a bank receiving interest described in section 881(c)(3)(A) of the Code; or
- interest on the note is contingent interest described in section 871(h)(4) of the Code.

To qualify for the Portfolio Interest Exemption from United States Federal withholding tax, the last United States payor in the chain of payment prior to payment to a non-U.S. Holder (the "withholding agent") must have received in the year in which a payment of interest or principal occurs, or in either of the two preceding calendar years, a statement that:

- is signed by the beneficial owner of the note under penalties of perjury;
- certifies that such owner is not a U.S. Holder; and
- provides the name and address of the beneficial owner.

The statement may be made on an IRS Form W-8BEN or a substantially similar form, and the beneficial owner must inform the withholding agent of any change in the information on the statement within 30 days of such change. If a note is held through a securities clearing organization or certain other financial institutions, the organization or institution may provide a signed statement to the withholding agent. However, in such a case, the signed statement generally must be accompanied by a copy of the IRS Form W-8BEN or the substitute form provided by the beneficial owner to the organization or institution.

If a non-U.S. Holder cannot satisfy the requirements for eligibility for the Portfolio Interest Exemption, interest earned by such non-U.S. Holder will be subject to United States Federal withholding tax at a 30% rate unless the non-U.S. Holder provides the withholding agent with a properly executed:

- IRS Form W-8BEN claiming an exemption from or reduction in withholding under the benefit of a United States income tax treaty; or
- IRS Form W-8ECI stating that interest paid on the note is not subject to withholding tax because it is effectively connected with the non-U.S. Holder's conduct of a trade or business in the United States.

Notwithstanding the provision of IRS Form W-8ECI, a non-U.S. Holder that holds its notes in connection with its conduct of a trade or business in the United States will be taxed on its notes in the

S-60

same manner as a U.S. Holder, and, if such non-U.S. Holder is a foreign corporation, it may also be subject to a branch profits tax equal to 30% of its effectively connected earnings and profits for the taxable year, subject to adjustments.

Generally, a non-U.S. Holder will not be subject to United States Federal income taxes on any amount which constitutes capital gain upon the sale, exchange, redemption (including a redemption in connection with a tax event), retirement or other disposition of a note, provided:

- the gain is not effectively connected with the conduct of a trade or business in the United States by the non-U.S. Holder; and
- the non-U.S. Holder is not an individual who is present in the United States for 183 days or more during the taxable year.

Certain other exceptions may be applicable, and a non-U.S. Holder should consult its tax advisor in this regard.

The notes will not be includible in the estate of a non-U.S. Holder unless the individual is a direct or indirect 10% or greater shareholder of Allstate Life or, at the time of such individual's death, payments in respect of the notes would have been effectively connected with the conduct by such individual of a trade or business in the United States. If any portion of the interest payable on the notes at the time of the individual's death was contingent interest, then an appropriate portion of the value of the notes would be includible in the estate of a non-U.S. Holder.

Backup Withholding and Information Reporting

Backup withholding of United States Federal income tax at a rate of 28% may apply to payments made in respect of the notes to registered owners who are not "exempt recipients" and who fail to provide certain identifying information (such as the registered owner's taxpayer identification number) in the required manner. Generally, individuals are not exempt recipients, whereas corporations and certain other entities generally are exempt recipients. Payments made in respect of the notes to a U.S. Holder must be reported to the IRS, unless the U.S. Holder is an exempt recipient or establishes an exemption. Compliance with the identification procedures described in the preceding section would establish an exemption from backup withholding for those non-U.S. Holders who are not exempt recipients.

In addition, upon the sale of a note to (or through) a broker, the broker must withhold 28% of the entire purchase price, unless either the broker determines that the seller is a corporation or other exempt recipient or the seller provides, in the required manner, certain identifying information and, in the case of a non-U.S. Holder, certifies that such seller is a non-U.S. Holder (and certain other conditions are met). Such a sale must also be reported by the broker to the IRS, unless either the broker determines that the seller is an exempt recipient or the seller certifies its non-U.S. status (and certain other conditions are met). Certification of the registered owner's non-U.S. status would be made normally on an IRS Form W-8BEN under penalties of perjury, although in certain cases it may be possible to submit other documentary evidence.

Any amounts withheld under the backup withholding rules from a payment to a beneficial owner would be allowed as a refund or a credit against such beneficial owner's United States Federal income tax provided the required information is furnished to the IRS.

S-61

PLAN OF DISTRIBUTION

The notes of a series will be offered to or through one or more of Merrill Lynch, Pierce, Fenner & Smith Incorporated, A.G. Edwards & Sons, Inc., Banc of America Securities LLC, Banc One Capital Markets, Inc., Barclays Capital Inc., Citigroup Global Markets Inc., Credit Suisse First Boston LLC, Deutsche Bank Securities Inc., Goldman, Sachs & Co., J.P. Morgan Securities Inc., Lehman Brothers Inc., Morgan Stanley & Co. Incorporated, UBS Securities LLC and Wachovia Securities L.L.C. (collectively, the "Agents") pursuant to a terms agreement among Global Funding, the issuing trust and each Agent named therein (each, a "terms agreement") and the distribution agreement between Global Funding and the Agents named therein, dated as of _____, 2004 (the "distribution agreement"). Each terms agreement will incorporate by reference the terms of the distribution agreement. The Agents, individually or in a syndicate, may purchase notes, as principal, from a trust for resale to investors and other purchasers at varying prices relating to prevailing market prices at the time of resale as determined by the applicable Agent or, if so specified in the applicable pricing supplement, for resale at a fixed offering price. However, a trust may agree with an Agent for that Agent to utilize its reasonable efforts on an agency basis on its behalf to solicit offers to purchase notes at 100% of the principal amount thereof, unless otherwise specified in the applicable pricing supplement. Unless otherwise specified in the

applicable pricing supplement, each trust will pay a commission to an Agent, ranging from .150% to .875% of the principal amount of each note, depending upon its stated maturity, sold through that Agent as its agent. The notes may be sold to United States and foreign institutional and other investors.

Subject to the terms of the applicable terms agreement and the distribution agreement, concurrently with any offering of a series of notes by a trust as described in this prospectus supplement, other trusts may issue other notes under this program or the Allstate LifeSM CoreNotes® program.

Unless otherwise specified in the applicable pricing supplement, any note sold to an Agent as principal will be purchased by that Agent at a price equal to 100% of the principal amount thereof less a percentage of the principal amount equal to the commission applicable to an agency sale of a note of identical maturity. An Agent may sell notes it has purchased from a trust as principal to certain dealers less a concession equal to all or any portion of the discount received in connection with that purchase. An Agent may allow, and dealers may reallow, a discount to certain other dealers. After the initial offering of notes, the offering price, the concession and the reallowance may be changed.

The offer made hereby may be modified without notice, and each trust may reject offers in whole or in part (whether placed directly by the issuing trust or through an Agent). Each Agent will have the right, in its discretion reasonably exercised, to reject in whole or in part any offer to purchase notes received by it on an agency basis.

Unless otherwise specified in the applicable pricing supplement, you will be required to pay the purchase price of your notes in immediately available funds in the specified currency in The City of New York on the date of settlement.

Upon issuance, the notes of a series will not have an established trading market. Unless otherwise specified in the applicable pricing supplement, the notes will not be listed on any securities exchange. The Agents may from time to time purchase and sell notes in the secondary market, but the Agents are not obligated to do so, and there can be no assurance that a secondary market for the notes will develop or that there will be liquidity in the secondary market if one develops. From time to time, the Agents may make a market in the notes, but the Agents are not obligated to do so and may discontinue any market-making activity at any time.

In connection with an offering of notes purchased by one or more Agents as principal on a fixed offering price basis, the applicable Agents will be permitted to engage in certain transactions that stabilize the price of notes. These transactions may consist of bids or purchases for the purpose of

S-62

pegging, fixing or maintaining the price of notes. If those Agents create a short position in notes (*i.e.*, if they sell notes in an amount exceeding the amount specified in the applicable pricing supplement), they may reduce that short position by purchasing notes in the open market. In general, purchases of notes for the purpose of stabilization or to reduce a short position could cause the price of notes to be higher than it might be in the absence of these type of purchases.

Neither Global Funding and the trusts nor any Agent make any representation or prediction as to the direction or magnitude of any effect that the transactions described in the immediately preceding paragraph may have on the price of notes. In addition, neither Global Funding and the trusts nor any Agent make any representation that the Agents will engage in any such transactions or that such transactions, once commenced, will not be discontinued without notice.

The Agents participating in the distribution of notes will be "underwriters," with respect to the notes being distributed by them and the funding agreements being purchased by the issuing trust, and any discounts or commissions received by them on the sale or resale of notes may be deemed to be underwriting discounts and commissions under the Securities Act. The Agents may be entitled under agreements entered into with a trust, Global Funding and Allstate Life to indemnification against certain civil liabilities, including liabilities under the Securities Act, or to contribution with respect to payments that the Agents may be required to make in respect of such liabilities.

Global Funding is a statutory issuer of the notes and the funding notes under the Securities Act, and Allstate Life is a statutory issuer of the funding agreements under the Securities Act.

The indenture trustee is affiliated with J.P. Morgan Securities Inc., which is an Agent.

In the ordinary course of its business, the Agents and their affiliates have engaged, and may in the future engage, in investment and commercial banking transactions with Allstate Life and certain of its affiliates.

S-63

\$4,000,000,000

**Allstate Life Global Funding
Depositor**

Secured Medium Term Notes

**Due Between Nine Months and 30 Years
From the Date of Issue**

Issued Through

Allstate Life Global Funding Trusts

PROSPECTUS SUPPLEMENT

**Merrill Lynch & Co.
A.G. Edwards & Sons, Inc.
Banc of America Securities LLC**

Banc One Capital Markets, Inc.
Barclays Capital
Citigroup
Credit Suisse First Boston
Deutsche Bank Securities
Goldman, Sachs & Co.
JPMorgan
Lehman Brothers
Morgan Stanley
UBS Investment Bank
Wachovia Securities

, 2004

The information in this prospectus supplement is not complete and may be changed. Neither the depositor nor the trusts may sell these securities until the registration statement filed with the SEC is effective. This prospectus supplement is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer of or sale is not permitted or would require registration or qualification under the securities laws of the jurisdiction.

Subject to Completion
Preliminary Prospectus Supplement dated , 2004

PROSPECTUS SUPPLEMENT
(To Prospectus dated)

\$4,000,000,000
Allstate Life Global Funding
Depositor
Allstate LifeSM CoreNotes[®]
Due Between Nine Months and 30 Years From the Date of Issue
Issued Through
Allstate Life Global Funding Trusts

Allstate Life Global Funding (the "depositor" or "Global Funding") is a statutory trust formed under the laws of the State of Delaware. Its sole purpose is to facilitate the programs for the issuance of one or more series of secured medium term notes, including the Allstate LifeSM CoreNotesSM, which are referred to in this prospectus supplement as "notes". Each series of notes will be issued by a separate newly created Delaware statutory trust (each, a "trust"). Allstate Life Global Funding will be the sole beneficial owner of each trust that is formed. The notes may have an aggregate principal amount of up to \$4,000,000,000.

The specific terms of each series of notes will be set forth in a separate pricing supplement. You should read this prospectus supplement, the accompanying prospectus and the applicable pricing supplement carefully before you invest.

The notes of each series:

- will be the unconditional, direct, non-recourse, secured and unsubordinated obligations of the issuing trust;
- will be secured by one or more funding agreements issued by Allstate Life Insurance Company ("Allstate Life"), an Illinois stock life insurance company, and sold to, and deposited into, the issuing trust by Allstate Life Global Funding;
- will have a stated maturity of nine months to 30 years from the date of issue;
- will have redemption and/or repayment provisions, if applicable, whether mandatory or at the option of the issuing trust or the holders of such notes;
- will provide for payments in U.S. dollars;
- will, unless otherwise specified in the applicable pricing supplement, have a minimum denomination of \$1,000 and integral multiples of \$1,000 in excess thereof;
- will be in book-entry form;
- will bear interest at fixed or floating rates; unless otherwise specified in the applicable pricing supplement, each trust will pay interest on the relevant series of notes on a monthly, quarterly, semiannual or annual basis;
- will be secured by the right, title and interest of the issuing trust in and to (1) the funding agreement(s) held by that trust, (2) all proceeds of such funding agreement(s) and (3) all books and records pertaining to such funding agreement(s); and
- may be sold in the United States to retail and other investors.

Investing in the notes involves risks that are described in the "Risk Factors" section beginning on page S-14.

Neither the Securities and Exchange Commission, any state securities commission nor any state insurance commission has approved or disapproved of these securities or determined if this prospectus supplement, the accompanying prospectus or any pricing supplement is truthful or complete. Any representation to the contrary is a criminal offense.

Merrill Lynch & Co.

The date of this prospectus supplement is , 2004.

"Allstate LifeSM" is a registered service mark of Allstate Insurance Company.

"CoreNotes[®]" is a registered service mark of Merrill Lynch & Co., Inc.

TABLE OF CONTENTS

Prospectus Supplement

	Page
Forward-Looking Statements	S-1
About this Prospectus Supplement and the Pricing Supplements	S-2
Summary	S-3
Risk Factors	S-14
Allstate Life Global Funding Trusts	S-22
Allstate Life Global Funding	S-22

Allstate Life Insurance Company	S-23
Description of the Notes	S-24
Description of the Funding Agreements	S-53
United States Federal Income Tax Considerations	S-53
Plan of Distribution	S-65

Prospectus

	Page
Forward-Looking Statements	1
About This Prospectus	2
Available Information	2
Incorporation of Documents by Reference	3
Description of Allstate Life Global Funding and the Trusts	4
Description of Allstate Life Insurance Company	6
Ratio of Earnings to Fixed Charges	7
Use of Proceeds	7
Description of the Notes	8
Description of the Indentures	9
Description of the Funding Notes	19
Description of the Funding Agreements	20
Description of Support and Expenses Agreements	25
Description of Administrative Services Agreements	26
ERISA Considerations	27
Plan of Distribution	30
Legal Opinions	30
Experts	31

Each trust may sell its notes to the Purchasing Agent referred to below as principal for resale at a fixed offering price specified in the applicable pricing supplement or at varying prices. Each trust may also explicitly agree with the Purchasing Agent that it will use its reasonable efforts as agent on behalf of the issuing trust to solicit offers to purchase notes of the applicable series from

that trust at 100% of the principal amount thereof, unless otherwise specified in the applicable pricing supplement. Unless otherwise specified in the applicable pricing supplement, any note sold to the Purchasing Agent as principal will be purchased by the Purchasing Agent at a price equal to 100% of the principal amount thereof less a percentage of the principal amount equal to the commission applicable to an agency sale of a note of identical maturity. Unless otherwise specified in the applicable pricing supplement, each trust will pay a commission to the Purchasing Agent, ranging from .125% to 2.50% of the principal amount of each applicable note, depending upon its stated maturity, for each note purchased from the issuing trust by the Purchasing Agent as its agent.

You should rely only on the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and any pricing supplement. Neither of the registrants nor the Purchasing Agent has authorized any other person to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. Neither of the registrants nor the Purchasing Agent is making an offer to sell notes in any jurisdiction where the offer or sale is not permitted. You should assume that the information in this prospectus supplement, the accompanying prospectus or the applicable pricing supplement is accurate only as of its respective date. Updated information will be provided in the future as explained under "Incorporation of Documents by Reference" in the accompanying prospectus.

FORWARD-LOOKING STATEMENTS

Allstate Life

This prospectus supplement, the accompanying prospectus and each applicable pricing supplement may include forward-looking statements of Allstate Life. These forward-looking statements are not statements of historical fact but rather reflect Allstate Life's current expectations, estimates and predictions about future results and events. These statements may use words such as "anticipate," "believe," "estimate," "expect," "intend," "predict," "project" and similar expressions as they relate to Allstate Life or its management. When Allstate Life makes forward-looking statements, Allstate Life is basing them on its management's beliefs and assumptions, using information currently available to Allstate Life. These forward-looking statements are subject to risks, uncertainties and assumptions, including but not limited to, risks, uncertainties and assumptions discussed in this prospectus supplement, the accompanying prospectus and in each applicable pricing supplement. Factors that can cause or contribute to these differences include those described under the heading "Risk Factors" in this prospectus supplement. Allstate Life undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

If one or more of these or other risks or uncertainties materialize, or if Allstate Life's underlying assumptions prove to be incorrect, actual results may vary materially from what Allstate Life projected. Any forward-looking statements of Allstate Life you read in this prospectus supplement, the accompanying prospectus or any pricing supplement reflect Allstate Life's current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to Allstate Life's operations, results of operations, growth strategy and liquidity. All subsequent written and oral forward-looking statements attributable to Allstate Life or individuals acting on Allstate Life's behalf are expressly qualified in their entirety by this section. You should specifically consider the factors identified in this prospectus supplement, the accompanying prospectus and each applicable pricing supplement which could cause actual results to differ before making an investment decision.

Global Funding and the Trusts

This prospectus supplement, the accompanying prospectus and each applicable pricing supplement may include forward-looking statements of Global Funding and the trusts. These forward-looking statements are subject to risks, uncertainties and assumptions, including but not limited to, risks, uncertainties and assumptions discussed in this prospectus supplement, the accompanying prospectus and in each applicable pricing supplement. Global Funding does not, and the trusts will not, undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

You should specifically consider the factors identified in this prospectus supplement, the accompanying prospectus and each applicable pricing supplement before making an investment

decision. Global Funding and the issuing trusts are not currently entitled to the safe harbors contained in Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Therefore, forward-looking statements of Global Funding and the issuing trusts in this prospectus supplement and the accompanying prospectus are not currently and will never be entitled to these safe harbors.

ABOUT THIS PROSPECTUS SUPPLEMENT AND THE PRICING SUPPLEMENTS

This document is a prospectus supplement and supplements a prospectus which is part of a registration statement filed with the Securities and Exchange Commission (the "SEC") by Allstate Life Global Funding and Allstate Life Insurance Company (the "registrants"). This prospectus supplement provides you with a general description of the notes. The trusts may sell these notes in various offerings up to an aggregate initial offering price of \$4,000,000,000, less any amount of notes previously issued by the trusts under this program or pursuant to a separate prospectus supplement that relates to the Allstate Life Global Funding secured medium term note program. References in this prospectus supplement to "notes" are to the Allstate LifeSM CoreNotes® offered by this prospectus supplement.

This prospectus supplement and the information incorporated by reference in it may update, supplement or clarify the information in the accompanying prospectus. You will also receive a pricing supplement with the prospectus supplement. The pricing supplement will contain the specific description of the notes offered at the time and the terms on which the notes are offered. That pricing supplement also may add, update, supplement or clarify information in this prospectus supplement and the accompanying prospectus. You should carefully review such additional, updated, supplemental or clarifying information contained in the pricing supplement.

It is important for you to read and consider all of the information contained in this prospectus supplement and the accompanying prospectus, as well as in the applicable pricing supplement relating to the particular offering of notes, in making your decision to invest in notes. You should also read and consider the information in the documents referred to in "Incorporation of Documents by Reference" in the accompanying prospectus.

In this prospectus supplement, references to the "depositor" and "Global Funding" are to Allstate Life Global Funding. References to the "trusts" are to Allstate Life Global Funding Trusts. References to an "issuing trust" are to a trust with respect to the series of notes issued and sold to the public by that trust. These references are not to Allstate Life Insurance Company. In this prospectus supplement, references to "Allstate Life" are to Allstate Life Insurance Company. References to "Purchasing Agent" are to Merrill Lynch, Pierce, Fenner & Smith Incorporated.

In this prospectus supplement, references to "United States dollars," "U.S. dollars" or "\$" are to lawful currency of the United States of America.

S-2

SUMMARY

This section summarizes certain of the legal and financial terms of the notes that are described in more detail in this prospectus supplement under "Description of the Notes" beginning on page S- and other information described elsewhere in this prospectus supplement or the accompanying prospectus. You should read the more detailed information appearing elsewhere in this prospectus supplement and the accompanying prospectus, as well as in the applicable pricing supplement relating to the particular offering of notes.

The Trusts	Each series of notes will be issued by a separate newly created Delaware statutory trust (each, a "trust") formed by Allstate Life Global Funding, as trust beneficial owner, AMACAR Pacific Corp., as administrator (the "administrator"), and Wilmington Trust Company, as Delaware trustee (the "Delaware trustee"), pursuant to the filing of a certificate of trust and the execution of a trust agreement. Each trust agreement pursuant to which various trusts may be formed from time to time to issue notes is referred to in this prospectus supplement as a "trust agreement". Allstate Life Global Funding will be the sole beneficial owner of each trust that is formed.
Depositor	Allstate Life Global Funding is the depositor of the funding agreements into the issuing trusts.
Purposes of Depositor and Trusts	The sole purpose of Global Funding is to facilitate the programs for the issuance of notes. The sole purpose of each trust is to issue the related series of notes to the public, which notes will be secured by one or more funding agreements issued by Allstate Life, and assigned absolutely to, and deposited into, the issuing trust by Global Funding. Each trust will use the net proceeds received from issuing its series of notes to acquire one or more funding agreements. Each trust will hold the collateral described below pertaining to its series of notes to fund its obligations under that series of notes. Each trust will pledge and collaterally assign the funding agreement(s) held in that trust to the indenture trustee for the benefit of the holders of that trust's series of notes. Holders of notes of a series may only look to the funding agreement(s) and any other collateral held in, or pledged and collaterally assigned to

S-3

the indenture trustee by, the issuing trust for payment on their notes and not to the assets held in any other trust.

No trust will be affiliated with Allstate Life.

Allstate Life Can Issue Medium
Term Notes and Funding Agreements Directly to Investors

Allstate Life is able to issue its own medium term notes directly to investors and does issue funding agreements directly to qualified investors. However, by securing each trust's notes with one or more of Allstate Life's funding agreements, such trust's notes are secured by an asset that would have a higher priority in insolvency than unsecured medium term notes of Allstate Life and may be entitled to receive a higher investment rating than unsecured medium term notes of Allstate Life. In addition, funding agreements are very difficult to transfer and have no active secondary market. By securing each trust's notes with one or more of Allstate Life's funding agreements, investors may be able to avail themselves of many of the

benefits of Allstate Life's funding agreements while benefiting from the liquidity afforded by each trust's medium term notes.

Collateral; Status

The notes of a series will be secured by the right, title and interest of the issuing trust in and to (1) the funding agreement(s) held by that trust, (2) all proceeds of such funding agreement(s) and (3) all books and records pertaining to such funding agreement(s). In this prospectus supplement, references to "other collateral" are to items (2) and (3) above.

The notes of a series will be the unconditional, direct, non-recourse and unsubordinated obligations of the issuing trust and will rank equally among themselves. Each series of notes will be secured by and payable solely out of the assets of the issuing trust, and holders of such series of notes will have no right against the assets of Global Funding or the assets of any other trust.

Each series of notes may be accelerated in the payment of principal and outstanding interest if an event of default under the notes occurs. Upon the occurrence of an event of

S-4

default, the indenture trustee (described below) on behalf of the holders of notes may only proceed against the collateral held in the issuing trust.

The notes of each series are not, and will not be, insurance contracts, insurance policies or funding agreements.

The notes are not obligations of Allstate Life, Global Funding or any other person or entity other than the trust that issued the relevant notes. The notes are not guaranteed by any person or entity. The notes will not benefit from any insurance guaranty fund coverage or any similar protection.

Funding Agreements

Each trust will use the net proceeds received from the offering of its series of notes to purchase from Global Funding one or more funding agreements issued by Allstate Life. The funding agreement(s) will have a principal amount equal to the principal amount of the related series of notes. The funding agreement(s) will otherwise have payment and other terms substantially similar to the related series of notes.

The funding agreements are unsecured obligations of Allstate Life, an Illinois stock life insurance company. In the event of insolvency of an Illinois insurance company, claims against the insurer's estate are prioritized pursuant to Section 5/205 of the Illinois Insurance Code. Under Section 5/205(1)(d) of the Illinois Insurance Code, claims by "policyholders, beneficiaries, and insureds, under insurance policies, annuity contracts, and funding agreements" receive payment prior to any distribution to general creditors not falling within any other priority class under the Illinois Insurance Code.

The registrants believe that in a properly prepared and presented case in a delinquency proceeding under Article XIII of the Illinois Insurance Code, 215 ILCS Section 5/187 *et seq.* (the "Illinois Liquidation Act"), the timely and properly filed claims of an owner under the funding agreement (with the possible exception of claims for Additional Amounts, as discussed below) would be entitled to distribution *pari passu* with

S-5

claims made by other policyholders, beneficiaries, and insureds under other insurance policies, insurance contracts, annuities and funding agreements issued by Allstate Life, and the claims of the Illinois Life and Health Insurance Guaranty Association, and any similar organization in another state, in accordance with Section 5/205(1)(d) of the Illinois Liquidation Act, and an owner's claims under the funding agreement should not be recharacterized as other than the claims of a policyholder, beneficiary, or insured under an insurance policy, insurance contract, annuity or funding agreement.

The obligations of Allstate Life under any funding agreement will not be guaranteed by any person or entity.

If a funding agreement so provides, Allstate Life may be required to pay Additional Amounts (as such term is defined therein) to the indenture trustee as collateral assignee of the funding agreement. For a discussion regarding payment of Additional Amounts, see "Description of the Notes—Withholding Tax; No Payment of Additional Amounts". Although such payments could be viewed as a claim under the funding agreements within the meaning of Section 5/205(1)(d), they may also be argued to be a separate payment obligation. Therefore, while in a proceeding before a court of competent jurisdiction the court might find that a claim for an Additional Amount constitutes a claim under a funding agreement, it also might find that such a claim is not a claim entitled to the priority afforded by Section 5/205(1)(d). If a claim for an Additional Amount does not constitute a claim entitled to the priority afforded by Section 5/205(1)(d), then in a properly prepared and presented case any claim for an Additional Amount would be entitled to the same priority as claims of general creditors of Allstate Life under Section 5/205(1)(g).

With respect to the issuance of any series of the notes, the aggregate amount of Allstate Life's liabilities that would rank *pari passu* with each funding agreement securing such series of notes is disclosed in the financial statements of

S-6

Allstate Life contained in Allstate Life's most recent Annual Report on Form 10-K or Quarterly Report on Form 10-Q filed with the SEC, in each case as of the date of such financial statements. This amount appears in the Consolidated Statements of Financial Position as a liability under the line item entitled "Contractholder funds".

Title	Allstate Life SM CoreNotes®
Allstate Life SM CoreNotes® Program	This prospectus supplement relates to one or more series of notes that one or more Delaware special purpose statutory trusts that may be formed from time to time may issue and sell primarily to retail investors under this Allstate Life SM CoreNotes® program. Allstate Life SM CoreNotes® will be offered from time to time to the public, with payment of principal of, any premium and interest on, and any other amounts due and owing with respect to, the Allstate Life SM CoreNotes® to be secured by one or more applicable funding agreements issued by Allstate Life and sold to, and deposited into, the issuing trust by Global Funding.
Secured Medium Term Notes Program	<p>Included in the registration statement, of which this prospectus supplement is a part, is another prospectus supplement relating to series of notes that may be issued and sold primarily to institutional investors by one or more newly established Delaware statutory trusts under the related secured medium term notes program. The terms of the secured medium term notes are identical in all material respects to the terms of the notes to be sold under this program, as described in this prospectus supplement, except that the secured medium term notes:</p> <ul style="list-style-type: none">• may be issued as amortizing notes;• may be denominated in one or more foreign currencies;• will not contain a survivor's option, permitting optional repayment of notes of a series, subject to certain limitations, prior to maturity, if requested, following the death of the beneficial owner of notes of that series; and

S-7

	<ul style="list-style-type: none">• may contain a provision providing for the redemption of the notes if Allstate Life is required to pay additional amounts on the related funding agreements pursuant to the applicable pricing supplement and Allstate Life exercises its right to redeem the funding agreements.
Indentures and Indenture Trustee	Each series of notes will be issued by the issuing trust pursuant to a separate indenture (each, an "indenture") to be entered into between the issuing trust and J.P. Morgan Trust Company, National Association, in its capacity as indenture trustee (including any successor, the "indenture trustee"). Each indenture will be subject to and qualified under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"). The indenture trustee is not affiliated with the trusts, the depositor or Allstate Life.
Funding Notes	<p>Each trust will use the net proceeds received from the issuance of the related series of notes to purchase a funding note (each, a "funding note") from Global Funding. Global Funding will use the net proceeds received from the sale of the related funding note to purchase one or more funding agreements issued by Allstate Life. Global Funding will immediately assign absolutely to, and deposit into, the issuing trust each such funding agreement, and the relevant funding note will be surrendered.</p> <p>Each funding note will have a principal amount equal to the principal amount of the related series of notes. Each funding note will otherwise have payment and other terms substantially similar to the related series of notes, except that each funding note will contain a provision that makes it immediately cancelable upon the transfer by Global Funding of the related funding agreement(s) to the related issuing trust.</p>
Ratings	Unless otherwise indicated in the applicable pricing supplement, each series of notes, the related funding note and the funding agreement(s) securing such series of notes will have an issue credit rating of from Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. We expect the program to be rated by Moody's Investors Service, Inc. ("Moody's"). If

S-8

	Moody's changes the program rating, the new program rating will be specified in the applicable pricing supplement. Notes of a series will be issued under the program only in the event that, at the time of issuance of such series of notes, at least one nationally recognized rating agency would assign an investment grade rating to such series of notes, the related funding note and the funding agreement(s) securing such series of notes.
Purchasing Agent	Merrill Lynch, Pierce, Fenner & Smith Incorporated.
Amount	Up to \$4,000,000,000 of notes less any amount of notes previously issued under this program, the related secured medium term note program or otherwise under the accompanying prospectus.
Form of Notes	Book-entry through the facilities of The Depository Trust Company ("DTC"), except as otherwise described under "Description of the Notes—Book-Entry Notes."

Maturities	<p>Each series of notes will mature nine months to 30 years from its date of original issuance. Each series of notes will have the same maturity date as the related funding agreement(s).</p> <p>Each series of notes may be accelerated in the payment of principal and outstanding interest if an event of default under such series of the notes occurs. Upon the occurrence of an event of default, the indenture trustee (as defined below) on behalf of the holders of notes may only proceed against the collateral held by the issuing trust.</p>
Interest	<p>Each fixed rate note will bear interest from its date of issue at the rate stated in the applicable pricing supplement until the principal is paid.</p> <p>Each floating rate note will bear interest from the date of issue until the principal is paid at a rate determined by reference to an interest rate or interest rate formula, which may be adjusted by a spread and/or spread multiplier (each as more fully described under "Description of the Notes"). The pricing supplement will designate one or more of the</p>

S-9

following base rates, along with the index maturity for that base rate:

- the CD Rate,
- the CMT Rate,
- the Commercial Paper Rate,
- the Federal Funds Rate,
- LIBOR,
- the Prime Rate,
- the Treasury Rate, or
- such other base rate or interest rate formula as may be set forth in the applicable pricing supplement.

Interest on each note will be payable either monthly, quarterly, semiannually or annually on each interest payment date and at maturity or, if applicable, earlier redemption or repayment, and will be computed on the basis of a 360-day year of twelve 30-day months, unless otherwise specified in the pricing supplement.

Currency and Denominations	Notes will be denominated in U.S. dollars. Unless otherwise specified in the applicable pricing supplement, notes will be issued and sold in denominations of \$1,000 and integral multiples of \$1,000 in excess thereof.
Principal	The principal amount of each note will be payable on its stated maturity date specified in the applicable pricing supplement, unless earlier redeemed or repaid in accordance with its terms.
Redemption	<p>Unless otherwise specified in the applicable pricing supplement:</p> <ul style="list-style-type: none"> • the notes will not be redeemable prior to maturity; and • the notes will not be subject to any sinking fund.
Survivor's Option	A series of notes may contain a provision (which is referred to as the "survivor's option") permitting optional repayment of notes of that series prior to maturity, if requested,

S-10

following the death of the beneficial owner of notes of that series, so long as the notes were held by the beneficial owner or the estate of the beneficial owner for a period beginning at least six months immediately prior to such death. Your notes may not be repaid in this manner unless the pricing supplement for your series of notes provides for the survivor's option. If the pricing supplement for your series of notes provides for the survivor's option, the funding agreement securing your series of notes will contain a provision which will allow the issuing trust to tender the funding agreement in whole or in part to Allstate Life. An issuing trust's ability to tender funding agreements related to its series of notes that contains a survivor's option, however, will be subject to certain limitations set by Allstate Life. As a result, your right to exercise the survivor's option is subject to limits set by Allstate Life with respect to the relevant funding agreement. Allstate Life has the discretionary right to limit the aggregate principal amount of:

- all funding agreements securing all outstanding series of notes issued under the Allstate LifeSM CoreNotes® program as to which exercises of any put option by any issuing trust shall be accepted by Allstate Life in any calendar year to an amount equal to the greater of \$2,000,000 or 2% of the aggregate principal amount of all funding agreements securing all outstanding series of notes issued under the Allstate LifeSM CoreNotes® program as of the end of the most recent calendar year or such

other greater amount as determined in accordance with the applicable funding agreement and set forth in the applicable pricing supplement;

- the funding agreements securing the notes of a series as to which exercises of any put option by the applicable trust attributable to notes as to which the survivor's option has been exercised by the authorized representative of any individual deceased beneficial owner to \$250,000 in any calendar year or such other greater amount as determined in accordance with the

S-11

applicable funding agreement and set forth in the applicable pricing supplement; and

- the funding agreements securing a series of notes as to which exercises of any put option by the applicable trust attributable to notes as to which the survivor's option has been exercised shall be accepted in any calendar year to an amount as set forth in the applicable funding agreement and the applicable pricing supplement.

Additional details on the survivor's option are described in the section titled "Description of the Notes—Survivor's Option" on page S-33.

Listing

Unless otherwise specified in the applicable pricing supplement, a series of notes will not be listed on any securities exchange.

Administration of Global Funding and the Trusts

Wilmington Trust Company, a Delaware banking corporation, will initially be the sole trustee of Global Funding and each trust. The Delaware trustee will not be obligated in any way to make payments under or in respect of any notes, any funding notes or any funding agreements. The Delaware trustee is not affiliated with Allstate Life or the indenture trustee.

AMACAR Pacific Corp. will initially be the administrator of Global Funding and each trust. The administrator will not be obligated in any way to make any payments under or in respect of the notes, any funding notes or any funding agreements. The administrator is not affiliated with Allstate Life or the indenture trustee.

Allstate Life and Global Funding entered into a support and expenses agreement dated as of (the "depositor support agreement"). Pursuant to the depositor support agreement, Allstate Life agreed, among other things, to pay certain costs and expenses relating to the offering, sale and issuance of each funding note and certain costs, expenses and taxes incurred by Global Funding. Pursuant to the depositor trust agreement, Allstate Life also agreed to indemnify the indenture trustee, the

S-12

Delaware trustee, the administrator and each other service provider, as well as Global Funding, with respect to certain matters.

In connection with the issuance of a series of notes, Allstate Life and the issuing trust will enter into a support and expenses agreement (each, a "support agreement"). Under each support agreement, Allstate Life will agree to pay certain costs and expenses relating to the offering, sale and issuance of the applicable series of notes and certain costs, expenses and taxes incurred by the issuing trust. Pursuant to each support agreement, Allstate Life will also agree to indemnify the indenture trustee, the Delaware trustee, the administrator and each other service provider, as well as the issuing trust, with respect to certain matters.

Governing Law

The notes, each indenture and each funding note will be governed by, and construed in accordance with, the laws of the State of New York. The depositor trust agreement is, and each trust agreement will be, governed by, and construed in accordance with, the laws of the State of Delaware. The funding agreements will be governed by the laws of the State of Illinois.

S-13

RISK FACTORS

Your investment in the notes includes risks. In consultation with your own financial and legal advisers, you should carefully consider, among other matters, the following discussion of risks before deciding whether an investment in the notes is suitable for you. The notes are not an appropriate investment for you if you do not understand their significant components and/or financial matters. You should also consult the discussion of risk factors set forth in Allstate Life's Annual Report on Form 10-K for the year ended December 31, 2002, which is incorporated into this prospectus supplement and the accompanying prospectus by reference.

Risk Factors Relating to the Depositor and the Trusts

Each trust will have limited resources and therefore its ability to make timely payments with respect to its series of notes will depend upon Allstate Life making payments under the relevant funding agreement

The ability of a trust to make timely payments with respect to the related series of notes is principally dependent upon Allstate Life making the related payments under each relevant funding agreement. Each trust is a special purpose statutory trust formed for the purpose of the issuance of the related series of notes. The obligations under a

series of notes will be secured by and payable solely from the collateral held in the issuing trust. No series of notes will have any right to receive payments from the collateral related to any other series of notes.

The notes of a series are the obligations only of the issuing trust and are not obligations of, or guaranteed by, Allstate Life or any of its affiliates

The notes are not obligations of Allstate Life, Global Funding or any other person or entity other than the issuing trust. The notes are not guaranteed by any person or entity. Except pursuant to the terms of the funding agreement(s) included in the collateral for each series of notes, none of these entities nor any agent, trustee or beneficial owner of Global Funding or the trusts, in respect of any trust, is under any obligation to provide funds or capital to Global Funding or the trusts or with respect to any series of notes issued by the trusts. The net worth of Global Funding on the date hereof is approximately \$1,000 and is not expected to increase materially. The net worth of each trust is expected to be minimal.

As of the date hereof, Global Funding has, and as of the date of issue of any series of notes, the issuing trust will have, no prior operating history

Global Funding is and the trusts will be special purpose statutory trusts organized under the laws of the State of Delaware. Global Funding exists for the sole purpose of facilitating the programs for the issuance of notes. Each trust will exist for the exclusive purposes of: issuing and selling one series of notes to investors; using the net proceeds from the sale of series of notes to acquire the related collateral, including one or more funding agreements; and engaging in other

S-14

activities necessary or incidental thereto. As of the date hereof, Global Funding has, and as of the date of issue of any series of notes, the issuing trust will have, no prior operating history.

Risk Factors Relating to the Notes

The notes of a series are non-recourse obligations of the issuing trust

The obligations under the notes of a series are non-recourse obligations payable solely from the applicable collateral constituting the assets of the issuing trust. If any event of default shall occur under any series of the notes, the rights of the holders of the notes of such series and the indenture trustee, on behalf of such holders, will be limited to a proceeding against the applicable collateral. None of such holders or the indenture trustee will have the right to proceed against the collateral related to any other series of notes, Global Funding, any other trust or any of Allstate Life, its officers, directors, affiliates, employees or agents or any of the trustees, beneficial owners or agents, or any of their respective officers, directors, affiliates, employees or agents in the case of any judgment in which there is deficiency remaining after foreclosure of any property included in such collateral. If an event of default shall have occurred under a series of notes, the indenture trustee will be entitled to have its fees and expenses paid solely from the collateral of such series of notes before holders of the notes of such series receive payment of the amounts then due and owing with respect to their notes; *provided*, that such priority of the indenture trustee over the holders of the notes of a series will be limited to an aggregate amount of no more than \$250,000 for all series of notes. All claims of the holders of a series of notes in excess of amounts received from the related collateral will be extinguished. In addition, in certain circumstances an event of default under a series of notes may not constitute an event of default under the applicable funding agreement(s). In that event, it is possible that the obligations under any series of notes may be accelerated while the obligations of Allstate Life under the applicable funding agreement(s) may not be similarly accelerated. If this occurs, the indenture trustee may have no or limited ability to proceed against the applicable funding agreement(s) and the related collateral and holders of the notes may not be paid in full, or in a timely manner upon such acceleration. See "Description of the Indentures—Events of Default" in the accompanying prospectus.

Allstate Life will be the sole obligor under the funding agreements

Since Allstate Life will be the sole obligor under the funding agreements, the ability of a trust to meet its obligations, and your ability to receive payments from such trust, with respect to a particular series of notes, will be principally dependent upon Allstate Life's ability to perform its obligations under each applicable funding agreement held by the issuing trust. Despite this, you will have no direct contractual rights against Allstate Life under any such funding agreement. Pursuant to the terms of each funding agreement, recourse rights to Allstate Life will belong to the issuing trust, its successors and permitted assignees. In connection with the offering and sale of a series of notes, the issuing trust will pledge, collateralize and grant a security interest in the collateral for such series of notes to the indenture trustee on behalf of the holders of the

S-15

applicable series of notes and the other persons identified in the relevant indenture. Recourse to Allstate Life under each such funding agreement will be enforceable only by the indenture trustee as a secured party on behalf of holders of such series of notes and the other persons identified in the relevant indenture. Accordingly, if Allstate Life fails to perform its obligations under the applicable funding agreement(s), your ability to receive payments from the issuing trust would be materially and adversely affected.

Nonetheless, since Allstate Life is a registrant, purchasers of notes may be able to proceed directly against Allstate Life to enforce their rights under the Federal securities laws and their rights under the Federal securities laws will be no different than if they purchased the underlying funding agreements directly from Allstate Life.

The notes could be deemed to be participations in the funding agreements or could otherwise be deemed to be contracts of insurance and holders of the notes could be found to be acting as insurance agents or brokers

The laws and regulations of each state of the United States and the District of Columbia (the "covered jurisdictions") contain broad definitions of the activities that may constitute the conduct of the business of insurance in such jurisdictions. Because the primary asset of each trust will be one or more funding agreements issued by Allstate Life, which will be sold to, and deposited into, the issuing trust by Global Funding, it is possible that a trust's issuance of notes, Global Funding's issuance of the related funding note or the performance of the issuing trust's obligations under the notes, including the payment or prepayment of amounts due under the notes, or the purchase, resale or assignment of the notes by any investor or any person who acquires the notes directly or indirectly from such investor:

- could be characterized by one or more jurisdictions as the conduct of the business of insurance by Global Funding, the issuing trust, any such investor or any such other person or
- could otherwise subject Global Funding, the issuing trust, any such investor or any such other person to regulation under the insurance laws of one or more covered jurisdictions.

This could, among other effects, require such persons to be subject to regulatory licensure or other qualifications and levels of compliance that cannot practically be achieved. Failure to comply with such requirements could subject any such person to regulatory penalties. In the event Global Funding or any trust is subject to any such penalties or any other liabilities resulting from such regulation, the ability of holders to receive payment under the notes could be materially and adversely affected. In addition, any such failure to comply or the threat of any such regulation could reduce liquidity with respect to the notes, prevent an investor from transferring notes and reduce the marketability and market value of the notes. Therefore, any such regulation or threat of regulation by any one or more covered jurisdictions could result in an investor either being

unable to liquidate its investment in the notes or, upon any such liquidation, receiving a value significantly less than the initial investment in the notes.

The Illinois Department of Insurance has confirmed that it does not consider the sale of publicly offered funding agreement backed medium term notes to violate the Illinois Insurance Code. In addition, the Illinois Department of Insurance has approved the form of funding agreement to be used in connection with the offering of notes.

Based primarily upon communications with the staff of the insurance regulatory bodies in most states and advice of LeBoeuf, Lamb, Greene & MacRae, L.L.P., Allstate Life and Global Funding believe that:

- the notes should not be subject to regulation as participations in the funding agreements themselves or otherwise constitute insurance contracts under the insurance laws of the covered jurisdictions; and
- Global Funding, the trusts and persons selling or purchasing the notes should not be subject to regulation as doing an insurance business under the insurance laws of the covered jurisdictions by virtue of their respective activities in connection with the offer, sale and/or purchase of the notes.

There are, however, wide variations in the insurance laws of the covered jurisdictions, subtle nuances in their application, and a general absence of any consistent pattern of interpretation or enforcement. Insurance regulatory authorities have broad discretionary powers in administering the insurance laws, including the authority to modify or withdraw a regulatory interpretation, impose new rules, and take a position contrary to Allstate Life's. In addition, state courts are not bound by any regulatory interpretations and could take a position contrary to Allstate Life's. Consequently, there can be no assurance that the purchase, resale or assignment of the notes or the funding notes will not subject the parties to such transaction to regulation or enforcement proceedings under the insurance laws of one or more covered jurisdictions.

Payments under funding agreements may be insufficient to pay principal and interest, if any, under the notes

Payments of the principal of and any interest on a series of notes will be made solely from the payments the issuing trust receives under the applicable funding agreement(s). Unless otherwise specified in this prospectus supplement or the applicable pricing supplement, Allstate Life will not pay any Additional Amounts (as defined in the applicable funding agreement) in respect of a funding agreement to compensate for any withholding or deduction for or on account of any present or future taxes, duties, levies, assessments or governmental charges of whatever nature imposed or levied on payments in respect of a funding agreement, by or on behalf of any governmental authority and each holder of a note of the related series of notes will be deemed for all purposes to have received cash in an amount equal to the portion of such withholding or deduction that is attributable to such holder's interest in the notes, as equitably determined by the

issuing trust. Under this circumstance, the issuing trust will not actually pay, or cause to be paid, to such holder all of the amounts which would have been receivable by such holder in the absence of such taxes, duties, levies, assessments or other governmental charges.

Redemption may adversely affect your return on the notes

If your notes are redeemable at the option of the issuing trust, it may choose to redeem your notes at times when prevailing interest rates are relatively low. In addition, if your notes are subject to mandatory redemption, the issuing trust may be required to redeem your notes also at times when prevailing interest rates are relatively low. As a result, you may not be able to reinvest the redemption proceeds in a comparable security at an interest rate equal to the interest rate on your notes being redeemed.

There may not be any trading market for your notes; many factors affect the trading and market value of your notes

Upon issuance, the notes of a series will not have an established trading market. No assurance can be given that a trading market for your notes will ever develop or be maintained if developed. In addition to the creditworthiness of Allstate Life and the issuing trust, many factors affect the trading market for, and trading value of, your notes. These factors include:

- the time remaining to the maturity of your notes;
- the outstanding amount of the applicable series of notes;
- any redemption features of your notes; and
- the level, direction and volatility of market interest rates generally.

There may be a limited number of buyers if you decide to sell your notes. This may affect the price you receive for your notes or your ability to sell your notes at all. In addition, notes that are designed for specific investment objectives or strategies often experience a more limited trading market and more price volatility than those not so designed. You should not purchase notes unless you understand and know you can bear all of the investment risks involving your notes.

Ratings of this Allstate LifeSM CoreNotes[®] program described in this prospectus supplement, the related medium term note program and each series of notes may not reflect all risks of an investment in the notes

Each series of notes will be rated by at least one nationally recognized statistical rating organization. The ratings of such notes will primarily reflect the financial strength of Allstate Life and will change in accordance with the rating of Allstate Life's financial strength and with any change in the priority status under Illinois law of funding agreements. Any rating is not a recommendation to purchase, sell or hold any particular security, including the notes. Such ratings

do not comment as to market price or suitability for a particular investor. In addition, there can be no assurance that a rating will be maintained for any given period of time or that a rating will not be lowered or withdrawn in its entirety. The ratings of this Allstate LifeSM CoreNotes[®] program described in this prospectus supplement, the related medium term note program and each series of notes may not reflect the potential impact of all risks related to structure and other factors on any trading market for, or trading value of, your notes.

Any survivor's option may be subject to certain limitations

Under the Allstate LifeSM CoreNotes[®] program, Allstate Life has the discretionary right to limit the aggregate principal amount of:

- all funding agreements securing all outstanding series of notes as to which exercises of any put option by any issuing trust shall be accepted by Allstate Life in any calendar year to an amount equal to the greater of \$2,000,000 or 2% of the aggregate principal amount of all funding agreements securing all outstanding series of notes issued under the Allstate LifeSM CoreNotes® program as of the end of the most recent calendar year or such other greater amount as determined in accordance with the applicable funding agreement(s) and set forth in the applicable pricing supplement;
- the funding agreement(s) securing the notes of a series as to which exercises of any put option by the applicable trust attributable to notes as to which the survivor's option has been exercised by the authorized representative of any individual deceased beneficial owner to \$250,000 in any calendar year or such other greater amount as determined in accordance with the applicable funding agreement(s) and set forth in the applicable pricing supplement; and
- the funding agreement(s) securing a series of notes as to which exercises of any put option by the applicable trust shall be accepted in any calendar year to an amount as set forth in the applicable funding agreement(s) and the applicable pricing supplement.

In any such event, each trust shall similarly be required to limit the aggregate principal amount of notes as to which exercises of the survivor's option shall be accepted by it. Accordingly, no assurance can be given that the exercise of the survivor's option for a desired amount will be accepted as to any series of notes or in any single calendar year.

An increase in market interest rates could result in a decrease in the value of any notes bearing interest at a fixed rate

If market interest rates increase above the interest rate of notes bearing interest at a fixed rate, such notes bearing interest at a fixed rate generally decline in value because debt instruments of the same face value priced at market interest rates will yield higher income. Consequently, if you purchase fixed rate notes and market interest rates increase above the fixed

S-19

interest rate on the notes you have purchased, the market value of your notes may decline. Allstate Life can give no assurance regarding the future level of market interest rates.

If you purchase discount notes, the amount payable to you upon early redemption, repayment of acceleration of these notes may be less than the principal amount (i.e., par) of the notes plus accrued but unpaid interest and premium, if any.

If you purchase discount notes, the amount payable to you upon early redemption, repayment or acceleration of these notes may be less than the principal amount thereof plus accrued and unpaid interest. The amount payable will be determined by the formula set forth in this prospectus supplement or pricing supplement.

Risk Factor Relating to the Collateral

The funding agreements are unsecured obligations of Allstate Life. If the funding agreements were not determined to be insurance contracts, they would be accorded the same priority in an insolvency of Allstate Life as its other general unsecured obligations.

The primary assets of each trust will be one or more funding agreements, and payments on the notes of a series will principally depend on payments under each related funding agreement(s). In addition, each trust will grant a security interest in, pledge and assign as collateral each funding agreement it acquires with the proceeds from the offering of a series of notes together with the related collateral to the indenture trustee, on behalf of the holders of the notes of such series and other persons specified in the relevant indenture, to secure the obligations under that series of notes.

In the event of insolvency of an Illinois insurance company, claims against the insurer's estate are prioritized pursuant to Section 5/205 of the Illinois Insurance Code. Under Section 5/205(1)(d) of the Illinois Insurance Code, claims by "policyholders, beneficiaries, and insureds, under insurance policies, annuity contracts, and funding agreements" receive payment prior to any distribution to general creditors not falling within any other priority class under the Illinois Insurance Code. The funding agreements are unsecured obligations of Allstate Life.

In a properly prepared and presented case in a delinquency proceeding under Article XIII of the Illinois Insurance Code, 215 ILCS Section 5/187 *et seq.* (the "Illinois Liquidation Act"), the timely and properly filed claims of an owner under the funding agreement (with the possible exception of claims for Additional Amounts, as discussed below) would be entitled to distribution *pari passu* with claims made by other policyholders, beneficiaries, and insureds under other insurance policies, insurance contracts, annuities and funding agreements issued by Allstate Life, and the claims of the Illinois Life and Health Insurance Guaranty Association, and any similar organization in another state, in accordance with Section 5/205(1)(d) of the Illinois Liquidation Act, and an owner's claims under the funding agreement should not be recharacterized as other

S-20

than the claims of a policyholder, beneficiary, or insured under an insurance policy, insurance contract, annuity or funding agreement.

In the absence of controlling judicial precedents, the opinion of Lord, Bissell & Brook is based on a reasoned analysis of Illinois statutes, as well as application of other states' judicial decisions involving similar or analogous circumstances. Investors should note that in the event of the insolvency of an insurance company, however, the judicial application of statutes governing the distribution of the insurer's general assets has typically proceeded on a case-by-case basis.

Additional Amounts may be considered a separate payment obligation and may not be subject to the same priority as other amounts claimed under the funding agreements

If a funding agreement so provides, Allstate Life may be required to pay Additional Amounts (as such term is defined therein) to the indenture trustee as collateral assignee of the funding agreement. Although such payments could be viewed as a claim under the funding agreements within the meaning of Section 5/205(1)(d), they may also be argued to be a separate payment obligation. Therefore, while in a proceeding before a court of competent jurisdiction, the court might find that a claim for an Additional Amount constitutes a claim under a funding agreement, it also might find that such a claim is not a claim entitled to the priority afforded by Section 5/205(1)(d). Lord, Bissell & Brook has opined that if a claim for an Additional Amount does not constitute a claim entitled to the priority afforded by Section 5/205(1)(d), then in a properly prepared and presented case any claim for an Additional Amount would be entitled to the same priority as claims of general creditors of Allstate Life under Section 5/205(1)(g). Accordingly, in the event of the insolvency of Allstate Life, your claim for any payments of Additional Amounts may be subordinated to claims for other amounts under the applicable funding agreement.

Changes in Federal tax legislation could adversely affect Allstate Life's business

Under the Internal Revenue Code of 1986, as amended (the "Code"), United States Federal income tax payable by policyholders on investment earnings is deferred during the accumulation period of certain life insurance and annuity products. Thus, taxes, if any, are payable on income attributable to a distribution under the contract for the year in which the distribution is made. This favorable tax treatment may give certain of Allstate Life's products a competitive advantage over other noninsurance products. On May 28,

2003, President Bush signed the Jobs and Growth Tax Relief Reconciliation Act of 2003, which reduces the federal income tax rates applicable to certain dividends and capital gains realized by individuals. This legislation may lessen the competitive advantage of certain of Allstate Life's products vis-à-vis other investments that generate dividend and/or capital gain income. As a result, demand for certain of Allstate Life's products that offer income tax deferral may be negatively impacted. Additionally, Congress has from time to time considered other legislation that would reduce or eliminate the benefits to policyowners of the deferral of taxation on the accretion of value within certain insurance

S-21

products or otherwise affect the taxation of insurance products and insurance companies. To the extent that the Code is revised to reduce the tax deferred status of insurance products, or to reduce the taxation of competing products, all life insurance companies, including Allstate Life, could be adversely affected.

ALLSTATE LIFE GLOBAL FUNDING TRUSTS

Each series of notes will be issued by a separate newly created trust formed by Global Funding, the administrator and the Delaware trustee pursuant to the filing of a certificate of trust and the execution of the applicable trust agreement. Global Funding will be the sole beneficial owner of each trust that is formed.

After formation, each trust will not engage in any activity other than:

- making a single issuance of notes;
- immediately acquiring a funding note and immediately canceling such funding note in exchange for one or more funding agreement(s);
- acquiring, holding and maintaining the funding agreement(s);
- pledging, assigning as collateral and granting a security interest in the applicable funding agreement(s) to the indenture trustee;
- making payments on the applicable series of notes; and
- engaging in other activities that are necessary, suitable or convenient to accomplish the foregoing or are incidental to or connected with those activities.

The principal executive offices of the trusts will be located at Allstate Life Global Funding Trusts, c/o: AMACAR Pacific Corp., 6525 Morrison Boulevard, Suite 318, Charlotte, North Carolina 28211. The telephone number will be (704) 365-0569. For more information about the trusts, see "Description of Allstate Life Global Funding and the Trusts" in the accompanying prospectus.

ALLSTATE LIFE GLOBAL FUNDING

Global Funding is a special purpose statutory trust formed under the laws of the State of Delaware, pursuant to the filing of a certificate of trust and the execution of the depositor trust agreement between the administrator and the Delaware trustee. The sole purpose of Global Funding is to facilitate the programs for the issuance of notes.

Global Funding will not engage in any activity other than:

- beneficially owning the trusts;
- issuing one or more funding notes;

S-22

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- acquiring one or more funding agreements from Allstate Life;
 - assigning absolutely the funding agreements to, and depositing such funding agreements into, the trusts; and
 - engaging in other activities that are necessary, suitable or convenient to accomplish the foregoing or are incidental to or connected with those activities.

The principal executive offices of Global Funding are located at Allstate Life Global Funding, c/o: AMACAR Pacific Corp., 6525 Morrison Boulevard, Suite 318, Charlotte, North Carolina 28211. The telephone number is (704) 365-0569. For more information about Global Funding, see "Description of Allstate Life Global Funding and the Trusts" in the accompanying prospectus.

ALLSTATE LIFE INSURANCE COMPANY

Allstate Life was incorporated in 1957 as a stock life insurance company under the laws of the State of Illinois. It conducts substantially all of its life insurance operations directly or through its wholly owned life insurance subsidiaries. It is a wholly owned subsidiary of Allstate Insurance Company ("AIC"), a stock property-liability insurance company incorporated under the laws of the State of Illinois. All of the outstanding stock of AIC is owned by The Allstate Corporation, a publicly owned holding company incorporated under the laws of the State of Delaware.

The Allstate Corporation, together with its subsidiaries, is the second largest personal property and casualty insurer in the United States on the basis of 2002 statutory premiums earned. Widely known through the "You're In Good Hands With Allstate®" slogan, The Allstate Corporation, through its subsidiaries, provides insurance products to more than 16 million households and has approximately 12,900 exclusive agents and financial specialists in the U.S. and Canada. For more information about Allstate Life, see "Description of Allstate Life Insurance Company" in the accompanying prospectus.

Allstate Life's principal executive offices are located at 3100 Sanders Road, Northbrook, Illinois 60062 and its telephone number is (847) 402-5000.

S-23

DESCRIPTION OF THE NOTES

This section provides a summary description of the material provisions of the notes. Each series of notes will be issued pursuant to a separate indenture (each, an "indenture") to be entered into between the issuing trust and J.P. Morgan Trust Company, National Association, as indenture trustee (including any successor, the "indenture trustee"). The provisions of the notes are not restated in their entirety and you should read the actual provisions set forth in the standard indenture terms filed as an exhibit to the registration statement of which this prospectus supplement and the accompanying prospectus form a part because those provisions, and not this description, will define your rights as an owner of an interest in the notes of a series. The terms and conditions of the notes described in this section will apply to each series of notes, except that the specific terms of a series of notes will be added in the applicable pricing supplement and each book-entry note (each, a "note certificate") representing the notes of such series. It is important for you to consider the information contained in this prospectus supplement, the accompanying prospectus, the applicable indenture, the applicable pricing supplement and the note certificates in making your investment decision.

This section describes some technical concepts and occasionally contains defined terms. You should refer to the standard indenture terms and the form of note certificates filed as exhibits to the registration statement to which this prospectus supplement and the accompanying prospectus relate for the full description of those concepts and complete definitions of those terms.

General

Indentures

Each trust will issue its series of notes subject to and entitled to the benefits of a separate indenture. Each indenture will be subject to, qualified under and governed by, the Trust Indenture Act. The aggregate principal amount of notes that may be authenticated and delivered under each indenture will be unlimited. For a description of the indentures, see "Description of the Indentures" beginning on page of the accompanying prospectus.

Collateral

Pursuant to each indenture, the issuing trust will assign each funding agreement held by it to the indenture trustee on behalf of the holders of the notes issued by such trust. Each series of notes will be secured by a first priority perfected security interest in the "collateral" for such series of notes in favor of the indenture trustee, on behalf of the holders of the notes of such series and the other persons identified in the relevant indentures which will consist of the right, title and interest of the issuing trust in and to:

- the funding agreement(s) held by the issuing trust;
- all proceeds of the relevant funding agreement(s); and

S-24

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- all books and records pertaining to the relevant funding agreement(s).

Ranking

The notes of a series will be the unconditional, direct, non-recourse and unsubordinated obligations of the issuing trust and will rank equally among themselves. Each series of notes will be secured by and payable solely out of the assets of the issuing trust, and holders of such series of notes will have no right against the assets of Global Funding or the assets of any other trust.

Pricing Supplement

The pricing supplement relating to the offering of a series of notes will describe the following terms of the notes, including:

- the principal amount of the notes;
- whether the notes are:
 - fixed rate notes,
 - floating rate notes, and/or
 - discount notes that do not bear any interest currently or bear interest at a rate that is below market rates at the time of issuance,
- the price at which the notes will be issued, which will be expressed as a percentage of the aggregate principal amount or face amount;
- the original issue date on which the notes will be issued;
- the stated maturity date;
- if the notes are fixed rate notes, the rate per annum at which the notes will bear any interest and the interest payment date frequency;
- if the notes are floating rate notes, relevant terms such as:
 - the interest rate basis or interest rate bases,
 - the initial interest rate,
 - the interest reset period or the interest reset dates,
 -

the interest payment dates,

- the index maturity,
- any maximum interest rate,
- the minimum interest rate,

S-25

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- the spread and/or spread multiplier, and
 - any other terms relating to the particular method of calculating the interest rate for the notes and whether and how the spread and/or spread multiplier may be changed prior to the stated maturity date;
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- whether the authorized representative of the beneficial owner of a beneficial interest in the notes will have the right to seek repayment upon the death of the beneficial owner as described under "—Survivor's Option" on page S-33;
 - whether the notes may be redeemed by the issuing trust, or repaid at the option of the holders, prior to the stated maturity date and the terms of their redemption or repayment, provided that any such redemption or repayment will be accompanied by the simultaneous redemption or repayment of the relevant funding agreement(s);
 - any special United States federal income tax considerations relating to the purchase, ownership and disposition of the notes; and
 - any other terms of the notes provided in the accompanying prospectus to be set forth in a pricing supplement or that are otherwise consistent with the provisions of the indenture under which the notes will be issued.

The pricing supplement also may add, update, supplement or clarify information in this prospectus supplement and the accompanying prospectus.

Pricing Options

Notes that bear interest will either be fixed rate notes or floating rate notes, or a combination of fixed rate and floating rate, as specified in the applicable pricing supplement. The trusts may also issue discount notes as specified in the applicable pricing supplement.

Maturities

Each series of notes will mature nine months to 30 years from its date of original issuance. Each series of notes will have the same maturity date as the related funding agreement(s). The principal or any installment of principal may mature prior to the stated maturity date if, for example, there is a declaration of acceleration of maturity, a notice of redemption at the option of the issuing trust or an election to exercise the survivor's option.

Currency

The notes of each series will be denominated in, and payments of principal, premium, if any, and/or interest, if any, and any other amounts in respect of the notes will be made in, U.S. dollars.

S-26

Form of Notes; Denominations

The issuing trust will issue each note of a series as a book-entry note represented by one or more fully registered global securities, except as contemplated under "—Book-Entry Notes". Unless otherwise specified in the applicable pricing supplement, the minimum denominations of each note will be \$1,000 and integral multiples of \$1,000 in excess thereof.

Transfers and Exchanges

Book-entry notes may be transferred or exchanged only through DTC. See "—Book-Entry Notes". No service charge will be imposed for any such registration of transfer or exchange of notes, but the issuing trusts may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith (other than certain exchanges not involving any transfer).

Listing

Unless otherwise specified in the applicable pricing supplement, a series of notes will not be listed on any securities exchange.

Payments of Principal and Interest

The issuing trust will make payments of principal of, and premium, if any, interest on, if any, and other amounts due and owing with respect to, book-entry notes through the indenture trustee to DTC or its nominee. See "—Book-Entry Notes." Payments of principal of, and premium on, if any, interest on, if any, and other amounts due and owing with respect to, definitive notes will be made at maturity in immediately available funds upon presentation and surrender of the definitive note (and, in the case of the exercise of the survivor's option, upon submission of a properly completed election form if required) at the office or agency maintained by the issuing trust for this purpose in the Borough of Manhattan, The City of New York. The issuing trust will make payments of interest, if any, on and any other amounts due and owing with respect to, a definitive note at maturity to the person to whom the issuing trust pays the principal. The issuing trust will make any payments of interest on a definitive note on an interest payment date other than the date of maturity by check mailed to the address of the record date registered holder as it appears in the security register. Notwithstanding the foregoing, the issuing trust will make any payments of interest on an interest payment date other than the date of maturity to each record date registered holder of \$10,000,000 or more in principal amount of definitive notes with the same interest payment date (whether those notes otherwise have identical or different terms and provisions) by wire transfer of immediately available funds if the registered holder has delivered appropriate wire transfer instructions in writing to the indenture trustee not less than 15 days prior to the relevant interest payment date. Any wire transfer instructions received by the indenture trustee shall remain in effect until revoked by the registered holder.

S-27

If any interest payment date or the maturity date of a note falls on a day that is not a business day, the issuing trust will make the required payment on the next business day and no additional interest will accrue for that period. "Business day" means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which commercial banks are authorized or required by law, regulation or executive order to close in The City of New York.

Payments of Principal and Interest

Notes of a series may bear interest at a fixed interest rate ("fixed rate notes") or at a floating interest rate ("floating rate notes").

Fixed Rate Notes

Each series of fixed rate notes will bear interest at a fixed rate from and including its date of issue or from and including the most recent interest payment date as to which interest has been paid or made available for payment until the principal is paid or made available for payment. The applicable pricing supplement will specify the fixed interest rate per annum applicable to each note and the frequency with which interest is payable. Interest, including interest for any partial period, will be computed on the basis of a 360-day year of twelve 30-day months. Each payment of interest, including interest to be paid at maturity, will include interest to, but excluding, the date that the interest payment is due.

Interest on notes that bear interest at fixed rates will be payable in arrears on each interest payment date to the registered holder at the close of business on the record date except that interest, if any, due at maturity will be paid to the person to whom the principal of the note is paid. Unless otherwise specified in the applicable pricing supplement, the record date will be the day that is fifteen calendar days preceding the applicable interest payment date, whether or not a business day. Unless otherwise specified in the applicable pricing supplement, the interest payment dates for fixed rate notes will be as follows:

Interest Payment Frequency	Interest Payment Dates
Monthly	Fifteenth day of each calendar month, beginning in the first calendar month following the month the note was issued.
Quarterly	Fifteenth day of every third month, beginning in the third calendar month following the month the note was issued.
Semiannual	Fifteenth day of every sixth month, beginning in the sixth calendar month following the month the note was issued.
Annual	Fifteenth day of every twelfth month, beginning in the twelfth calendar month following the month the note was issued.

S-28

If any interest payment date or the maturity date of a fixed rate note falls on a day that is not a business day, the issuing trust will make the required payment of principal, premium, if any, and/or interest, if any, on the next succeeding business day, and no additional interest will accrue in respect of the payment made on that next succeeding business day.

Interest rates that the issuing trust offers on the fixed rate notes may differ depending upon, among other factors, the aggregate principal amount of notes purchased in any single transaction. Notes with different variable terms other than interest rates may also be offered by other trusts concurrently to different investors. Other trusts may change interest rates or formulas and other terms of notes from time to time, but no change of terms will affect any note any other trust has previously issued or as to which any other trust has accepted an offer to purchase.

Floating Rate Notes

Interest on each series of floating rate notes will be determined by reference to the applicable interest rate basis or interest rate bases, which may, as described below, include:

- the CD Rate;
- the CMT Rate;
- the Commercial Paper Rate;
- the Federal Funds Rate;
- LIBOR;
- the Prime Rate;
- the Treasury Rate; or
- any other interest rate basis or interest rate formula as may be specified in the applicable pricing supplement.

The rate derived from the applicable interest rate basis will be determined in accordance with the related provisions below. The interest rate in effect on each day will be based on:

- if that day is an interest reset date, the rate determined as of the interest determination date (as defined below) immediately preceding that interest reset date; or
- if that day is not an interest reset date, the rate determined as of the interest determination date immediately preceding the most recent interest reset date.

The "spread" is the number of basis points (one one-hundredth of a percentage point) specified in the applicable pricing supplement to be added to or subtracted from the related interest rate basis or interest rate bases applicable to a series of notes that bears interest at floating rates. The "spread multiplier" is the percentage specified in the applicable pricing supplement of the related interest rate basis or interest rate bases applicable to a series of notes

S-29

that bears interest at floating rates by which the interest rate basis or interest rate bases will be multiplied to determine the applicable interest rate. The "index maturity" is the period to maturity of the instrument or obligation with respect to which the related interest rate basis or interest rate bases will be calculated.

Regular Floating Rate Notes

Unless a series of floating rate notes is designated as a series of Floating Rate/Fixed Rate notes, or as having an addendum attached or having other/additional provisions apply, in each case relating to a different interest rate formula, such series of notes that bears interest at floating rates will be a series of Regular Floating Rate notes and will bear interest at the rate determined by reference to the applicable interest rate basis or interest rate bases:

- plus or minus the applicable spread, if any; and/or
- multiplied by the applicable spread multiplier, if any.

Commencing on the first interest reset date, as specified in the relevant pricing supplement, the rate at which interest on a series of regular floating rate notes is payable will be reset as of each interest reset date; provided, however, that the interest rate in effect for the period, if any, from the date of issue to the first interest reset date will be the initial interest rate.

Floating Rate/Fixed Rate Notes

If a series of notes that bears interest at floating rates is designated as a series of Floating Rate/Fixed Rate notes, such series of notes that bears interest at floating rates will bear interest at the rate determined by reference to the applicable interest rate basis or interest rate bases:

- plus or minus the applicable spread, if any; and/or
- multiplied by the applicable spread multiplier, if any.

Commencing on the first interest reset date, the rate at which interest on a series of Floating Rate/Fixed Rate notes is payable will be reset as of each interest reset date; provided, however, that:

- the interest rate in effect for the period, if any, from the date of issue to the first interest reset date will be the initial interest rate, as specified in the relevant pricing supplement; and
- the interest rate in effect commencing on the fixed rate commencement date will be the fixed interest rate, if specified in the applicable pricing supplement, or, if not so specified, the interest rate in effect on the day immediately preceding the fixed rate commencement date.

S-30

Interest Reset Dates

The applicable pricing supplement will specify the dates on which the rate of interest on a series of notes that bears interest at floating rates will be reset (each, an "interest reset date"), and the period between interest reset dates will be the "interest reset period". Unless otherwise specified in the applicable pricing supplement, the interest reset dates will be, in the case of a series of floating rate notes which reset:

- daily—each business day;
- weekly—the Wednesday of each week, with the exception of weekly reset series of notes that bears interest at floating rates as to which the Treasury Rate is an applicable interest rate basis, which will reset the Tuesday of each week;
- monthly—the third Wednesday of each month;
- quarterly—the third Wednesday of March, June, September and December of each year;
- semiannually—the third Wednesday of the two months specified in the applicable pricing supplement; and
- annually—the third Wednesday of the month specified in the applicable pricing supplement; provided however, that, with respect to any series of Floating Rate/Fixed Rate notes, the rate of interest thereon will not reset after the particular fixed rate commencement date.

If any interest reset date for any series of notes that bears interest at floating rates would otherwise be a day that is not a business day, the particular interest reset date will be postponed to the next succeeding business day, except that in the case of a series of notes that bears interest at floating rates as to which LIBOR is an applicable interest rate basis and that business day falls in the next succeeding calendar month, the particular interest reset date will be the immediately preceding business day.

Interest Determination Dates

The interest rate applicable to a series of notes that bears interest at floating rates for an interest reset period commencing on the related interest reset date will be determined by reference to the applicable interest rate basis as of the particular "interest determination date," which will be:

- with respect to the Commercial Paper Rate, the Federal Funds Rate and the Prime Rate—the business day immediately preceding the related interest reset date;
- with respect to the CD Rate and the CMT Rate—the second business day preceding the related interest reset date;

S-31

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- with respect to LIBOR—the second London banking day preceding the related interest reset date; and
 - with respect to the Treasury Rate—the day of the week in which the related interest reset date falls on which day Treasury Bills (as defined below) are normally auctioned (i.e., Treasury Bills are normally sold at auction on Monday of each week, unless that day is a legal holiday, in which case the auction is normally held on the following Tuesday, except that the auction may be held on the preceding Friday); provided, however, that if an auction is held on the Friday of the week preceding the related interest reset date, the interest determination date will be the preceding Friday.

The interest determination date pertaining to a series of floating rate notes that bears interest at the interest rate of which is determined with reference to two or more interest rate bases will be the latest business day which is at least two business days before the related interest reset date for the applicable note that bears interest at floating rates on which each interest reset basis is determinable.

Calculation Dates

The indenture trustee will be the "calculation agent", unless otherwise specified in the applicable pricing supplement. The interest rate applicable to each interest reset period will be determined by the calculation agent on or prior to the calculation date (as defined below), except with respect to LIBOR, which will be determined on the particular interest determination date. Upon request of the registered holder of a series of floating rate notes, the calculation agent will disclose the interest rate then in effect and, if determined, the interest rate that will become effective as a result of a determination made for the next succeeding interest reset date with respect to the particular series of floating rate notes. The "calculation date," if applicable, pertaining to any interest determination date will be the earlier of:

- the tenth calendar day after the particular interest determination date or, if such day is not a business day, the next succeeding business day; or
- the business day immediately preceding the applicable interest payment date or the maturity date, as the case may be.

Maximum and Minimum Interest Rates

A series of notes that bears interest at floating rates may also have either or both of the following if specified in the applicable pricing supplement:

- a maximum numerical limitation, or ceiling, that may accrue during any interest reset period (a "maximum interest rate"); and
- a minimum numerical limitation, or floor, that may accrue during any interest reset period (a "minimum interest rate").

S-32

In addition to any maximum interest rate that may apply to a series of notes that bears interest at floating rates, the interest rate on a series of floating rate notes will in no event be higher than the maximum rate permitted by New York law, as the same may be modified by United States law of general application.

Interest Payments

Unless otherwise specified in the applicable pricing supplement, interest on each series of notes that bears interest at floating rates will be payable on the date(s) as set forth below (each, an "interest payment date" with respect to such series of notes that bears interest at floating rates). Unless otherwise specified in the applicable pricing supplement, the record date will be the day that is 15 calendar days preceding the applicable interest payment date, whether or not a business day. Unless otherwise specified in the applicable pricing supplement, the interest payment dates will be, in the case of a series of floating rate notes which reset:

- daily, weekly or monthly—the third Wednesday of each month or on the third Wednesday of March, June, September and December of each year, as specified in the applicable pricing supplement;
- quarterly—the third Wednesday of March, June, September and December of each year;
- semiannually—the third Wednesday of the two months of each year specified in the applicable pricing supplement; and
- annually—the third Wednesday of the month of each year specified in the applicable pricing supplement.

In addition, the maturity date will also be an interest payment date.

If any interest payment date other than the maturity date for any series of floating rate notes would otherwise be a day that is not a business day, such interest payment date will be postponed to the next succeeding business day, except that in the case of a series of floating rate notes as to which LIBOR is an applicable interest rate basis and that business day falls in the next succeeding calendar month, the particular interest payment date will be the immediately preceding business day. If the maturity date of a series of floating rate notes falls on a day that is not a business day, the trust will make the required payment of principal, premium, if any, and interest or other amounts on the next succeeding business day, and no additional interest will accrue in respect of the payment made on that next succeeding business day.

All percentages resulting from any calculation on floating rate notes will be rounded to the nearest one hundred-thousandth of a percentage point, with five one-millionths of a percentage point rounded upwards. For example, 9.876545% (or .09876545) would be rounded to 9.87655% (or .0987655). All dollar amounts used in or resulting from any calculation on floating rate notes will be rounded to the nearest cent.

S-33

With respect to each series of floating rate notes, accrued interest is calculated by multiplying the principal amount of such floating rate note by an accrued interest factor. The accrued interest factor is computed by adding the interest factor calculated for each day in the particular interest reset period. The interest factor for each day will be computed by dividing the interest rate applicable to such day by 360, in the case of a series of floating rate notes as to which the CD Rate, the Commercial Paper Rate, the Federal Funds Rate, LIBOR or the Prime Rate is an applicable interest rate basis, or by the actual number of days in the year, in the case of a series of floating rate notes as to which the CMT Rate or the Treasury Rate is an applicable interest rate basis. The interest factor for a series of floating rate notes as to which the interest rate is calculated with reference to two or more interest rate bases will be calculated in each period in the same manner as if only the applicable interest rate basis specified in the applicable pricing supplement applied.

The calculation agent shall determine the rate derived from each Interest Rate Basis in accordance with the following provisions:

CD Rate

"CD Rate" means:

(1) the rate on the particular interest determination date for negotiable United States dollar certificates of deposit having the index maturity specified in the applicable pricing supplement as published in H.15(519) (as defined below) under the caption "CDs (secondary market)"; or

(2) if the rate referred to in clause (1) is not so published by 3:00 P.M., New York City time, on the related calculation date, the rate on the particular index determination date for negotiable United States dollar certificates of deposit of the particular index maturity as published in H.15 Daily Update (as defined below), or

other recognized electronic source used for the purpose of displaying the applicable rate, under the caption "CDs (secondary market)"; or

(3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related calculation date, the rate on the particular index determination date calculated by the calculation agent as the arithmetic mean of the secondary market offered rates as of 10:00 A.M., New York City time, on that index determination date, of three leading non-bank dealers in negotiable United States dollar certificates of deposit in The City of New York (which may include the Purchasing Agent or its affiliates) selected by the calculation agent for negotiable United States dollar certificates of deposit of major United States money market banks for negotiable United States certificates of deposit with a remaining maturity closest to the particular index maturity in an amount that is representative for a single transaction in that market at that time; or

S-34

(4) if the dealers so selected by the calculation agent are not quoting as mentioned in clause (3), the CD Rate in effect on the particular index determination date.

"H.15(519)" means the weekly statistical release designated as H.15(519), or any successor publication, published by the Board of Governors of the Federal Reserve System.

"H.15 Daily Update" means the daily update of H.15(519), available through the world-wide-web site of the Board of Governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/H15/update>, or any successor site or publication.

CMT Rate

"CMT Rate" means:

(1) if CMT Moneyline Telerate Page 7051 is specified in the applicable pricing supplement:

(a) the percentage equal to the yield for United States Treasury securities at "constant maturity" having the index maturity specified in the applicable pricing supplement as published in H.15(519) under the caption "Treasury Constant Maturities", as the yield is displayed on Moneyline Telerate (or any successor service) on page 7051 (or any other page as may replace the specified page on that service) ("Moneyline Telerate Page 7051"), for the particular index determination date; or

(b) if the rate referred to in clause (a) does not so appear on Moneyline Telerate Page 7051, the percentage equal to the yield for United States Treasury securities at "constant maturity" having the particular index maturity and for the particular index determination date as published in H.15(519) under the caption "Treasury Constant Maturities;" or

(c) if the rate referred to in clause (b) does not so appear in H.15(519), the rate on the particular index determination date for the period of the particular index maturity as may then be published by either the Federal Reserve System Board of Governors or the United States Department of the Treasury that the calculation agent determines to be comparable to the rate which would otherwise have been published in H.15(519); or

(d) if the rate referred to in clause (c) is not so published, the rate on the particular index determination date calculated by the calculation agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on that index determination date of three leading primary United States government securities dealers in The City of New York (which may include the Purchasing Agent or its affiliates) (each, a "reference dealer") selected by the calculation agent from five reference dealers selected by the calculation agent and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for

S-35

United States Treasury securities with an original maturity equal to the particular index maturity, a remaining term to maturity no more than one year shorter than that index maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time; or

(e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on the particular index determination date calculated by the calculation agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated; or

(f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on the particular index determination date calculated by the calculation agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on that index determination date of three reference dealers selected by the calculation agent from five reference dealers selected by the calculation agent and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the particular index maturity, a remaining term to maturity closest to that index maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time; or

(g) if fewer than five but more than two prices referred to in clause (f) are provided as requested, the rate on the particular index determination date calculated by the calculation agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated; or

(h) if fewer than three prices referred to in clause (f) are provided as requested, the CMT Rate in effect on the particular index determination date.

(2) if CMT Moneyline Telerate Page 7052 is specified in the applicable pricing supplement:

(a) the percentage equal to the one-week or one-month, as specified in the applicable pricing supplement, average yield for United States Treasury securities at "constant maturity" having the index maturity specified in the applicable pricing supplement as published in H.15(519) opposite the caption "Treasury Constant Maturities", as the yield is displayed on Moneyline Telerate (or any successor service) (on page 7052 or any other page as may replace the specified page on that service) ("Moneyline Telerate Page 7052"), for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the particular index determination date falls; or

S-36

(b) if the rate referred to in clause (a) does not so appear on Moneyline Telerate Page 7052, the percentage equal to the one-week or one-month, as specified in the applicable pricing supplement, average yield for United States Treasury securities at "constant maturity" having the particular index maturity and for the week or month, as applicable, preceding the particular index determination date as published in H.15(519) opposite the caption "Treasury Constant Maturities;" or

(c) if the rate referred to in clause (b) does not so appear in H.15(519), the one-week or one-month, as specified in the applicable pricing supplement, average yield for United States Treasury securities at "constant maturity" having the particular index maturity as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the particular index determination date falls; or

(d) if the rate referred to in clause (c) is not so published, the rate on the particular index determination date calculated by the calculation agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on that index determination date of three reference dealers selected by the calculation agent from five reference dealers selected by the calculation agent and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the particular index maturity, a remaining term to maturity no more than one year shorter than that index maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time; or

(e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on the particular index determination date calculated by the calculation agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated; or

(f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on the particular index determination date calculated by the calculation agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on that index determination date of three reference dealers selected by the calculation agent from five reference dealers selected by the calculation agent and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the particular index maturity, a remaining term to maturity closest to that index maturity and in a principal amount that is representative for a single transaction in the securities in that market at the time; or

S-37

(g) if fewer than five but more than two prices referred to in clause (f) are provided as requested, the rate on the particular index determination date calculated by the calculation agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated; or

(h) if fewer than three prices referred to in clause (f) are provided as requested, the CMT Rate in effect on that index determination date.

If two United States Treasury securities with an original maturity greater than the index maturity specified in the applicable pricing supplement have remaining terms to maturity equally close to the particular index maturity, the quotes for the United States Treasury security with the shorter original remaining term to maturity will be used.

Commercial Paper Rate

"Commercial Paper Rate" means:

(1) the Money Market Yield (as defined below) on the particular index determination date of the rate for commercial paper having the index maturity specified in the applicable pricing supplement as published in H.15(519) under the caption "Commercial Paper—Nonfinancial;" or

(2) if the rate referred to in clause (1) is not so published by 3:00 P.M., New York City time, on the related calculation date, the Money Market Yield of the rate on the particular index determination date for commercial paper having the particular index maturity as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the caption "Commercial Paper—Nonfinancial;" or

(3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related calculation date, the rate on the particular index determination date calculated by the calculation agent as the Money Market Yield of the arithmetic mean of the offered rates at approximately 11:00 A.M., New York City time, on that index determination date of three leading dealers of United States dollar commercial paper in The City of New York (which may include the Purchasing Agent or its affiliates) selected by the calculation agent for commercial paper having the particular index maturity placed for industrial issuers whose bond rating is "Aa", or the equivalent, from a nationally recognized statistical rating organization; or

(4) if the dealers so selected by the calculation agent are not quoting as mentioned in clause (3), the Commercial Paper Rate in effect on the particular index determination date.

S-38

"Money Market Yield" means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal, and "M" refers to the actual number of days in the applicable interest reset period.

Federal Funds Rate

"Federal Funds Rate" means:

(1) the rate on the particular interest determination date for United States dollar federal funds as published in H.15(519) under the caption "Federal Funds (Effective)" and displayed on Moneyline Telerate (or any successor service) on page 120 (or any other page as may replace the specified page on that service);

("Moneyline Telerate Page 120"); or

(2) if the rate referred to in clause (1) does not so appear on Moneyline Telerate Page 120 or is not so published by 3:00 P.M., New York City time, on the related calculation date, the rate on the particular interest determination date for United States dollar federal funds as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the caption "Federal Funds (Effective);" or

(3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related calculation date, the rate on the particular interest determination date calculated by the calculation agent as the arithmetic mean of the rates for the last transaction in overnight United States dollar federal funds arranged by three leading brokers of United States dollar federal funds transactions in The City of New York (which may include the Agents or their affiliates), selected by the calculation agent prior to 9:00 A.M., New York City time, on that interest determination date; or

(4) if the brokers so selected by the calculation agent are not quoting as mentioned in clause (3), the Federal Funds Rate in effect on the particular interest determination date.

LIBOR

"LIBOR" means:

(1) if "LIBOR Moneyline Telerate" is specified in the applicable pricing supplement or if neither "LIBOR Reuters" nor "LIBOR Moneyline Telerate" is specified in the applicable pricing supplement as the method for calculating LIBOR, the rate for deposits in the LIBOR currency having the index maturity specified in the applicable pricing supplement,

S-39

commencing on the related interest reset date, that appears on the LIBOR page as of 11:00 A.M., London time, on the particular index determination date; or

(2) if "LIBOR Reuters" is specified in the applicable pricing supplement, the arithmetic mean of the offered rates, calculated by the calculation agent, or the offered rate, if the LIBOR page by its terms provides only for a single rate, for deposits in the LIBOR currency having the particular index maturity, commencing on the related interest reset date, that appear or appears, as the case may be, on the LIBOR page as of 11:00 A.M., London time, on the particular index determination date; or

(3) if fewer than two offered rates appear, or no rate appears, as the case may be, on the particular index determination date on the LIBOR page as specified in clause (1) or (2), as applicable, the rate calculated by the calculation agent of at least two offered quotations obtained by the calculation agent after requesting the principal London offices of each of four major reference banks (which may include affiliates of the Purchasing Agent) in the London interbank market to provide the calculation agent with its offered quotation for deposits in the LIBOR currency for the period of the particular index maturity, commencing on the related interest reset date, to prime banks in the London interbank market at approximately 11:00 A.M., London time, on that index determination date and in a principal amount that is representative for a single transaction in the LIBOR currency in that market at that time; or

(4) if fewer than two offered quotations referred to in clause (3) are provided as requested, the rate calculated by the calculation agent as the arithmetic mean of the rates quoted at approximately 11:00 A.M., in the applicable principal financial center, on the particular index determination date by three major banks (which may include affiliates of the Purchasing Agent) in that principal financial center selected by the calculation agent for loans in the LIBOR currency to leading European banks, having the particular index maturity and in a principal amount that is representative for a single transaction in the LIBOR currency in that market at that time; or

(5) if the banks so selected by the calculation agent are not quoting as mentioned in clause (4), LIBOR in effect on the particular index determination date.

"LIBOR currency" means United States dollars.

"LIBOR page" means either:

- if "LIBOR Reuters" is specified in the applicable pricing supplement, the display on the Reuter Monitor Money Rates Service (or any successor service) on the page specified in the applicable pricing supplement (or any other page as may replace that page on that service) for the purpose of displaying the London interbank rates of major banks for the LIBOR currency; or

S-40

- if "LIBOR Moneyline Telerate" is specified in the applicable pricing supplement or neither "LIBOR Reuters" nor "LIBOR Moneyline Telerate" is specified in the applicable pricing supplement as the method for calculating LIBOR, the display on Moneyline Telerate (or any successor service) on the page specified in the applicable pricing supplement (or any other page as may replace such page on such service) for the purpose of displaying the London interbank rates of major banks for the LIBOR currency.

"London banking day" means a day on which commercial banks are open for business (including dealings in the LIBOR currency) in London.

Prime Rate

"Prime Rate" means:

(1) the rate on the particular index determination date as published in H.15(519) under the caption "Bank Prime Loan;" or

(2) if the rate referred to in clause (1) is not so published by 3:00 P.M., New York City time, on the related calculation date, the rate on the particular index determination date as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the caption "Bank Prime Loan;" or

(3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related calculation date, the rate on the particular index determination date calculated by the calculation agent as the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen US PRIME 1 Page (as defined below) as the applicable bank's prime rate or base lending rate as of 11:00 A.M., New York City time, on that index determination date; or

(4) if fewer than four rates referred to in clause (3) are so published by 3:00 p.m., New York City time, on the related calculation date, the rate calculated by the calculation agent as the particular index determination date calculated by the calculation agent as the arithmetic mean of the prime rates or base lending rates quoted on the basis of the actual number of days in the year divided by a 360-day year as of the close of business on that index determination date by three major banks (which may include affiliates of the Purchasing Agent) in The City of New York selected by the calculation agent; or

(5) if the banks so selected by the calculation agent are not quoting as mentioned in clause (4), the Prime Rate in effect on the particular index determination date.

"Reuters Screen US PRIME 1 Page" means the display on the Reuter Monitor Money Rates Service (or any successor service) on the "US PRIME 1" page (or any other page as may replace that page on that service) for the purpose of displaying prime rates or base lending rates of major United States banks.

S-41

Treasury Rate

"Treasury Rate" means:

- (1) the rate from the auction held on the Treasury Rate index determination date (the "Auction") of direct obligations of the United States ("Treasury Bills") having the index maturity specified in the applicable pricing supplement under the caption "INVESTMENT RATE" on the display on Moneyline Telerate (or any successor service) on page 56 (or any other page as may replace that page on that service) ("Moneyline Telerate Page 56") or page 57 (or any other page as may replace that page on that service) ("Moneyline Telerate Page 57"); or
- (2) if the rate referred to in clause (1) is not so published by 3:00 P.M., New York City time, on the related calculation date, the Bond Equivalent Yield (as defined below) of the rate for the applicable Treasury Bills as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the caption "U.S. Government Securities/Treasury Bills/Auction High;" or
- (3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related calculation date, the Bond Equivalent Yield of the auction rate of the applicable Treasury Bills as announced by the United States Department of the Treasury; or
- (4) if the rate referred to in clause (3) is not so announced by the United States Department of the Treasury, or if the Auction is not held, the Bond Equivalent Yield of the rate on the particular index determination date of the applicable Treasury Bills as published in H.15(519) under the caption "U.S. Government Securities/Treasury Bills/Secondary Market;" or
- (5) if the rate referred to in clause (4) is not so published by 3:00 P.M., New York City time, on the related calculation date, the rate on the particular index determination date of the applicable Treasury Bills as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the caption "U.S. Government Securities/Treasury Bills/Secondary Market;" or
- (6) if the rate referred to in clause (5) is not so published by 3:00 P.M., New York City time, on the related calculation date, the rate on the particular index determination date calculated by the calculation agent as the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 P.M., New York City time, on that index determination date, of three primary United States government securities dealers (which may include the Purchasing Agent or its affiliates) selected by the calculation agent, for the issue of Treasury Bills with a remaining maturity closest to the index maturity specified in the applicable pricing supplement; or
- (7) if the dealers so selected by the calculation agent are not quoting as mentioned in clause (6), the Treasury Rate in effect on the particular index determination date.

S-42

"Bond Equivalent Yield" means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for Treasury Bills quoted on a bank discount basis and expressed as a decimal, "N" refers to 365 or 366, as the case may be, and "M" refers to the actual number of days in the applicable interest reset period.

Discount Notes

The trusts may from time to time issue series of notes ("discount notes") that have an issue price (as specified in the applicable pricing supplement) that is less than 100% of the principal amount thereof (i.e. par) by more than a percentage equal to the product of 0.25% and the number of full years to the stated maturity date. A series of discount notes may not bear any interest currently or may bear interest at a rate that is below market rates at the time of issuance. The difference between the issue price of a series of discount notes and par is referred to as the "discount". In the event of redemption, repayment or acceleration of maturity of a series of discount notes, the amount payable to the holders of such series of discount notes will be equal to the sum of:

- the issue price (increased by any accruals of discount) and, in the event of any redemption of such series of discount notes, if applicable, multiplied by the initial redemption percentage (as adjusted by the annual redemption percentage reduction, if applicable); and
- any unpaid interest accrued on such series of discount notes to the date of the redemption, repayment or acceleration of maturity, as the case may be.

For purposes of determining the amount of discount that has accrued as of any date on which a redemption, repayment or acceleration of maturity occurs for a series of discount notes, a discount will be accrued using a constant yield method. The constant yield will be calculated using a 30-day month, 360-day year convention, a compounding period that, except for the initial period (as defined below), corresponds to the shortest period between interest payment dates for the applicable series of discount notes (with ratable accruals within a compounding period), a coupon rate equal to the initial coupon rate applicable to the applicable series of discount notes and an assumption that the maturity of such series of discount notes will not be accelerated. If the period from the date of issue to the first interest payment date for a series of discount notes (the "initial period") is shorter than the compounding period for such series of discount notes, a proportionate amount of the yield for an entire compounding period will be accrued. If the initial period is longer than the compounding period, then the period will be divided into a regular compounding period and a short period with the short period being treated as provided in the preceding sentence. The accrual of the applicable discount may differ from the accrual of original

S-43

issue discount for purposes of the Code, certain series of discount notes may not be treated as having original issue discount within the meaning of the Code, and certain series of notes other than discount notes may be treated as issued with original issue discount for federal income tax purposes. See "United States Federal Income Tax Considerations".

Withholding Tax; No Payment of Additional Amounts

All amounts due in respect of the notes of a series will be made without withholding or deduction for or on account of any present or future taxes, duties, levies, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of any governmental authority in the United States having the power to tax on payments on the notes unless the withholding or deduction is required by law. An issuing trust will not pay any additional amounts to holders of any series of notes in the event that any withholding or deduction is so required by law, regulation or official interpretation thereof, and the imposition of a requirement to make any such withholding or deduction will not give rise to any independent right or obligation to redeem the notes of such series.

Security; Non-Recourse Obligations

The notes of a series will solely be the obligations of the issuing trust, and will not be guaranteed by any person or entity. The obligations under each series of notes will be secured by all of the rights and title of the issuing trust in one or more funding agreements issued by Allstate Life and other rights and assets included in the applicable collateral held in the issuing trust.

Since Allstate Life will be the sole obligor under the funding agreements, the ability of a trust to meet its obligations, and your ability to receive payments from such trust, with respect to a particular series of notes, will be principally dependent upon Allstate Life's ability to perform its obligations under each applicable funding agreement held by the issuing trust. Despite this, you will have no direct contractual rights against Allstate Life under any such funding agreement. Pursuant to the terms of each funding agreement, recourse rights to Allstate Life will belong to the issuing trust, its successors and permitted assignees. In connection with the offering and sale of a series of notes, the issuing trust will pledge, collaterally assign and grant a security interest in the collateral for such series of notes to the indenture trustee on behalf of the holders of the applicable series of notes and the other persons identified in the relevant indenture. Accordingly, recourse to Allstate Life under each such funding agreement will be enforceable only by the indenture trustee as a secured party on behalf of holders of such series of notes and the other persons identified in the relevant indenture.

Nonetheless, since Allstate Life is a registrant, purchasers of notes may be able to proceed directly against Allstate Life to enforce their rights under the Federal securities laws and their rights under the Federal securities laws will be no different than if they purchased the underlying funding agreements directly from Allstate Life.

S-44

Survivor's Option

The "survivor's option" is a provision in a note pursuant to which the issuing trust agrees to repay that note in whole or in part prior to maturity, if requested, following the death of the beneficial owner of the note, so long as the note was held by the beneficial owner for a period of at least six months prior to the death of the beneficial owner. Unless otherwise specified in the applicable pricing supplement, the estate of the deceased beneficial owner of a note will be eligible to exercise the survivor's option.

Subject to the limitations described below, upon the valid exercise of the survivor's option, the proper tender of that note for repayment and the tender and acceptance of that portion of the funding agreement(s) related to such note, the issuing trust will repay any of its notes pursuant to the survivor's option by or on behalf of a person that has the legal authority to act on behalf of the note's deceased owner. Unless otherwise specified in the applicable pricing supplement, the repurchase price will be 100% of the unpaid principal amount plus accrued interest to, but excluding, the date of repayment.

Unless otherwise set forth in the applicable pricing supplement for your series of notes, the funding agreement(s) securing your series of notes will contain a provision which will allow the issuing trust to tender the funding agreement(s) in whole or in part to Allstate Life. An issuing trust's ability to tender the funding agreement(s) related to a series of notes that contain a survivor's option will be subject to certain limitations set by Allstate Life. As a result, your right to exercise the survivor's option is subject to limits set by Allstate Life with respect to the relevant funding agreement(s). Allstate Life has the discretionary right to limit the aggregate principal amount of:

- all funding agreements securing all outstanding series of notes issued under the Allstate LifeSM CoreNotes® program as to which exercises of any put option by any issuing trust shall be accepted by Allstate Life in any calendar year to an amount equal to the greater of \$2,000,000 or 2% of the aggregate principal amount of all funding agreements securing all outstanding series of notes issued under the Allstate LifeSM CoreNotes® program as of the end of the most recent calendar year or such other greater amount as determined in accordance with the applicable funding agreement(s) and set forth in the applicable pricing supplement;
- the funding agreement(s) securing the notes as to which exercises of any put option by the applicable trust attributable to notes as to which the survivor's option has been exercised by the authorized representative of any individual deceased beneficial owner to \$250,000 in any calendar year or such other greater amount as determined in accordance with the applicable funding agreement(s) and set forth in the applicable pricing supplement; and
- the funding agreement(s) securing a series of notes as to which exercises of any put option by the applicable trust shall be accepted in any calendar year to an amount as set forth in the applicable funding agreement(s) and the applicable pricing supplement.

S-45

In any such event, each trust shall similarly be required to limit the aggregate principal amount of notes as to which exercises of the survivor's option shall be accepted by it.

In addition, the exercise of the survivor's option will not be permitted for a principal amount less than \$1,000 or if such exercise will result in a note with a principal amount of less than \$1,000 to remain outstanding. All other questions, other than with respect to the right to limit the aggregate principal amount of notes subject to the survivor's option that will be accepted as to any series of notes or in any calendar year, regarding the eligibility or validity of any exercise of the survivor's option will be determined by the administrator of the issuing trust, in its sole discretion, which determination will be final and binding on all parties. The indenture trustee, upon written request by the authorized representative of the deceased beneficial owner of notes, will request the administrator to provide the status of the remaining program and series limitations for such calendar year on the exercise of any survivor's option.

The issuing trust will accept elections to exercise the survivor's option in the order received by the administrator of the issuing trust. Notes that are not repaid in any calendar year due to the application of the limits described above will be treated as though they had been tendered on the first day of the following calendar year in the order in which they were originally tendered. Subject to the limitations described above, notes accepted for repayment will be repaid on the first interest payment date that occurs 20 or more calendar days after the date of acceptance.

If repayment of a note submitted for repayment pursuant to a valid exercise of the survivor's option is not accepted or is to be delayed, the administrator of the issuing trust will deliver a written notice by first-class mail to the depository that states the reason that repayment of that particular note has not been accepted or will be delayed.

A valid exercise of the survivor's option may not be withdrawn.

To exercise the survivor's option with respect to a book-entry note, the deceased owner's authorized person must provide the following items to the DTC "participant" through which the relevant beneficial interest is owned (for a discussion of DTC and its participants, see "—About the Depository"):

- a written instruction to the participant to notify DTC of the authorized person's desire to obtain a payment pursuant to the exercise of the survivor's option;
- appropriate evidence (a) that the person has authority to act on behalf of the deceased owner, (b) of the death of the beneficial owner, (c) that the deceased was the beneficial owner of the notes at the time of death and (d) that the beneficial owner acquired the interest in the note at least six months prior to the date of death of such beneficial owner;
- if the beneficial interest in the relevant note is held by a nominee of the deceased owner, a certificate from the nominee attesting to the deceased owner's ownership of a beneficial interest in that note;

S-46

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- a written request for repayment signed by the authorized person for the deceased owner with signature guaranteed by a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc. or a commercial bank or trust company having an office or correspondent in the United States;
 - if applicable, a properly executed assignment or endorsement;
 - tax waivers and any other instruments or documents reasonably required to establish the validity of the ownership of the beneficial interest in the related note and the claimant's entitlement to payment; and
 - any additional information reasonably required to document the ownership or authority to exercise the survivor's option and to cause the repayment of the related note.

In turn, on the basis of this information, the participant will be required to deliver to the indenture trustee a properly completed repayment election form to exercise the survivor's option, together with evidence satisfactory to the indenture trustee from the participant stating that it represents the deceased owner of the beneficial interest in the relevant note. The indenture trustee will then deliver these items to the administrator of the issuing trust and will provide the administrator of the issuing trust with any additional information (after receipt from the participant) the administrator may request in connection with such exercise.

Apart from Allstate Life's discretionary right to limit the principal amount of funding agreements securing notes as to which exercises of any put option by the issuing trusts attributable to notes to which the survivor's option may be exercised in any calendar year as described above, the administrator will determine all other questions regarding the eligibility or validity of any exercise of the survivor's option. The administrator's determination will be final and binding on all parties.

The death of a person owning a note in joint tenancy or tenancy by the entirety with another or others will be treated as the death of the owner of that note, and the entire principal amount so owned will be eligible for repayment.

The death of a person owning a note by tenancy in common will be treated as the death of the owner of that note only with respect to the deceased owner's interest in the note held by tenancy in common. However, if a note is held by husband and wife as tenants in common, the death of either spouse will be treated as the death of the owner of the note and the entire principal amount so owned will be eligible for repayment.

The death of a person who was a lifetime beneficiary of a trust that owns a note will be treated as the death of the owner of the note to the extent of that person's interest in the trust. The death of a person who was a tenant by the entirety or joint tenant in a tenancy which is the beneficiary of a trust that owns a note will be treated as the death of the owner of the note. The death of an individual who was a tenant in common in a tenancy which is the beneficiary of a trust that owns a note will be treated as the death of the owner of the note only with respect to

S-47

the deceased person's beneficial interest in the note, unless a husband and wife are the tenants in common, in which case the death of either will be treated as the death of the owner of the note.

The death of a person who, during his or her lifetime, was entitled to substantially all of the beneficial interests of ownership of a note will be treated as the death of the owner of the note if the beneficial interest can be established to the administrator's satisfaction. This will be done in typical cases of nominee ownership, such as ownership under the Uniform Transfers of Gifts to Minors Act, community property or other joint ownership arrangements between a husband and wife and lifetime custodial and trust arrangements.

The applicable participant will be responsible for disbursing payments received from the indenture trustee to the authorized person for the deceased owner.

Annex A to this prospectus supplement is the repayment election form for use by DTC participants in exercising the survivor's option. Copies of this form may be obtained from the administrator at AMACAR Pacific Corp., 6525 Morrison Blvd., Suite 318, Charlotte, NC 28211 (telephone (704) 365-0569, facsimile (704) 365-1632).

Redemption, Repayment and Repurchase of Notes

Unless otherwise specified in the applicable pricing supplement, the notes of a series will not be redeemable, except at the applicable maturity date, when all notes of such series will be redeemed.

Optional Redemption by the Issuer; No Sinking Fund

If an initial redemption date is specified in the applicable pricing supplement and provided for in the applicable funding agreement(s), the issuing trust may redeem the particular series of notes prior to its stated maturity date at its option on any date on or after that initial redemption date in whole or from time to time in part in increments of \$1,000 or any other integral multiple of an authorized denomination specified in the applicable pricing supplement (provided that any remaining principal amount thereof shall be at least \$1,000 or other minimum authorized denomination applicable thereto), at the applicable redemption price (as defined below), together with unpaid interest accrued thereon to the date of redemption. "Redemption price," with respect to a series of notes, means an amount equal to the initial redemption percentage specified in the applicable pricing supplement (as adjusted by the annual redemption percentage reduction, if applicable) multiplied by the unpaid principal amount thereof to be redeemed. The initial redemption percentage, if any, applicable to a series of notes shall decline at each anniversary of the initial redemption date by an amount equal to the applicable annual redemption percentage reduction, if any, until the redemption price is equal to 100% of the unpaid amount thereof to be redeemed. For a discussion of the redemption of discount notes, see "—Discount Notes".

The applicable pricing supplement may provide that the notes of a series may be redeemed by the issuing trust and the terms of such redemption. If so specified, the issuing trust will give a notice of redemption to each holder of the notes to be redeemed not less than 30 days nor more than 60 days prior to the date fixed for redemption.

If the notes of a series may be redeemed by the issuing trust when more than 20% of the principal of such notes is outstanding, the notes will be designated as "callable" notes in the applicable pricing supplement. Unless otherwise specified in the applicable pricing supplement, such series of notes will otherwise be subject to the redemption provisions described above.

Repayment at Option of Holder

Except for the survivor's option, the notes of a series will not provide any holder with the option to have the issuing trust repay the note on a date or dates specified prior to its maturity date. If the applicable pricing supplement specifies that a particular series of notes will have a survivor's option, the relevant funding agreement will provide for such pre-payment of amounts due under the notes.

Repurchase of Notes

Each trust may purchase some or all notes of a series issued by such trust in the open market or otherwise at any time, and from time to time, with the prior written consent of Allstate Life as to both the making of such purchase and the purchase price to be paid for such notes. If Allstate Life, in its sole discretion, consents to such purchase of notes by the issuing trust, then such trust, the indenture trustee and Allstate Life will be obligated to take such actions as may be necessary or desirable to effect the prepayment of such portion, or the entirety, of the current Principal Amount (as defined in the applicable funding agreement) under each applicable funding agreement as may be necessary to provide for the payment of the purchase price for such notes. Upon such payment, the Principal Amount under each funding agreement shall be reduced by an amount equal to the aggregate principal amount of the notes as purchased (or the portion thereof applicable to such funding agreement).

Other/Additional Provisions; Addendum

Any provisions with respect to the notes of a series, including the specification and determination of one or more interest rate bases, the calculation of the interest rate applicable to a series of notes that bears interest at floating rates, the interest payment dates, the stated maturity date, any redemption or repayment provisions or any other term relating to the applicable series of notes, may be modified and/or supplemented as specified under "Other/Additional Provisions" on the face thereof or in an addendum relating thereto, if so specified on the face thereof and, in each case, described in the applicable pricing supplement.

Book-Entry Notes

Each trust will establish a depository arrangement with the DTC with respect to the book-entry notes, the terms of which are summarized below.

All book-entry notes having the same terms will be represented by one or more global securities. Each global security will be deposited with, or on behalf of, DTC and will be registered in the name of DTC or its nominee. No global security may be transferred or exchanged except by DTC or a nominee of DTC to DTC or to another nominee of DTC, or by DTC or another nominee of DTC to a successor of DTC or a nominee of a successor to DTC. So long as DTC or its nominee is the registered holder of a global security, DTC or its nominee will be the sole owner of the related book-entry notes for all purposes under the indenture. Except as otherwise provided below, the beneficial owners of the book-entry notes will not be entitled to receive definitive notes and will not be considered the registered holders of the book-entry notes for any purpose under the indenture and no global security representing book-entry notes will be exchangeable or transferable. As a result, to exercise any rights of a registered holder under the indenture a beneficial owner must rely on the procedures of DTC and, if the beneficial owner is not a participant, on the procedures of the participant or participants through which the beneficial owner owns its interest. The laws of some jurisdictions require that some purchasers of securities take physical delivery of securities in definitive form. These laws may limit the ability to transfer beneficial interests in book-entry notes.

Each global security representing book-entry notes will be exchangeable for definitive notes only if:

- the issuing trust notifies the indenture trustee that it wishes to terminate that global security;
- an event of default on the notes of that series has occurred and not been cured; or
- DTC notifies the issuing trust that it is unwilling or unable to continue as a clearing system for the global securities, or it ceases to be a clearing agency registered under the Exchange Act and, in either case, a successor clearing system is not appointed by the issuing trust within 60 days after receiving the notice from DTC or becoming aware that DTC is no longer registered.

If any of these events occurs, the issuing trust will print and deliver definitive notes. Definitive notes issued under these circumstances will be registered in the names of the beneficial owners of the related global securities as provided to the indenture trustee by the participants identified by DTC.

About the Depository

The following is based on information furnished by DTC:

DTC will act as securities depository for the book-entry notes. The book-entry notes will be issued as fully registered securities in the name of Cede & Co. (DTC's nominee) or another name requested by DTC. One fully registered global security will be issued for each issue of book-entry notes in the aggregate principal amount of that issue and will be deposited with, or on behalf of, DTC. If the aggregate principal amount of any issue exceeds DTC's limit for a single global security, then the global securities will be issued in the form of one or more global securities having a principal amount equal to DTC's limit and an additional global security representing any remaining principal amount.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds securities that its direct participants deposit with it. DTC also facilitates the settlement among direct participants of transactions in deposited securities, such as transfers and pledges, through electronic computerized book-entry changes in direct participants' accounts. This eliminates the need for physical movement of securities certificates. DTC's direct participants include securities brokers and dealers (including the Purchasing Agent), banks, trust companies, clearing corporations and other organizations. DTC is owned by a number of its direct participants and by the New York Stock Exchange, Inc., the American Stock Exchange LLC and NASD. Access to DTC's system is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly. The rules applicable to DTC and its direct and indirect participants are on file with the SEC.

Under DTC's system, purchases of book-entry notes must be made by or through direct participants, which will receive a credit for the book-entry notes on DTC's records. The ownership interest of the actual purchaser is in turn recorded on the records of the direct and indirect participants. Beneficial owners will not receive written confirmation from DTC of their purchase, but are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the direct or indirect participants through which they entered into the transaction. Transfers of ownership interests in book-entry notes are accomplished by entries made on the books of the direct and indirect participants acting on behalf of the beneficial owners. Beneficial owners will not receive definitive notes unless use of the book-entry system is discontinued as described above.

To facilitate subsequent transfers, all global securities representing the book-entry notes deposited with, or on behalf of, DTC will be registered in the name of DTC's nominee, Cede & Co., or any other name that DTC requests. The deposit of global securities with, or on behalf of,

S-51

DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual beneficial owners of the book-entry notes; DTC's records reflect only the identity of the direct participants to whose accounts the book-entry notes are credited, which may or may not be the beneficial owners. DTC's participants are responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications from DTC to direct participants, from direct participants to indirect participants and from direct participants and indirect participants to beneficial owners are governed by arrangements among them and are subject to statutory and regulatory requirements.

Neither DTC nor Cede & Co. will consent or vote with respect to global securities. Under its usual procedures, DTC mails an omnibus proxy to a company as soon as possible after a record date. The omnibus proxy assigns Cede & Co.'s consenting or voting rights to those direct participants to whose accounts the book-entry notes are credited on the record date (identified in a listing attached to the omnibus proxy).

The issuing trust will make payments on the global securities in immediately available funds to Cede & Co. or any other nominee named by DTC. DTC's practice is to credit direct participants' accounts on the applicable payment date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on that date. Payments by participants to beneficial owners are governed by standing instructions and customary practices and are subject to statutory and regulatory requirements. The issuing trust and the trustee are responsible only for making payments to DTC, DTC is responsible for disbursing those payments to its direct participants and the direct participants (and any indirect participants) are solely responsible for disbursing those payments to the beneficial owners.

Any redemption notices will be sent to Cede & Co. If less than all of the book-entry notes having the same terms are being redeemed, DTC's current practice is to determine by lot the amount of the interest of each direct participant in those notes to be redeemed.

A beneficial owner must give notice of any election to have its book-entry notes repaid through its participant to the trustee. Delivery of the book-entry notes will be effected by causing the relevant direct participant to transfer the relevant part of its interest in the global securities to the trustee on DTC's records.

DTC may discontinue providing its services as securities depository with respect to a series of notes at any time by giving reasonable notice to the issuing trust or the indenture trustee. If the issuing trust does not obtain a successor securities depository, it will print and deliver definitive notes of such series.

The issuing trust may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). If the issuing trust does so, it will print and deliver definitive notes.

S-52

DESCRIPTION OF THE FUNDING AGREEMENTS

Each trust will use the net proceeds from the issuance of its series of notes to the public to purchase from Global Funding one or more funding agreements issued by Allstate Life. The funding agreement(s) will have a principal amount equal to the principal amount of the related series of notes. The funding agreement(s) will otherwise have payment and other terms substantially similar to the related series of notes. The funding agreement(s) may be interest bearing or non-interest bearing and, if interest bearing, may bear interest at fixed or floating rates. The calculation of the interest rate, the due dates for payments and other payment terms on the funding agreement will be determined in the manner substantially similar to that described above under "Description of the Notes". An amount equal to the principal amount of the funding agreement plus accrued but unpaid interest, if any, and accrued discount, if any (in the case of a discount funding agreement) will be payable on its maturity date, as specified in the applicable pricing supplement.

The funding agreement(s) will have a principal amount equal to the principal amount of the related series of notes. The funding agreement(s) will otherwise have payment and other terms substantially similar to the related series of notes. For a more detailed discussion of the funding agreements, see "Description of the Funding Agreement" in the accompanying prospectus.

UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

This section provides a discussion of the material United States Federal income tax consequences of the purchase, ownership and disposition of the notes. This summary is based upon laws, regulations, rulings and decisions now in effect, all of which are subject to change (including changes in effective dates) or possible differing interpretations. This summary deals only with notes held as capital assets and does not purport to deal with persons in special tax situations, such as financial institutions, partnerships, insurance companies, regulated investment companies, dealers in securities or currencies, persons holding notes as a hedge against currency risks or as a position in a "straddle" for tax purposes, or persons whose functional currency is not the United States dollar. It also does not deal with holders other than initial purchasers of notes (except where otherwise specifically noted). Persons considering the purchase of the notes should consult their own tax advisors concerning the application of United States Federal income tax laws to their particular situations as well as any consequences of the purchase, ownership and disposition of the notes arising under the laws of any other taxing jurisdiction.

This summary does not consider the United States Federal income tax consequences of the purchase, ownership or disposition of a note by a partnership. If a partnership holds a note, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. Partnerships holding a note, and partners in a partnership holding a note, should consult their tax advisors.

As used herein, the term "U.S. Holder" means a beneficial owner of a note that is for United States Federal income tax purposes:

- a citizen or resident of the United States;
- a corporation (including an entity treated as a corporation for United States Federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate whose income is subject to United States Federal income tax regardless of its source; or
- subject to applicable transition rules, a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust.

As used in this section, the term "non-U.S. Holder" means a beneficial owner of a note that is an individual, a corporation, an estate or trust that is not a U.S. Holder.

Classification of the Issuer and Notes

In the opinion of LeBoeuf, Lamb, Greene & MacRae, L.L.P., special tax counsel to Global Funding, under current law and based on certain facts and assumptions contained in such opinion:

- Global Funding and each trust will be ignored for United States Federal income tax purposes and will not be treated as an association or a publicly traded partnership taxable as a corporation; and
- the notes will be classified as indebtedness of Allstate Life for United States Federal income tax purposes.

Allstate Life, Global Funding and each trust agree, and each holder and beneficial owner of notes by purchasing the notes agrees, for all United States Federal, state and local income and franchise tax purposes (i) to treat the notes as indebtedness of Allstate Life, (ii) Global Funding and each trust will be ignored and will not be treated as an association or a publicly traded partnership taxable as a corporation and (iii) to not take any action inconsistent with the treatment described in (i) and (ii) unless otherwise required by law. The remainder of this discussion assumes the notes are properly treated as indebtedness of Allstate Life for all United States Federal income tax purposes.

An opinion of tax counsel is not binding on the Internal Revenue Service (the "IRS") or the courts, and no ruling on any of the consequences or issues discussed below will be sought from the IRS. The IRS might assert that each trust should be treated as a separate grantor trust for United States Federal income tax purposes, in which case the holders of beneficial interests in the notes related to such trust would be treated as owning a pro rata undivided interest in the assets of such trust. In such a case, the tax consequences to beneficial owners of the notes would not be

materially different than those described herein. Persons considering the purchase of notes should consult their own tax advisors about the United States Federal income tax consequences of an investment in the notes and the application of United States Federal income tax laws, as well as the laws of any state, local or foreign taxing jurisdictions, to their particular situations.

U.S. Holders

Payments of Interest

Except as described below, payments of interest on a note generally will be taxable to a U.S. Holder as ordinary interest income at the time such payments are accrued or are received (in accordance with the U.S. Holder's regular method of tax accounting).

Discount Notes

The following summary is a general discussion of the United States Federal income tax consequences to U.S. Holders of the purchase, ownership and disposition of notes issued with original issue discount ("discount notes").

For United States Federal income tax purposes, original issue discount ("OID") is the excess of the stated redemption price at maturity of a note over its issue price, if such excess equals or exceeds a *de minimis* amount (generally $\frac{1}{4}$ of 1% of the note's stated redemption price at maturity multiplied by the number of complete years to its maturity from its issue date or, in the case of a note providing for the payment of any amount other than qualified stated interest (as defined below) prior to maturity, multiplied by the weighted average maturity of such note). The issue price of each note in an issue of notes equals the first price at which a substantial amount of such notes has been sold (ignoring sales to bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers). The stated redemption price at maturity of a note is the sum of all payments provided by the note other than "qualified stated interest" payments. The term "qualified stated interest" generally means stated interest that is unconditionally payable in cash or property (other than debt instruments of the issuer) at least annually at a single fixed rate. In addition, if a note bears interest for one or more accrual periods at a rate below the rate applicable for the remaining term of such note (*e.g.*, notes with teaser rates or interest holidays), and if the greater of either the resulting foregone interest on such note or any "true" discount on such note (*i.e.*, the excess of the note's stated principal amount over its issue price) equals or exceeds a specified *de minimis* amount, then some or all of the stated interest on the note would be treated as OID rather than qualified stated interest.

Payments of qualified stated interest on a note are taxable to a U.S. Holder as ordinary interest income at the time such payments are accrued or are received (in accordance with the U.S. Holder's regular method of tax accounting). A U.S. Holder of a discount note must include OID in income as ordinary interest for United States Federal income tax purposes as it accrues under a constant yield method in advance of receipt of the cash payments attributable to such

income, regardless of such U.S. Holder's regular method of tax accounting. In general, the amount of OID included in income by the initial U.S. Holder of a discount note is the sum of the daily portions of OID with respect to such discount note for each day during the taxable year (or portion of the taxable year) on which such U.S. Holder held such discount note. The "daily portion" of OID on any discount note is determined by allocating to each day in any accrual period a ratable portion of the OID allocable to that accrual period. An "accrual period" may be of any length and the accrual periods may vary in length over the term of the discount note, provided that each accrual period is no longer than one year and each scheduled payment of principal or interest occurs either on the final day of an accrual period or on the first day of an accrual period. The amount of OID allocable to each accrual period is generally equal to the difference between:

- the product of the discount note's adjusted issue price at the beginning of such accrual period and its yield to maturity (determined on the basis of compounding at the close of each accrual period and appropriately adjusted to take into account the length of the particular accrual period); and
- the amount of any qualified stated interest payments allocable to such accrual period. The "adjusted issue price" of a discount note at the beginning of any accrual period is the sum of the issue price of the discount note plus the amount of OID allocable to all prior accrual periods minus the amount of any prior payments on the discount note that were not qualified stated interest payments. Under these rules, U.S. Holders generally will have to include in income increasingly greater amounts of OID in successive accrual periods.

A U.S. Holder who purchases a discount note for an amount that is greater than its adjusted issue price as of the purchase date and less than or equal to the sum of all amounts payable on the discount note after the purchase date other than payments of qualified stated interest, will be considered to have purchased the discount note at an "acquisition premium". Under the acquisition premium rules, the amount of OID which such U.S. Holder must include in its gross income with respect to such discount note for any taxable year (or portion thereof in which the U.S. Holder holds the discount note) will be reduced (but not below zero) by the portion of the acquisition premium properly allocable to the period.

Floating Rate Notes

Floating rate notes are subject to special rules whereby a floating rate note will qualify as a "variable rate debt instrument" if:

- its issue price does not exceed the total noncontingent principal payments due under the floating rate note by more than a specified *de minimis* amount;
- it provides for stated interest, paid or compounded at least annually, at current values of, one or more qualified floating rates, a single fixed rate and one or more qualified floating rate or a single objective rate; and

S-56

- it does not provide for any principal payments which are contingent.

A "qualified floating rate" is any variable rate where variations in the value of such rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the floating rate note is denominated. Although a multiple of a qualified floating rate will generally not itself constitute a qualified floating rate, a variable rate equal to the product of a qualified floating rate and a fixed multiple that is greater than .65 but not more than 1.35 will constitute a qualified floating rate. A variable rate equal to the product of a qualified floating rate and a fixed multiple that is greater than .65 but not more than 1.35, increased or decreased by a fixed rate, will also constitute a qualified floating rate. In addition, two or more qualified floating rates that can reasonably be expected to have approximately the same values throughout the term of the floating rate note (*e.g.*, two or more qualified floating rates with values within 25 basis points of each other as determined on the floating rate note's issue date) will be treated as a single qualified floating rate. Notwithstanding the foregoing, a variable rate that would otherwise constitute a qualified floating rate but which is subject to one or more restrictions such as a maximum numerical limitation (*i.e.*, a cap) or a minimum numerical limitation (*i.e.*, a floor) may, under certain circumstances, fail to be treated as a qualified floating rate unless such cap or floor is fixed throughout the term of the note. An "objective rate" is a rate that is not itself a qualified floating rate but which is determined using a single fixed formula and that is based on objective financial or economic information. A rate will not qualify as an objective rate if it is based on information that is within the control of Allstate Life (or a related party) or that is unique to the circumstances of Allstate Life (or a related party), such as dividends, profits, or the value of Allstate Life's stock (although a rate does not fail to be an objective rate merely because it is based on the credit quality of Allstate Life). In addition, if a floating rate note provides for stated interest at a fixed rate for an initial period of one year or less followed by a variable rate that is either a qualified floating rate or an objective rate and if the variable rate on the floating rate note's issue date is intended to approximate the fixed rate (*e.g.*, the value of the variable rate on the issue date does not differ from the value of the fixed rate by more than 25 basis points), then the fixed rate and the variable rate together will constitute either a single qualified floating rate or objective rate, as the case may be.

If a floating rate note that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof qualifies as a "variable rate debt instrument" and if the interest on such note is unconditionally payable in cash or property (other than debt instruments of the issuer) at least annually, then all stated interest on the note will constitute qualified stated interest and will be taxed accordingly. Thus, a floating rate note that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof and that qualifies as a "variable rate debt instrument" will generally not be treated as having been issued with OID unless the floating rate note is issued at a "true" discount (*i.e.*, at a price below the note's stated principal amount) in excess of a specified *de minimis* amount. The amount of qualified stated interest and the amount of OID, if any, that accrues during an accrual period on such a floating rate note is determined under the rules

S-57

applicable to fixed rate debt instruments by assuming that the variable rate is a fixed rate equal to:

- in the case of a qualified floating rate, the value, as of the issue date, of the qualified floating rate; or
- in the case of an objective rate, a fixed rate that reflects the yield that is reasonably expected for the floating rate note. The qualified stated interest allocable to an accrual period is the amount of interest actually paid during such accrual period.

In general, any other floating rate note that qualifies as a "variable rate debt instrument" will be converted into an "equivalent" fixed rate debt instrument for purposes of determining the amount and accrual of OID and qualified stated interest on the floating rate note. A floating rate note is converted into an "equivalent" fixed rate debt instrument by substituting any qualified floating rate provided for under the terms of the floating rate note with a fixed rate equal to the value of the qualified floating rate as of the floating rate note's issue date. Any objective rate provided for under the terms of the floating rate note is converted into a fixed rate that reflects the yield that is reasonably expected for the floating rate note. In the case of a floating rate note that qualifies as a "variable rate debt instrument" and provides for stated interest at a single fixed rate in addition to either one or more qualified floating rates or a qualified inverse floating rate, the fixed rate is initially converted into a qualified floating rate. Under such circumstances, the qualified floating rate that replaces the fixed rate must be such that the fair market value of the floating rate note as of the floating rate note's issue date is approximately the same as the fair market value of an otherwise identical debt instrument that provides for either the qualified floating rate rather than the fixed rate. Subsequent to converting the fixed rate

into either a qualified floating rate or a qualified inverse floating rate, the floating rate note is then converted into an "equivalent" fixed rate debt instrument in the manner described above.

Once the floating rate note is converted into an "equivalent" fixed rate debt instrument pursuant to the foregoing rules, the amount of OID and qualified stated interest, if any, are determined for the "equivalent" fixed rate debt instrument by applying the general OID rules to the "equivalent" fixed rate debt instrument. A U.S. Holder of the floating rate note will account for such OID and qualified stated interest as if the U.S. Holder held the "equivalent" fixed rate debt instrument. Each accrual period appropriate adjustments will be made to the amount of qualified stated interest or OID assumed to have been accrued or paid with respect to the "equivalent" fixed rate debt instrument in the event that such amounts differ from the actual amount of interest accrued or paid on the floating rate note during the accrual period.

If the floating rate note does not qualify as a "variable rate debt instrument" then the floating rate note would be treated as a contingent payment debt instrument. A U.S. Holder of a contingent payment debt instrument is generally required to include future contingent and noncontingent interest payments in income under the constant yield method as such interest accrues based on Allstate Life's determination of the "comparable yield" and the establishment of

S-58

a "projected payment schedule" that must produce the comparable yield. The comparable yield is the yield at which Allstate Life would issue a fixed rate debt instrument with similar terms and conditions. The projected payment schedule consists of all stated principal payments and a projected amount and time for each contingent interest payment. If the actual amount of any contingent payment, once determined, differs from the projected amounts, appropriate adjustments are to be made to the amounts required to be included in gross income by the U.S. Holder. The yield, timing and amounts set forth in the projected payment schedule are for purposes of computing the OID only and are not assurances by the trusts with respect to any aspect of the notes. Because U.S. Holders will generally be bound by Allstate Life's determination of the comparable yield and by the projected payment schedule for United States Federal income tax purposes, a U.S. Holder's income inclusions may be accelerated relative to the time payments under the notes are in fact made. The IRS has authority to disregard a projected payment schedule it determines to be unreasonable. Any gain recognized by a U.S. Holder on the sale, exchange, or retirement of a contingent payment debt instrument will be treated as interest income and all or a portion of any loss realized could be treated as ordinary loss as opposed to capital loss (depending upon the circumstances). The United States Federal income tax treatment of floating rate notes that are treated as contingent payment debt instruments will be more fully described in the applicable pricing supplement. Purchasers of contingent payment debt instruments should carefully examine the applicable pricing supplement and should consult their own tax advisor with respect to such notes.

Certain of the notes:

- may be redeemable at the option of the issuing trust prior to their stated maturity (a "call option"); and/or
- may be repayable at the option of the holder prior to their stated maturity (a "put option"). Notes containing such features may be subject to rules that differ from the general rules discussed above.

Investors intending to purchase notes with such features should consult their own tax advisors, since the OID consequences will depend, in part, on the particular terms and features of the purchased notes.

U.S. Holders may generally, upon election, include in income all interest (including stated interest, acquisition discount, OID, *de minimis* OID, market discount, *de minimis* market discount, and unstated interest, as adjusted by any amortizable bond premium or acquisition premium) that accrues on a debt instrument by using the constant yield method applicable to OID, subject to certain limitations and exceptions.

Short-Term Notes

Notes that have a fixed maturity of one year or less ("short-term notes") will be treated as having been issued with OID. In general, an individual or other cash method U.S. Holder is not

S-59

required to accrue such OID unless the U.S. Holder elects to do so. If such an election is not made, any gain recognized by the U.S. Holder on the sale, exchange or maturity of the short-term note will be ordinary income to the extent of the OID accrued on a straight-line basis, or upon election under the constant yield method (based on daily compounding), through the date of sale or maturity, and a portion of the deductions otherwise allowable to the U.S. Holder for interest on borrowings allocable to the short-term note will be deferred until a corresponding amount of income is realized. U.S. Holders who report income for United States Federal income tax purposes under the accrual method, and certain other holders including banks and dealers in securities, are required to accrue OID on a short-term note on a straight-line basis unless an election is made to accrue the OID under a constant yield method (based on daily compounding).

Market Discount

If a U.S. Holder purchases a note, other than a discount note, for an amount that is less than its issue price (or, in the case of a subsequent purchaser, its stated redemption price at maturity) or, in the case of a discount note, for an amount that is less than its adjusted issue price as of the purchase date, such U.S. Holder will be treated as having purchased such note at a "market discount," unless such market discount is less than a specified *de minimis* amount.

Under the market discount rules, a U.S. Holder will be required to treat any partial principal payment (or, in the case of a discount note, any payment that does not constitute qualified stated interest) on, or any gain realized on the sale, exchange, retirement or other disposition of, a note as ordinary income to the extent of the lesser of:

- the amount of such payment or realized gain; and
- the market discount which has not previously been included in income and is treated as having accrued on such note at the time of such payment or disposition.

Market discount will be considered to accrue ratably during the period from the date of acquisition to the maturity date of the note, unless the U.S. Holder elects to accrue market discount on the basis of semiannual compounding.

A U.S. Holder may be required to defer the deduction of all or a portion of the interest paid or accrued on any indebtedness incurred or maintained to purchase or carry a note with market discount until the maturity of the note or certain earlier dispositions, because a current deduction of such holder's "net direct interest expense" is only allowed to the extent the interest expense exceeds an allocable portion of market discount. Net direct interest expense is the excess of interest paid or accrued to purchase or carry the market discount note over the interest (including OID) includible in the purchaser's gross income. A U.S. Holder may elect to include market discount in income currently as it accrues (on either a ratably or semiannual compounding basis), in which case the rules described above regarding the treatment as ordinary income of gain upon the disposition of the note, the receipt of certain cash payments and the deferral of interest deductions will not apply. Generally, such currently included market discount is treated as

S-60

ordinary interest for United States Federal income tax purposes. Such an election will apply to all debt instruments acquired by the U.S. Holder on or after the first day of the first taxable year to which such election applies and may be revoked only with the consent of the IRS.

Premium

If a U.S. Holder purchases a note for an amount that is greater than its stated redemption price at maturity, such U.S. Holder will generally be considered to have purchased the note with "amortizable bond premium" equal in amount to such excess. A U.S. Holder may elect to amortize such premium using a constant yield method over the remaining term of the note and may offset interest otherwise required to be included in gross income in respect of the note during any taxable year by the amortized amount of such excess for the taxable year. However, if the note may be optionally redeemed after the U.S. Holder acquires it at a price in excess of its stated redemption price at maturity, special rules would apply which could result in a deferral of the amortization of some bond premium until later in the term of the note. Any election to amortize bond premium applies to all taxable debt instruments held or acquired by the U.S. Holder on or after the first day of the first taxable year to which such election applies and may be revoked only with the consent of the IRS.

Disposition of a Note

Upon the sale, exchange, redemption, retirement or other disposition of a note, a U.S. Holder generally will recognize taxable gain or loss equal to the difference between the amount realized on the sale, exchange, redemption, retirement or other disposition (other than amounts representing accrued and unpaid interest, which will constitute ordinary income) and such U.S. Holder's adjusted tax basis in the note. A U.S. Holder's adjusted tax basis in a note generally will equal such U.S. Holder's initial investment in the note increased by any OID included in income (and accrued market discount, if any, if the U.S. Holder has included such market discount in income) and decreased by the amounts of any payments, other than qualified stated interest payments, received and the amortizable bond premium taken into account with respect to such note. Such gain or loss generally will be long-term capital gain or loss if the note were held for more than one year. Non-corporate taxpayers are subject to reduced maximum rates on long-term capital gains and are generally subject to tax at ordinary income rates on short-term capital gains. The deductibility of capital losses is subject to certain limitations. Prospective investors should consult their own tax advisors concerning these tax law provisions.

If a U.S. Holder disposes of only a portion of a note pursuant to a partial redemption or partial repayment (e.g., pursuant to the survivor's option, if applicable), such disposition will be treated as a redemption or repayment of a portion of a debt instrument. The resulting gain or loss would be calculated by assuming that the original note being tendered consists of two instruments, one that is retired (or repaid), and one that remains outstanding. The adjusted issue price, the U.S. Holder's adjusted basis, and the accrued but unpaid OID of the original note, if

S-61

any, determined immediately before the disposition, would be allocated between these two instruments based on the portion of the instrument that is treated as retired by the redemption or repayment.

Non-U.S. Holders

Payments of interest (including OID, if any) on a note received by a non-U.S. Holder that does not hold its notes in connection with the conduct of a trade or business in the United States, will generally not be subject to United States Federal withholding tax pursuant to the "Portfolio Interest Exemption" unless:

- the non-U.S. Holder is a direct or indirect 10% or greater shareholder of Allstate Life;
- the non-U.S. Holder is a controlled foreign corporation related to Allstate Life;
- the non-U.S. Holder is a bank receiving interest described in section 881(c)(3)(A) of the Code; or
- interest on the note is contingent interest described in section 871(h)(4) of the Code.

To qualify for the Portfolio Interest Exemption from United States Federal withholding tax, the last United States payor in the chain of payment prior to payment to a non-U.S. Holder (the "withholding agent") must have received in the year in which a payment of interest or principal occurs, or in either of the two preceding calendar years, a statement that:

- is signed by the beneficial owner of the note under penalties of perjury;
- certifies that such owner is not a U.S. Holder; and
- provides the name and address of the beneficial owner.

The statement may be made on an IRS Form W-8BEN or a substantially similar form, and the beneficial owner must inform the withholding agent of any change in the information on the statement within 30 days of such change. If a note is held through a securities clearing organization or certain other financial institutions, the organization or institution may provide a signed statement to the withholding agent. However, in such a case, the signed statement generally must be accompanied by a copy of the IRS Form W-8BEN or the substitute form provided by the beneficial owner to the organization or institution.

If a non-U.S. Holder cannot satisfy the requirements for eligibility for the Portfolio Interest Exemption, interest earned by such non-U.S. Holder will be subject to United States Federal withholding tax at a 30% rate unless the non-U.S. Holder provides the withholding agent with a properly executed:

- IRS Form W-8BEN claiming an exemption from or reduction in withholding under the benefit of a United States income tax treaty; or

S-62

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- IRS Form W-8ECI stating that interest paid on the note is not subject to withholding tax because it is effectively connected with the non-U.S. Holder's conduct of a trade or business in the United States.

Notwithstanding the provision of IRS Form W-8ECI, a non-U.S. Holder that holds its notes in connection with its conduct of a trade or business in the United States will be taxed on its notes in the same manner as a U.S. Holder, and, if such non-U.S. Holder is a foreign corporation, it may also be subject to a branch profits tax equal to 30% of its effectively connected earnings and profits for the taxable year, subject to adjustments.

Generally, a non-U.S. Holder will not be subject to United States Federal income taxes on any amount which constitutes capital gain upon the sale, exchange, redemption, retirement or other disposition of a note, provided:

- the gain is not effectively connected with the conduct of a trade or business in the United States by the non-U.S. Holder; and
- the non-U.S. Holder is not an individual who is present in the United States for 183 days or more during the taxable year.

Certain other exceptions may be applicable, and a non-U.S. Holder should consult its tax advisor in this regard.

The notes will not be includible in the estate of a non-U.S. Holder unless the individual is a direct or indirect 10% or greater shareholder of Allstate Life or, at the time of such individual's death, payments in respect of the notes would have been effectively connected with the conduct by such individual of a trade or business in the United States. If any portion of the interest payable on the notes at the time of the individual's death was contingent interest, then an appropriate portion of the value of the notes would be includible in the estate of a non-U.S. Holder.

Backup Withholding and Information Reporting

Backup withholding of United States Federal income tax at a rate of 28% may apply to payments made in respect of the notes to registered owners who are not "exempt recipients" and who fail to provide certain identifying information (such as the registered owner's taxpayer identification number) in the required manner. Generally, individuals are not exempt recipients, whereas corporations and certain other entities generally are exempt recipients. Payments made in respect of the notes to a U.S. Holder must be reported to the IRS, unless the U.S. Holder is an exempt recipient or establishes an exemption. Compliance with the identification procedures described in the preceding section would establish an exemption from backup withholding for those non-U.S. Holders who are not exempt recipients.

In addition, upon the sale of a note to (or through) a broker, the broker must withhold 28% of the entire purchase price, unless either the broker determines that the seller is a corporation or

S-63

other exempt recipient or the seller provides, in the required manner, certain identifying information and, in the case of a non-U.S. Holder, certifies that such seller is a non-U.S. Holder (and certain other conditions are met). Such a sale must also be reported by the broker to the IRS, unless either the broker determines that the seller is an exempt recipient or the seller certifies its non-U.S. status (and certain other conditions are met). Certification of the registered owner's non-U.S. status would be made normally on an IRS Form W-8BEN under penalties of perjury, although in certain cases it may be possible to submit other documentary evidence.

Any amounts withheld under the backup withholding rules from a payment to a beneficial owner would be allowed as a refund or a credit against such beneficial owner's United States Federal income tax provided the required information is furnished to the IRS.

S-64

PLAN OF DISTRIBUTION

The notes of a series will be offered to or through Merrill Lynch, Pierce, Fenner & Smith Incorporated, as Purchasing Agent, pursuant to a terms agreement among Global Funding, the issuing trust and the Purchasing Agent (each, a "terms agreement") and the distribution agreement between Global Funding and the Agents named therein, dated as of _____, 2004 (the "distribution agreement"). Each terms agreement will incorporate by reference the terms of the distribution agreement. The Purchasing Agent may purchase notes, as principal, from a trust for resale to investors at a fixed offering price or at varying prices relating to prevailing market prices at the time of resale as determined by the Purchasing Agent. The issuing trust may agree with the Purchasing Agent that the Purchasing Agent will utilize its reasonable efforts on an agency basis on its behalf to solicit offers to purchase notes of the applicable series at 100% of the principal amount thereof, unless otherwise specified in the applicable pricing supplement. Unless otherwise specified in the applicable pricing supplement, each trust will pay a commission to the Purchasing Agent, ranging from .125% to 2.50% of the principal amount of each applicable note, depending upon its stated maturity, for each note purchased from the issuing trust by the Purchasing Agent as its agent. The notes may be sold in the United States to retail, institutional and other investors.

Subject to the terms of the applicable terms agreement and the distribution agreement, concurrently with any offering of a series of notes by a trust as described in this prospectus supplement, the issuing trust and the other trusts may issue other notes under this program or the related secured medium term note program.

Unless otherwise specified in the applicable pricing supplement, any note sold to the Purchasing Agent as principal will be purchased by the Purchasing Agent at a price equal to 100% of the principal amount thereof less a percentage of the principal amount equal to the commission applicable to an agency sale of a note of identical maturity. The Purchasing Agent may sell notes it has purchased from a trust as principal to other NASD dealers in good standing at a concession. Unless otherwise specified in the applicable pricing supplement, the concession allowed to any dealer will not, during the distribution of the notes of a series, be in excess of the concession the Purchasing Agent will receive from the issuing trust. After the initial offering of notes of a series, the offering price, the concession and any reallowance may be changed.

The offer made hereby may be modified without notice, and each trust may reject offers in whole or in part (whether placed directly by an issuing trust or through the Purchasing Agent). The Purchasing Agent will have the right, in its discretion reasonably exercised, to reject in whole or in part any offer to purchase notes received by it on an agency basis.

Unless otherwise specified in the applicable pricing supplement, you will be required to pay the purchase price of your notes in immediately available funds in United States dollars in The City of New York on the date of settlement.

S-65

Upon issuance, the notes of a series will not have an established trading market. There can be no assurance that a trading market for your notes will ever develop or be maintained if developed. Unless otherwise specified in the applicable pricing supplement, a series of notes will not be listed on any securities exchange. The Purchasing Agent may from time to time purchase and sell notes in the secondary market, but the Purchasing Agent is not obligated to do so. There can be no assurance that a secondary market for the notes will develop or that there will be liquidity in the secondary market if one develops. From time to time, the Purchasing Agent may make a market in the notes, but the Purchasing Agent is not obligated to do so and may discontinue any market-making activity at any time.

In connection with an offering of notes purchased by the Purchasing Agent as principal on a fixed offering price basis, the Purchasing Agent will be permitted to engage in certain transactions that stabilize the price of notes. These transactions may consist of bids or purchases for the purpose of pegging, fixing or maintaining the price of notes. If

the Purchasing Agent creates a short position in notes (*i.e.*, if it sells notes in an amount exceeding the amount specified in the applicable pricing supplement), they may reduce that short position by purchasing notes in the open market. In general, purchases of notes for the purpose of stabilization or to reduce a short position could cause the price of notes to be higher than it might be in the absence of these type of purchases.

Neither Global Funding and the trusts nor the Purchasing Agent make any representation or prediction as to the direction or magnitude of any effect that the transactions described in the immediately preceding paragraph may have on the price of notes. In addition, neither Global Funding and the trusts nor the Purchasing Agent make any representation that the Purchasing Agent will engage in any such transactions or that such transactions, once commenced, will not be discontinued without notice.

The Purchasing Agent will be an "underwriter," with respect to the notes being distributed by it and the funding agreements being purchased by the issuing trust, and any discounts or commissions received by it on the sale or resale of notes may be deemed to be underwriting discounts and commissions under the Securities Act. The Purchasing Agent may be entitled under agreements entered into with a trust, Global Funding and Allstate Life to indemnification against certain civil liabilities, including liabilities under the Securities Act, or to contribution with respect to payments that the Purchasing Agent may be required to make in respect of such liabilities.

Global Funding is a statutory issuer of the notes and the funding notes under the Securities Act, and Allstate Life is a statutory issuer of the funding agreements under the Securities Act.

In the ordinary course of its business, the Purchasing Agent and its affiliates have engaged, and may in the future engage, in investment and commercial banking transactions with Allstate Life and certain of its affiliates.

S-66

Broker-dealers and securities firms have executed dealer agreements with the Purchasing Agent and have agreed to market and sell the notes in accordance with the terms of those agreements and applicable laws and regulations.

The issuing trusts may sell other securities referred to in the accompanying prospectus, and the amount of notes offered by this prospectus supplement may be reduced as a result of those sales.

S-67

ANNEX A

REPAYMENT ELECTION FORM

Allstate Life Global Funding

Allstate LifeSM CoreNotes®

Cusip Number

To: [Name of trust]

The undersigned financial institution (the "Financial Institution") represents the following:

- The Financial Institution has received a request for repayment from the executor or other authorized representative (the "Authorized Representative") of the deceased beneficial owner listed below (the "Deceased Beneficial Owner") of Allstate LifeSM CoreNotes® (CUSIP No. _____) (the "Notes").
- At the time of his or her death, the Deceased Beneficial Owner owned Notes in the principal amount listed below.
- The Deceased Beneficial Owner acquired the Notes at least six (6) months before the date of death of such Deceased Beneficial Owner.
- The Financial Institution currently holds such Notes as a direct or indirect participant in The Depository Trust Company (the "Depository").

The Financial Institution agrees to the following terms:

- The Financial Institution shall follow the instructions (the "Instructions") accompanying this Repayment Election Form (this "Form").
- The Financial Institution shall make all records specified in the Instructions supporting the above representations available to J.P. Morgan Trust Company, National Association (the "Trustee") or [Name of trust] (the "Trust") for inspection and review within five Business Days of the Trustee's or the Trust's request.
- If the Financial Institution, the Trustee or the Trust, in any such party's reasonable discretion, deems any of the records specified in the Instructions supporting the above representations unsatisfactory to substantiate a claim for repayment, the Financial Institution shall not be obligated to submit this Form, and the Trustee or Trust may deny repayment. If the Financial Institution cannot substantiate a claim for repayment, it shall notify the Trustee immediately.
- Repayment elections may not be withdrawn.

A-1

- The Financial Institution agrees to indemnify and hold harmless the Trustee and the Trust against and from any and all claims, liabilities, costs, losses, expenses, suits and damages resulting from the Financial Institution's above representations and request for repayment on behalf of the Authorized Representative.

- The Notes will be repaid on the first Interest Payment Date to occur at least 20 calendar days after the date of acceptance of the Notes for repayment, unless such date is not a business day, in which case the date of repayment shall be the next succeeding business day.
- Subject to the Trust's rights to limit the aggregate principal amount of Notes as to which exercises of the survivor's option shall be accepted in any one calendar year, all questions as to the eligibility or validity of any exercise of the survivor's option will be determined by the Trustee, in its sole discretion, which determination shall be final and binding on all parties.

A-2

REPAYMENT ELECTION FORM

(1)

Name of Deceased Beneficial Owner

(2)

Date of Death

(3)

Name of Authorized Representative Requesting Repayment

(4)

Name of Financial Institution Requesting Repayment

(5)

Signature of Authorized Representative of Financial Institution Requesting Repayment

(6)

Principal Amount of Requested Repayment

(7)

Date of Election

(8)

Financial Institution Representative Name:
Phone Number:
Fax Number:
Mailing Address (no P.O. Boxes):

(9)

Wire instructions for payment:
Bank Name:
ABA Number:
Account Name:
Account Number:
Reference (optional):

A-3

TO BE COMPLETED BY THE TRUSTEE:

(A) Election Number*:

(B) Delivery and Payment Date:

(C) Principal Amount:

(D) Accrued Interest:

(E) Date of Receipt of Form by the Trustee:

(F) Date of Acknowledgment by the Trustee:

* To be assigned by the Trustee upon receipt of this Form. An acknowledgement, in the form of a copy of this document with the assigned Election Number, will be returned to the party and location designated in item (8) above.

A-4

REPAYMENT OPTION

Capitalized terms used and not defined herein have the meanings defined in the accompanying Repayment Election Form.

1. Collect and retain for a period of at least three years (1) satisfactory evidence of the authority of the Authorized Representative, (2) satisfactory evidence of death of the Deceased Beneficial Owner, (3) satisfactory evidence that the Deceased Beneficial Owner beneficially owned, at the time of his or her death, the Notes being submitted for repayment, (4) satisfactory evidence that the Notes being submitted for repayment was acquired by the Deceased Beneficial Owner at least six (6) months before the date of the death of such Deceased Beneficial Owner, and (5) any necessary tax waivers. For purposes of determining whether the Notes will be deemed beneficially owned by an individual at any given time, the following rules shall apply:
 - If a Note (or a portion thereof) is beneficially owned by tenants by the entirety or joint tenants, the Note (or relevant portion thereof) will be regarded as beneficially owned by a single owner. Accordingly, the death of a tenant by the entirety or joint tenant will be deemed the death of the beneficial owner and the entire principal amount so owned will become eligible for repayment.
 - The death of a person beneficially owning a Note (or a portion thereof) by tenancy in common will be deemed the death of the beneficial owner only with respect to the deceased owner's interest in the Note (or relevant portion thereof) so owned, unless a husband and wife are the tenants in common, in which case the death of either will be deemed the death of the beneficial owner and the entire principal amount so owned will be eligible for repayment.
 - A Note (or a portion thereof) beneficially owned by a trust will be regarded as beneficially owned by each beneficiary of the trust to the extent of that beneficiary's interest in the trust (however, a trust's beneficiaries collectively cannot be beneficial owners of more Notes than are owned by the trust). The death of a beneficiary of a trust will be deemed the death of the beneficial owner of the Notes (or relevant portion thereof) beneficially owned by the trust to the extent of that beneficiary's interest in the trust. The death of an individual who was a tenant by the entirety or joint tenant in a tenancy which is the beneficiary of a trust will be deemed the death of the beneficiary of the trust. The death of an individual who was a tenant in common in a tenancy which is the beneficiary of a trust will be deemed the death of the beneficiary of the trust only with respect to the deceased holder's beneficial interest in the Note, unless a husband and wife are the tenants in common, in which case the death of either will be deemed the death of the beneficiary of the trust.

A-5

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- The death of a person who, during his or her lifetime, was entitled to substantially all of the beneficial interest in a Note (or a portion thereof) will be deemed the death of the beneficial owner of that Note (or relevant portion thereof), regardless of the registration of ownership, if such beneficial interest can be established to the satisfaction of the Trustee. Such beneficial interest will exist in many cases of street name or nominee ownership, custodial arrangements, ownership by a trustee, ownership under the Uniform Transfers of Gifts to Minors Act and community property or other joint ownership arrangements between spouses. Beneficial interest will be evidenced by such factors as the power to sell or otherwise dispose of a Note, the right to receive the proceeds of sale or disposition and the right to receive interest and principal payments on a Note.

2. Indicate the name of the Deceased Beneficial Owner on line (1).
3. Indicate the date of death of the Deceased Beneficial Owner on line (2).
4. Indicate the name of the Authorized Representative requesting repayment on line (3).
5. Indicate the name of the Financial Institution requesting repayment on line (4).
6. Affix the authorized signature of the Financial Institution's representative on line (5). THE SIGNATURE MUST BE MEDALLION SIGNATURE GUARANTEED.
7. Indicate the principal amount of Notes to be repaid on line (6).
8. Indicate the date this Form was completed on line (7).
9. Indicate the name, mailing address (no P.O. boxes, please), telephone number and facsimile-transmission number of the party to whom the acknowledgment of this election may be sent in item (8).
10. Indicate the wire instruction for payment on line (9).
11. Leave lines (A), (B), (C), (D), (E) and (F) blank.
12. Mail or otherwise deliver an original copy of the completed Form to:

J.P. Morgan Trust Company, National Association
201 North Central Avenue
Phoenix, AZ 85004

FACSIMILE TRANSMISSIONS OF THE REPAYMENT ELECTION FORM WILL NOT BE ACCEPTED.

13. If the acknowledgement of the Trustee's receipt of this Form, including the assigned Election Number, is not received within 10 days of the date such information is sent to the Trustee, contact the Trustee at J.P. Morgan Trust Company, National Association, [201 North Central Avenue, Phoenix, AZ 85004].

For assistance with this Form or any questions relating thereto, please contact the Trustee at J.P. Morgan Trust Company, National Association, [201 North Central Avenue, Phoenix, AZ 85004].

A-6

\$4,000,000,000

Allstate Life Global Funding

Depositor

Allstate LifeSM CoreNotes®

Due Between Nine Months and 30 Years From the Date of Issue

Issued Through

Allstate Life Global Funding Trusts

PROSPECTUS SUPPLEMENT

Merrill Lynch & Co.

, 2004

"Allstate LifeSM" is a registered service mark of Allstate Insurance Company.

"CoreNotes®" is a registered service mark of Merrill Lynch & Co., Inc.

The information in this prospectus is not complete and may be changed. Neither the depositor nor the trusts may sell these securities until the registration statement filed with the SEC is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer of or sale is not permitted or would require registration or qualification under the securities laws of the jurisdiction.

Subject to Completion
Preliminary Prospectus dated , 2004

PROSPECTUS

\$4,000,000,000
Allstate Life Global Funding
Depositor
Secured Medium Term Notes
Allstate LifeSM CoreNotes®
Issued Through
Allstate Life Global Funding Trusts

Allstate Life Global Funding (the "depositor" or "Global Funding") is a statutory trust formed under the laws of the State of Delaware. Its sole purpose is to facilitate the programs for the issuance of one or more series of secured medium term notes, which are referred to in this prospectus as "notes". Each series of notes will be issued by a separate newly created Delaware statutory trust (each, a "trust"). Global Funding will be the sole beneficial owner of each trust that is formed. The notes may have an aggregate principal amount of up to \$4,000,000,000 or the equivalent amount in one or more foreign or composite currencies.

In connection with the issuance of a series of notes, the issuing trust will acquire one or more funding agreements issued by Allstate Life Insurance Company ("Allstate Life"). The notes of a series will be secured by the right, title and interest of the issuing trust in and to (1) the funding agreement(s) held by that trust, (2) all proceeds of such funding agreement(s) and (3) all books and records pertaining to such funding agreement(s).

The notes of a series will be the unconditional, direct, non-recourse, secured and unsubordinated obligations of the issuing trust and will rank equally among themselves. Each series of notes will be secured by and payable solely out of the assets of the issuing trust, and holders of such series of notes will have no rights against the assets of Global Funding or the assets of any other trust.

The notes of a series may be listed on a securities exchange. The notes may be sold to institutional, retail, United States, foreign and other investors.

Neither the Securities and Exchange Commission, any state securities commission nor any state insurance commission has approved or disapproved of these securities or determined if this prospectus, any prospectus supplement or any pricing supplement is truthful or complete. Any representation to the contrary is a criminal offense.

The trusts may sell the secured medium term notes referred to herein to one or more of the agents referred to below (collectively, the "Agents") as principals for resale at varying or fixed offering prices or through the applicable Agent(s) as agents using their reasonable efforts on behalf of each issuing trust. The trusts may also sell secured medium term notes directly to investors without the assistance of any Agent. Unless otherwise specified in the applicable pricing supplement, any secured medium term note sold to an Agent as principal will be purchased by that Agent at a price equal to 100% of the principal amount thereof less a percentage of the principal amount equal to the commission applicable to an agency sale of a note of identical maturity. Unless otherwise specified in the applicable pricing supplement, each trust will pay a commission to an Agent, ranging from .150% to .875% of the principal amount of each secured medium term note, depending upon its stated maturity, sold through that Agent as its agent.

Each trust may sell its Allstate LifeSM CoreNotes® to Merrill Lynch, Pierce, Fenner & Smith Incorporated (the "Purchasing Agent") as principal for resale at a fixed offering price specified in the applicable pricing supplement or at varying prices. Each trust may also explicitly agree with the Purchasing Agent that it will use its reasonable efforts as agent on behalf of the issuing trust to solicit offers to purchase Allstate LifeSM CoreNotes® of the applicable series from that trust at 100% of the principal amount

thereof, unless otherwise specified in the applicable pricing supplement. Unless otherwise specified in the applicable pricing supplement, any Allstate LifeSM CoreNote® sold to the Purchasing Agent as principal will be purchased by the Purchasing Agent at a price equal to 100% of the principal amount thereof less a percentage of the principal amount equal to the commission applicable to an agency sale of a note of identical maturity. Unless otherwise specified in the applicable pricing supplement, each trust will pay a commission to the Purchasing Agent, ranging from .125% to 2.50% of the principal amount of each applicable Allstate LifeSM CoreNotes®, depending upon its stated maturity, for each Allstate LifeSM CoreNotes® purchased from the issuing trust by the Purchasing Agent as its agent.

The date of this prospectus is _____, 2004.

FORWARD-LOOKING STATEMENTS

Allstate Life

This prospectus, the applicable accompanying prospectus supplement and each applicable pricing supplement may include forward-looking statements of Allstate Life. These forward-looking statements are not statements of historical fact but rather reflect Allstate Life's current expectations, estimates and predictions about future results and events. These statements may use words such as "anticipate," "believe," "estimate," "expect," "intend," "predict," "project" and similar expressions as they relate to Allstate Life or its management. When Allstate Life makes forward-looking statements, Allstate Life is basing them on its management's beliefs and assumptions, using information currently available to Allstate Life. These forward-looking statements are subject to risks, uncertainties and assumptions, including but not limited to, risks, uncertainties and assumptions discussed in this prospectus supplement, the accompanying prospectus and in each applicable pricing supplement. Factors that can cause or contribute to these differences include those described under the heading "Risk Factors" in this prospectus supplement. Allstate Life undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

If one or more of these or other risks or uncertainties materialize, or if Allstate Life's underlying assumptions prove to be incorrect, actual results may vary materially from what Allstate Life projected. Any forward-looking statements of Allstate Life you read in this prospectus, the applicable accompanying prospectus supplement or the applicable pricing supplement reflect Allstate Life's current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to Allstate Life's operations, results of operations, growth strategy and liquidity. All subsequent written and oral forward-looking statements attributable to Allstate Life or individuals acting on Allstate Life's behalf are expressly qualified in their entirety by this section. You should specifically consider the factors identified in this prospectus supplement, the accompanying prospectus and each applicable pricing supplement which could cause actual results to differ before making an investment decision.

Global Funding and the Trusts

This prospectus, the accompanying prospectus supplement and each applicable pricing supplement may include forward-looking statements of Global Funding and the trusts. These forward-looking statements are subject to risks, uncertainties and assumptions, including but not limited to, risks, uncertainties and assumptions discussed in this prospectus, the accompanying prospectus supplement and in each applicable pricing supplement. Global Funding does not, and the trusts will not, undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

You should specifically consider the factors identified in this prospectus, the accompanying prospectus supplement and each applicable pricing supplement before making an investment decision. Global Funding and the issuing trusts are not currently entitled to the safe harbors contained in Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Therefore, forward-looking statements of Global Funding and the issuing trusts in this prospectus and the accompanying prospectus supplement are not currently and will never be entitled to these safe harbors.

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement filed by Global Funding and Allstate Life (the "registrants") with the Securities and Exchange Commission (the "SEC"). Pursuant to the registration statement, the trusts will be offering, from time to time, up to a total amount of \$4,000,000,000 in aggregate principal amount of the notes or the equivalent amount in one or more foreign currencies described in this prospectus. This prospectus provides a general description of the notes that the trusts may be offering. The applicable prospectus supplement will provide the specific terms of the notes of a series. Each time a trust offers to sell notes, it will provide a pricing supplement to this prospectus and the applicable prospectus supplement that will contain specific information about the terms of that offering. That pricing supplement also may add, update, supplement or clarify information in this prospectus and the applicable prospectus supplement. Before you agree to purchase any notes, you should read this prospectus, the applicable prospectus supplement and the applicable pricing supplement together with the information described under the heading "Incorporation of Documents by Reference" on page 3. For more detail on the terms of the notes, you should read the exhibits filed with or incorporated by reference in the registration statement.

You should rely on the information contained or incorporated by reference in this prospectus, the applicable prospectus supplement and the applicable pricing supplement. Neither the registrants nor any Agent has authorized any other person to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. Neither the registrants nor any Agent is making an offer to sell the notes in any jurisdiction where the offer or sale is not permitted. You should assume that the information contained or incorporated by reference in this prospectus, the applicable prospectus supplement and the applicable pricing supplement is accurate only as of its respective date.

In this prospectus, references to the "depositor" and "Global Funding" are to Allstate Life Global Funding. References to the "trusts" are to Allstate Life Global Funding Trusts. References to an "issuing trust" are to a trust with respect to the series of notes issued and sold to the public by that trust. These references are not to Allstate Life Insurance Company. In this prospectus, references to "Allstate Life" are to Allstate Life Insurance Company.

In this prospectus, references to the "United States dollars," "U.S. dollars" or "\$" are to lawful currency of the United States of America, and references to "Euro" are to the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the treaty establishing the European Community, as amended.

AVAILABLE INFORMATION

This prospectus, which constitutes part of the registration statement referred to above, does not contain all of the information set forth in the registration statement. Parts of the registration statement are omitted from this prospectus in accordance with the rules and regulations of the SEC. Allstate Life is subject to the informational requirements of the Exchange Act, and, in accordance with the Exchange Act, Allstate Life files annual, quarterly, and special event reports and other information with the SEC. On behalf of the trusts, as depositor, Global Funding will be subject to certain reporting requirements under the Exchange Act. You can read and copy any reports or other information that Global Funding and Allstate Life file at the SEC's public reference room at 450 Fifth Street, N.W., Washington, D.C. 20549. You can also request copies of such documents upon payment of a duplicating fee, by writing to the SEC's public reference room. You can obtain information regarding the public reference room by calling the SEC at 1-800-SEC-0330. Such filings are available to the public from commercial document retrieval services and over the internet at <http://www.sec.gov>. (This uniform resource locator (URL) is an inactive textual reference only and is not intended to incorporate the SEC web site into this prospectus).

INCORPORATION OF DOCUMENTS BY REFERENCE

The SEC allows Global Funding and Allstate Life to incorporate by reference information that Global Funding and Allstate Life file with the SEC into this prospectus and any accompanying prospectus supplement and pricing supplement, which means that incorporated documents are considered part of this prospectus and any accompanying prospectus supplement and pricing supplement. Global Funding and Allstate Life can disclose important information to you by referring you to those documents. Information that Global Funding and Allstate Life file with the SEC will automatically update and supersede information in this prospectus.

This prospectus and any accompanying prospectus supplement and pricing supplement incorporate by reference Allstate Life's Annual Report on Form 10-K for the fiscal year ended December 31, 2002, the Quarterly Reports on Form 10-Q for the quarters ended March 31, 2003, June 30, 2003 and September 30, 2003 and the Current Reports on Form 8-K filed on June 16, 2003 and March 4, 2004, all of which were previously filed with the SEC. Each trust formed in connection with the offering of notes will incur separate reporting obligations under the Exchange Act. As the depositor and a statutory issuer of the notes, Global Funding will file separate periodic reports under the Exchange Act for each issuing trust. After each payment made by an issuing trust on its notes, Global Funding will file a separate Current Report on Form 8-K. After the end of the fiscal year for each trust, Global Funding will file a separate Annual Report on Form 10-K for each trust.

This prospectus and any accompanying prospectus supplement and pricing supplement also incorporate by reference any filings made by Global Funding or Allstate Life with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of this prospectus and prior to the termination of the offering of the notes. These documents contain important information.

You may request a copy of any documents incorporated by reference in this prospectus and any accompanying prospectus supplement and pricing supplement (including any exhibits that are specifically incorporated by reference in them), at no cost, by writing or telephoning to the following addresses or telephone numbers:

Allstate Life Global Funding
c/o AMACAR Pacific Corp.
6525 Morrison Boulevard
Suite 318
Charlotte, North Carolina 28211
Attention: President
Tel: (704) 365-0569

Allstate Life Insurance Company
3100 Sanders Road, Suite M3A
Northbrook, Illinois 60062
Attention: Assistant Vice President,
Institutional Markets
Tel: (847) 402-5000

DESCRIPTION OF ALLSTATE LIFE GLOBAL FUNDING AND THE TRUSTS

General

Global Funding is a statutory trust formed under the laws of the State of Delaware pursuant to the trust agreement, dated as of June 24, 2002 (as amended, restated or modified from time to time, the "depositor trust agreement"), executed by the Delaware trustee and the administrator, and the Certificate of Trust filed with the Secretary of State of the State of Delaware on June 24, 2002. These documents are not restated in their entirety and you should read the actual documents which are attached as exhibits to the registration statement of which this prospectus forms a part.

Global Funding will not engage in any activity other than:

- beneficially owning the trusts;
- issuing funding notes;
- acquiring funding agreements from Allstate Life;
- assigning absolutely the funding agreements to, and depositing such funding agreements into, the trusts; and
- engaging in other activities that are necessary, suitable or convenient to accomplish the foregoing or are incidental to or connected with those activities.

Each series of notes will be issued by a separate newly created Delaware statutory trust formed by the administrator and the Delaware trustee pursuant to the filing of a certificate of trust and the execution of the applicable trust agreement. Global Funding will be the sole beneficial owner of each trust that is formed.

After formation, each trust will not engage in any activity other than:

- issuing and selling a single series of notes;
- immediately acquiring a funding note and immediately canceling such funding note in exchange for one or more funding agreement(s);
- acquiring, holding and maintaining the funding agreement(s);
- pledging, assigning as collateral and granting a security interest in the applicable funding agreement(s) to the indenture trustee;
- making payments on the applicable series of notes; and
- engaging in other activities that are necessary, suitable or convenient to accomplish the foregoing or are incidental to or connected with those activities.

The principal executive offices of Global Funding and the trusts will be located at c/o AMACAR Pacific Corp., 6525 Morrison Boulevard, Suite 318, Charlotte, North Carolina 28211. The telephone number is (704) 365-0569.

Assets and Obligations of the Trusts

The notes of a series will be the unconditional, direct, non-recourse and unsubordinated obligations of the issuing trust and will rank equally among themselves. Each series of notes will be secured by and payable solely out of the assets of the issuing trust, and holders of such series of notes will have no right against the assets of Global

Funding or the assets of any other trust. Any funding agreement and any other collateral securing the repayment of the obligations under such series of notes will be the assets of the issuing trust and will not be the assets of Global Funding or the assets of any other trust. The notes of a series will represent obligations of the issuing trust only and not of Global Funding or any other trust.

Delaware Trustee and Administrator of Global Funding and the Trusts

Pursuant to the depositor trust agreement, Wilmington Trust Company is acting as the sole Delaware trustee and will provide trust services for Global Funding. Wilmington Trust Company will also act as the sole Delaware trustee for each of the trusts pursuant to separate trust agreements. The Delaware trustee, on behalf of Global Funding, executed the administrative services agreement of Global Funding, dated as of June 27, 2002 (as amended, restated or modified from time to time, the "depositor administrative services agreement"), with AMACAR Pacific Corp., in its capacity as the administrator of Global Funding. AMACAR Pacific Corp. will also be the administrator of each trust pursuant to separate administrative services agreements. In such capacities the administrator will be responsible for various administrative functions relating to the business of Global Funding and the trusts.

Beneficial Ownership of Global Funding and the Trusts

Global Funding is beneficially owned by AMACAR Pacific Corp. (the "trust beneficial owner"). The trust beneficial owner's only interest in Global Funding is the \$1,000 amount invested in Global Funding prior to the issuance of any notes or any funding notes. The principals of the trust beneficial owner have advised that it is ultimately owned by several individuals, none of whom are affiliated with Allstate Life or The Allstate Corporation. The investment by the trust beneficial owner will not be secured by the collateral relating to any series of notes.

Global Funding will be the beneficial owner of each trust that is formed.

Relationships among Global Funding, the Trusts, Allstate Life and Allstate Insurance Company

The following describes the relationships among Global Funding, the trusts, Allstate Life and Allstate Insurance Company:

- pursuant to the name licensing agreement, dated as of _____, 2004, Allstate Insurance Company has granted Global Funding, and in connection with any issuance and sale of notes, pursuant to a separate name licensing agreement Allstate Insurance Company will grant the issuing trust, a non-exclusive license to use the name "Allstate" and other licensed marks as provided therein;
- Allstate Life and Global Funding entered into a support and expenses agreement dated as of _____, 2004, pursuant to which Allstate Life agreed, among other things, to pay certain costs and expenses relating to the offering, sale and issuance of each funding note and certain costs, expenses and taxes incurred by Global Funding, and to indemnify Global Funding with respect to certain matters;
- in connection with the issuance of a series of notes, pursuant to a separate support and expenses agreement, Allstate Life will agree, among other things, to pay certain costs and expenses relating to the offering, sale and issuance of the applicable series of notes and certain costs, expenses and taxes incurred by the issuing trust, and to indemnify the issuing trust with respect to certain matters; and
- Allstate Life, Global Funding and the applicable issuing trust will enter into the documents contemplated by the medium term note program or the Allstate LifeSM CoreNotes® program in connection with the issue and sale of each series of notes.

Except as set forth above, none of The Allstate Corporation, Allstate Insurance Company, Allstate Life or any of their respective officers, directors, subsidiaries or affiliates owns or will own any beneficial interest in Global Funding or any trust nor has any of these persons or entities entered or will enter into any agreement with Global Funding or any trust.

No trust will be affiliated with Allstate Life.

Neither The Allstate Corporation, Allstate Insurance Company, Allstate Life nor any of their respective officers, directors, subsidiaries or affiliates owns, or will own, any beneficial interest in the depositor or the trusts.

Neither The Allstate Corporation, Allstate Life nor any of their respective officers, directors, subsidiaries or affiliates is affiliated with the Delaware trustee, the trust beneficial owner, the administrator or the indenture trustee. Neither The Allstate Corporation, Allstate Insurance Company, Allstate Life nor any of their respective officers, directors, subsidiaries or affiliates is affiliated with any beneficial owner of AMACAR Pacific Corp.

Records and Financial Statements of Global Funding and the Trusts

Each trust will:

- maintain separate and distinct records; and
- hold and account for its assets separately from the assets of Global Funding and the assets of the other trusts.

On behalf of the trusts, as depositor, Global Funding will be subject to certain reporting requirements under the Exchange Act.

DESCRIPTION OF ALLSTATE LIFE INSURANCE COMPANY

Allstate Life was incorporated in 1957 as a stock life insurance company under the laws of the State of Illinois. It conducts substantially all of its life insurance operations directly or through its wholly owned life insurance subsidiaries. It is a wholly owned subsidiary of Allstate Insurance Company ("AIC"), a stock property-liability insurance company incorporated under the laws of the State of Illinois. All of the outstanding stock of AIC is owned by The Allstate Corporation, a publicly owned holding company incorporated under the laws of the State of Delaware.

The Allstate Corporation, together with its subsidiaries, is the second largest personal property and casualty insurer in the United States on the basis of 2002 statutory premiums earned. Widely known through the "You're In Good Hands With Allstate®" slogan, The Allstate Corporation, through its subsidiaries, provides insurance products to more than 16 million households and has approximately 12,900 exclusive agents and financial specialists in the U.S. and Canada.

Allstate Life offers a diversified group of products to meet consumers' lifetime needs in the areas of protection and retirement solutions through a variety of distribution channels. The products consist of life insurance products and other insurance products, and retirement products, otherwise referred to as investment products. Life insurance products include: term life, whole life, credit life, universal life, variable life, variable universal life and single premium life. Other insurance products include long-term care, accidental death, hospital indemnity and credit disability. Investment products include fixed deferred annuities (including market value adjusted annuities, equity-indexed annuities and treasury-linked annuities), immediate annuities, and variable annuities. These products are sold through a variety of distribution channels including AIC agencies, financial services firms, independent agent broker/dealers including master brokerage agencies and direct marketing. Allstate Life also sells funding agreements that are sold to special purpose entities issuing medium term notes, through specialized brokers, including consultants and financial intermediaries, and fixed annuity investment products such as single premium structured settlement annuities sold through brokers who specialize in settlement of injury and other liability cases and other immediate annuities.

As of September 30, 2003 and December 31, 2002, respectively, Allstate Life's total invested assets in its general account were \$59.94 billion and \$52.67 billion, and its separate accounts assets were \$12.18 billion and \$11.13 billion, respectively. Net income for the nine months ended September 30, 2003 and 2002 was \$243 million and \$198 million, respectively.

Allstate Life's principal executive offices are located at 3100 Sanders Road, Northbrook, Illinois 60062 and its telephone number is (847) 402-5000.

RATIO OF EARNINGS TO FIXED CHARGES

The following table shows the ratio of earnings to fixed charges for Allstate Life and its subsidiaries for the periods indicated:

	Nine Months Ended September 30, 2003	Year Ended December 31,				
		2002	2001	2000	1999	1998
Ratio of earnings to fixed charges(1)(2)(3)	1.3x	1.2x	1.3x	1.5x	1.6x	1.7x

- (1) Allstate Life has authority to issue up to 1,500,000 shares of non-voting preferred stock, par value \$100.00 per share. There are currently 930,650 shares of redeemable preferred stock issued and outstanding. Allstate Life is obligated to pay a dividend on those preferred shares.
- (2) For the purposes of this computation, earnings consist of income from continuing operations before income taxes and the cumulative effect of change in accounting principle plus fixed charges. Fixed charges consist of the interest factor of annual rental expense, the dividends on redeemable preferred securities and the interest credited to contractholder funds.
- (3) Allstate Life continues to sell asset accumulation products that credit interest to the contractholder. This results in a negative impact on the ratio of earnings to fixed charges because the effect of increases in interest credited to contractholders more than offsets the effect of the increases in earnings.

USE OF PROCEEDS

In connection with the issuance and sale of each series of notes, the issuing trust will use the net proceeds received from the offering of the applicable series of notes to purchase a funding note from Global Funding. Global Funding will use the net proceeds received from the sale of such funding note to purchase one or more funding agreements issued by Allstate Life. Allstate Life intends to use the net proceeds from the sale of each funding agreement to purchase investment assets.

DESCRIPTION OF THE NOTES

This prospectus relates to:

- one or more series of secured medium term notes to be offered primarily to retail investors which are referred to as Allstate LifeSM CoreNotes®; and
- one or more series of secured medium term notes to be offered primarily to institutional investors,

which one or more Delaware special purpose statutory trusts that may be formed from time to time may offer.

Allstate LifeSM CoreNotes® will be offered from time to time to the public, with payment of principal of, any premium and interest on, and any other amounts due and owing with respect to, the Allstate LifeSM CoreNotes® to be secured by one or more applicable funding agreements issued by Allstate Life and assigned absolutely to, and deposited into, the issuing trust by Global Funding.

The terms of the secured medium term notes are identical in all material respects to the terms of the Allstate LifeSM CoreNotes®, except that the secured medium term notes:

- may be issued as amortizing notes;
- may be denominated in one or more foreign currencies;
- will not contain a survivor's option, permitting optional repayment of notes of a series, subject to certain limitations, prior to maturity, if requested, following the death of the beneficial owner of notes of that series; and

- may contain a provision providing for the redemption of the notes if Allstate Life is required to pay additional amounts on the related funding agreements pursuant to the applicable pricing supplement and Allstate Life exercises its right to redeem the funding agreements.

The following is a general description of the terms of the notes. Specific terms of a series of notes will be provided in the applicable prospectus supplement and the applicable pricing supplement which will supplement this prospectus.

Notes will be issued in one or more series. The terms of each indenture (as defined below) will not limit the amount of notes that the relevant trust may issue. Unless otherwise specified in the applicable prospectus supplement or the applicable pricing supplement, each series of notes will be secured by one or more funding agreements relating to that series of notes.

Each trust may issue notes at a discount below their stated principal amount, bearing no interest or interest at a rate that at the time of issuance is below market rates.

Certain federal income tax considerations and other relevant considerations are described in the applicable prospectus supplement.

The decision to issue notes to investors and purchase funding agreements or funding notes (in the case of an issuing trust) issued by Allstate Life (or Global Funding in the case of funding notes) rests solely with Global Funding or the issuing trust (in the case of funding notes). Global Funding and the trusts are under no obligation to Allstate Life or any other person or entity to issue any notes or purchase any funding agreements.

DESCRIPTION OF THE INDENTURES

Each series of notes will be issued by a trust pursuant to a separate indenture (each, an "indenture") to be entered into between the issuing trust and J.P. Morgan Trust Company, National Association, in its capacity as indenture trustee (including any successor, the "indenture trustee"). Each indenture will be subject to and qualified under the Trust Indenture Act of 1939 (the "Trust Indenture Act"). Each indenture will adopt the standard indenture terms, which are filed as an exhibit to the registration statement of which this prospectus is a part and are incorporated into this prospectus by reference.

The following summary highlights some of the provisions included in the standard indenture terms, but it may not contain all of the information that is important to you. The standard indenture terms are not restated in their entirety and you should read the standard indenture terms, which are attached as an exhibit to the registration statement of which this prospectus forms a part.

Covenants

Under the applicable indenture, the issuing trust will make certain covenants regarding payment of principal, interest (if any), premium (if any) and other amounts (if any), maintenance of offices or agencies, holding in trust money for note payments, protection of the collateral and delivery of an annual statement as to compliance with conditions, performance of obligations and adherence to covenants under the applicable indenture. Among other covenants, the issuing trust will agree that it will not, so long as any notes of the applicable series are outstanding, except, in any case, as otherwise permitted by the applicable indenture, the applicable trust agreement, or the relevant funding agreement(s):

- sell, transfer, exchange, assign, lease, convey or otherwise dispose of any of its assets (whenever acquired), including, without limitation, any portion of the collateral securing the obligations under the notes of the relevant series and the applicable indenture;
- engage in any business or activity other than in connection with, or relating to: the execution and delivery of, and the performance of any obligations under, the applicable trust agreement, the applicable indenture, the applicable administrative services agreement, the applicable terms agreement, the distribution agreement, the applicable support agreement, the applicable funding note and each funding agreement; the issuance and sale of any notes pursuant to the applicable indenture; and the transactions contemplated by, and the activities necessary or incidental to, any of the foregoing;
- incur, directly or indirectly, any debt except for the applicable series of notes or as otherwise contemplated under the applicable series indenture or under the applicable trust agreement;
- (A) permit the validity or effectiveness of the applicable indenture or the security interest securing the applicable series of notes to be impaired, or permit such security interest to be amended, hypothecated, subordinated, terminated or discharged; (B) permit any person to be released from any covenants or obligations under any funding agreement securing the applicable series of notes, except as expressly permitted under the applicable indenture, the applicable trust agreement or any applicable funding agreement; (C) create, incur, assume, or permit any lien or other encumbrance (other than a lien with respect to the collateral securing the applicable series of notes) on any of its properties or assets (whenever acquired), or any interest therein or the proceeds thereof; or (D) permit a lien with respect to the collateral not to constitute a valid first priority perfected security interest in the collateral securing the applicable series of notes;
- amend, modify or fail to comply with any material provision of the applicable trust agreement, except for any amendment or modification of the applicable trust agreement expressly permitted thereunder or under the applicable indenture or the applicable funding agreement(s);

- own any subsidiary or lend or advance any funds to, or make any investment in, any person, except for (A) the investment of any of its funds in the funding note and (B) the investment of any of its funds held by the indenture trustee, a paying agent, the Delaware trustee or the administrator as provided in the applicable indenture or the applicable trust agreement;
- directly or indirectly declare or pay a distribution or make any distribution or other payment, or redeem or otherwise acquire or retire for value any of its securities other than the applicable series of notes; provided that it may:
 - declare or pay a distribution or make any distribution or other payment to Global Funding, as its beneficial owner in compliance with the provisions of the applicable trust agreement if it has paid or made provision for the payment of all amounts due to be paid on the applicable series of notes; and
 - pay all of its debt, liabilities, obligations and expenses, the payment of which is provided for under the applicable support agreement;
- become required to register as an "investment company" under and as such term is defined in the Investment Company Act of 1940, as amended;
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enter into any transaction of merger or consolidation, or liquidate or dissolve itself (or, to the fullest extent permitted by law, suffer any liquidation or dissolution), or acquire by purchase or otherwise all or substantially all the business or assets of, or any stock or other evidence of beneficial ownership of, any other person;

- take any action that would cause Global Funding or any trust not to be either ignored or treated as a grantor trust for U.S. federal income tax purposes;
- issue any notes of the applicable series unless:
 - Allstate Life has affirmed in writing to the issuing trust that it has made changes to its books and records to reflect the granting by the issuing trust of a security interest in, and the making by the issuing trust of an assignment for collateral purposes of, the relevant funding agreement(s) by the issuing trust to the indenture trustee in accordance with the terms of the relevant funding agreement(s) and the applicable indenture; and
 - it has taken such other steps as may be necessary to cause the indenture trustee's security interest in or assignment for collateral purposes of the relevant collateral to be perfected for purposes of the UCC or effective against its creditors and subsequent purchasers of such collateral pursuant to insurance or other state laws;
- make any deduction or withholding from the principal of or interest on the applicable series of notes other than amounts that may be required to be withheld or deducted from such payments under the Internal Revenue Code of 1986, as amended (the "Code") or any other applicable tax law, by reason of the payment of any taxes levied or assessed upon any portion of any relevant collateral except to the extent specified in the applicable indenture, any certificate representing a note of such series or any supplemental indenture;
- have any employees other than the Delaware trustee and the administrator or any other persons necessary to conduct its business and enter into transactions contemplated under the applicable indenture, the applicable trust agreement, the applicable administrative services agreement, the applicable terms agreement, the distribution agreement, the applicable support agreement, the applicable funding note or any applicable funding agreement;

10

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- have an interest in any bank account other than:
 - the accounts required under the applicable indenture, the applicable trust agreement, the applicable terms agreement, the distribution agreement or any applicable funding agreement; and
 - those accounts expressly permitted by the indenture trustee; provided that any such further accounts or such interest of the issuing trust therein shall be charged or otherwise secured in favor of the indenture trustee on terms acceptable to the indenture trustee;
 - permit any affiliate, employee or officer of Allstate Life or any agent to be a trustee of the issuing trust; or
 - commingle its assets with any assets of Global Funding, any other trust or any of its affiliates, or guarantee any obligation of any of its affiliates.

Events of Default

The following will be "Events of Default" with respect to the notes of a particular series issued pursuant to the applicable indenture:

- default in the payment when due and payable of the principal of, or any premium on, any note of such series;
- default in the payment when due and payable, of any interest on, or any additional amounts with respect to, any note of such series and continuance of such default for a period of five business days;
- any "Event of Default" (as defined in the funding agreement) by Allstate Life under any funding agreement securing the notes of such series or any funding note Event of Default (as defined in any funding note);
- the issuing trust fails to observe or perform any covenant contained in the notes of such series or in the applicable indenture for a period of 30 days after the date on which written notice specifying such failure, stating that such notice is a "Notice of Default" thereunder and demanding that the issuing trust remedy the same, will have been given by registered or certified mail, return receipt requested, to the issuing trust by the indenture trustee, or to the issuing trust and the indenture trustee by the holder or holders of at least 25% in aggregate principal amount of the outstanding notes of such series affected thereby;
- the applicable indenture for any reason shall cease to be in full force and effect or shall be declared null and void, or the indenture trustee shall fail to have or maintain a validly created and first priority perfected security interest (or the equivalent thereof) in the collateral required to secure the notes of such series; or any person shall successfully claim, as finally determined by a court of competent jurisdiction, that any lien on such collateral in favor of the indenture trustee for the benefit of the holders of the notes of such series and any other person for whose benefit the indenture trustee is holding the applicable collateral, is void or is junior to any other lien or that the enforcement thereof is materially limited because of any preference, fraudulent transfer, conveyance or similar law;
- an involuntary case or other proceeding shall be commenced against the issuing trust seeking liquidation, reorganization or other relief with respect to the issuing trust or its debts under any bankruptcy, insolvency, reorganization or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of the issuing trust or any substantial part of its property, and such involuntary case or other

11

proceeding shall remain undismissed and unstayed for a period of 60 days; or an order for relief shall be entered against the issuing trust under the federal bankruptcy laws;

- the issuing trust commences a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency, reorganization or other similar law or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of the

issuing trust or any substantial part of its property, or it consents to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or makes a general assignment for the benefit of creditors, or fails generally to pay its debts as they become due, or takes any statutory trust action to authorize any of the foregoing; or

- any other Event of Default provided in any supplemental indenture or in a note certificate representing the notes of such series.

If one or more Events of Default shall have occurred and be continuing with respect to the notes of such series, then, and in every such event, unless the principal of all of the notes of such series shall have already become due and payable, either the indenture trustee or the holder or holders of not less than 25% in aggregate principal amount of the notes of such series then outstanding under the applicable indenture by notice in writing to the issuing trust (and to the Indenture Trustee if given by such holders), may declare the entire principal of, and premium on (if any), all the notes of such series and any interest accrued thereon and any other amounts due and owing with respect thereto, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable; *provided* that, if any Event of Default specified in the sixth or seventh bullets above occurs with respect to the issuing trust, or if any Event of Default specified in the third bullet above that would cause any funding agreement securing the notes of such series to become automatically and immediately due and payable occurs with respect to Allstate Life, then without any notice to the issuing trust or any other act by the Indenture Trustee or any holder of any notes of such series, the entire principal of, and premium on (if any), all the notes of such series and the interest accrued thereon and any other amounts due and owing with respect thereto, shall become immediately due and payable without presentment, demand, protest or other notice of any kind, all of which will be waived by the issuing trust under the applicable indenture.

If at any time after the principal of the notes of such series, any interest accrued thereon and any other amounts due or owing with respect thereto shall have been so declared due and payable and before any judgment or decree for the payment of the funds due shall have been obtained or entered as hereinafter provided, the issuing trust shall pay or shall deposit with the indenture trustee a sum sufficient to pay all due and payable interest on all the notes of such series, any interest accrued thereon and any other amounts due or owing with respect thereto and the principal of and premium on (if any) any and all notes of such series which shall have become due and payable otherwise than by acceleration (with interest on such principal and, to the extent that payment of such interest is enforceable under applicable law, on overdue interest and any other amounts payable, at the same rate as the rate of interest specified in the note certificates representing the notes of such series to the date of such payment or deposit) and such amount as shall be sufficient to cover reasonable compensation to the indenture trustee and each predecessor indenture trustee, their respective agents, attorneys and counsel, and all other expenses and liabilities incurred, and all advances made, by the indenture trustee and each predecessor indenture trustee except as a result of negligence or bad faith, and if any and all Events of Default under the applicable indenture, other than the non-payment of the principal of and premium on (if any) the notes of such series which shall have become due by acceleration, shall have been cured, waived or otherwise remedied as provided herein, then and in every such case the applicable holder representative (as defined below), by written notice to the issuing trust and to the indenture trustee, may waive all defaults and rescind and annul such declaration and its consequences,

12

but no such waiver or rescission and annulment shall extend to or shall affect any subsequent default or shall impair any right consequent thereon.

Upon the occurrence and during the continuation of an Event of Default, the claims of the indenture trustee for its fees and expenses will have priority over the claims of holders of notes of such series with respect to any funds collected by the indenture trustee during such Event of Default, subject to the terms of the applicable indenture.

Except in the circumstances described in the third bullet point above, an Event of Default under the notes of a series will not constitute an event of default under any related funding agreement. In the absence of a contemporaneous event of default under any applicable funding agreement, the issuing trust will probably not have sufficient amounts to pay fully all amounts due to the holders of the applicable series of notes upon the occurrence of an acceleration event with respect to such series of notes. In such a case, the indenture trustee, acting for the benefit of the holders of the applicable series of notes, will be limited to a proceeding against each applicable funding agreement and the related collateral. However, because under such circumstances Allstate Life would not be under any obligation to accelerate its payment obligations under any such funding agreement, the indenture trustee could only:

- continue to receive scheduled periodic payments under the collateral, including any applicable funding agreement;
- dispose of the collateral, including any applicable funding agreement, subject to obtaining the consent of Allstate Life; or
- exercise any combination of the foregoing.

Any such disposition of collateral could be made on unfavorable terms and result in material losses to the holders of the applicable series of notes.

In addition, in the event of any acceleration under a series of notes, the amounts of cash received under any applicable funding agreement(s), the applicable support agreement and any other sources available to the issuing trust may be insufficient to enable it to satisfy all of its support obligations and other cash obligations. The failure to have sufficient cash to meet these obligations could result in insolvency or other circumstances that could result in material losses to the holders of the applicable series of notes.

Application of Proceeds

Any funds collected by the indenture trustee following an Event of Default or otherwise under the applicable indenture in respect of the notes of a series shall be applied in the following order at the date or dates fixed by the indenture trustee and, in case of the distribution of such funds on account of principal, any premium and interest and any other amounts due and owing, upon presentation of the global security or certificates representing the notes of such series and the notation thereon of the payment if only partially paid or upon the surrender thereof if fully paid:

First: to the payment of costs and expenses, including reasonable compensation to the indenture trustee and each predecessor indenture trustee and their respective agents and attorneys and of all expenses and liabilities incurred, and all advances made, by the indenture trustee and each predecessor indenture trustee except as those adjudicated in a court of competent jurisdiction to be the result of any such indenture trustee's negligence or bad faith, in an aggregate amount of no more than \$250,000 for all series of notes outstanding; and provided further, that this provision shall not derogate from the indenture trustee's rights to have the applicable holder representative offer to the indenture trustee reasonable security or indemnity against costs, expenses and liabilities which might be incurred by it in compliance with an order, request or direction, or if the

13

indenture trustee makes an investigation, the indenture trustee may require reasonable indemnity against the costs, expenses or liabilities as a condition precedent and such reasonable expenses shall be paid by the issuing trust, or if such costs, expenses or liabilities are paid by the indenture trustee or any predecessor trustee, such payments shall be reimbursed by the issuing trust on demand;

Second: to the payment of principal, any premium and interest, any additional amounts and any other amounts then due and owing on the notes of such series, ratably, without preference or priority of any kind, according to the aggregate principal amounts due and payable on such notes;

Third: to the payment of any other Obligations then due and owing with respect to such series of notes, ratably, without preference or priority of any kind; and

Fourth: to the payment of any remaining balance to the issuing trust for distribution by the administrator in accordance with the provisions of the applicable trust agreement.

Any funds collected by the indenture trustee where no Event of Default exists under an indenture in respect of notes of a series shall be applied in the following order at the date or dates fixed by the indenture trustee and, in case of the distribution of such funds on account of principal, any premium and interest, and any additional amounts, upon presentation, if applicable, of the certificate representing the notes of such series and the notation thereon of the payment if only partially paid or upon the surrender thereof if fully paid:

First: to the payment of principal, any premium and interest, any additional amounts, and any other amounts then due and owing on the notes of such series, ratably, without preference or priority of any kind, according to the aggregate principal amounts due and payable on such notes;

Second: to the payment of any other Obligations then due and owing with respect to such series of notes, ratably, without preference or priority of any kind; and

Third: to the payment of any remaining balance to the issuing trust for distribution by the administrator in accordance with the provisions of the applicable trust agreement.

The indenture trustee may make distributions under an indenture in cash or in kind or, on a ratable basis, in any combination thereof.

Certain Rights of Holders

The holder or holders of a majority in aggregate principal amount of the notes of any series at the time outstanding shall have the right to elect a holder representative ("holder representative") who shall have binding authority upon all the holders and who shall direct the time, method, and place of conducting any proceeding for any remedy available to the indenture trustee, or exercising any trust or power conferred on the indenture trustee by the applicable indenture, provided that:

- such direction shall not be otherwise than in accordance with law and the provisions of the applicable indenture; and
- the indenture trustee shall have the right to decline to follow any such direction if the indenture trustee, being advised by counsel, shall determine that the action or proceeding so directed may not lawfully be taken or if the indenture trustee in good faith by its board of directors, the executive committee, or a trust committee of directors or responsible officers of the indenture trustee shall determine that the action or proceedings so directed would involve the indenture trustee in personal liability.

Nothing in an indenture shall impair the right of the indenture trustee in its discretion to take any action deemed proper by the indenture trustee and which is not inconsistent with such direction by the holder or holders of notes of the applicable series.

14

No holder of the notes of a series shall have any right to institute any proceedings, judicial or otherwise, with respect to the relevant indenture or any agreement or instrument included in the relevant collateral or for the appointment of a receiver or trustee, unless:

- such holder has previously given written notice to the indenture trustee of a continuing Event of Default with respect to such series of notes;
- the holder or holders of notes representing not less than 25% of the aggregate principal amount of the outstanding notes of such series shall have made written request to the indenture trustee to institute proceedings in respect of such Event of Default in its own name as the indenture trustee;
- such holder or holders have offered to the indenture trustee indemnity or security satisfactory to it against the costs, expenses and liabilities to be incurred in compliance with such request;
- the indenture trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and
- no direction inconsistent with such written request has been given to the indenture trustee during such 60-day period by the holder or holders of notes representing at least 66²/₃% of the aggregate principal amount of the outstanding notes of such series;

it being understood and intended that no holder or holders of notes of a series shall have any right in any manner whatever by virtue of, or by availing of, any provision of the applicable indenture to affect, disturb or prejudice the rights of any other holder of any note of the relevant series or to obtain or to seek to obtain priority or preference over any other holder of the relevant series to enforce any right under such indenture, except in the manner therein provided and for the equal and ratable benefit of all the holders of the notes of the relevant series.

Since Allstate Life and Global Funding are registrants, purchasers of notes may be able to proceed directly against Allstate Life and Global Funding to enforce their rights under the Federal securities laws and their rights under the Federal securities laws will be no different than if they purchased the underlying funding agreements directly from Allstate Life or the underlying funding notes directly from Global Funding.

Modifications and Amendments

Modifications and Amendments Without Consent of Holders

The issuing trust and the indenture trustee may from time to time and at any time enter into an indenture or indentures supplemental to the applicable indenture for one or more of the following purposes without the consent of any holders of the applicable series of notes:

- to add to the issuing trust's covenants such further covenants, restrictions, conditions or provisions as the issuing trust and the indenture trustee shall consider to be for the protection of each holder of notes of the applicable series, and to make the occurrence, or the occurrence and continuance, of a default in any such additional covenants, restrictions, conditions or provisions an Event of Default permitting the enforcement of all or any of the several remedies provided in the relevant indenture, as described herein; provided that, in respect of any such additional covenant, restriction, condition or provision such supplemental indenture may provide for a particular period of grace after default (which period may be shorter or longer than that allowed in the case of other defaults) or may provide for an immediate enforcement upon such an Event of Default or may limit the remedies available to the indenture trustee upon such an Event of Default or may limit the right of the applicable holder representative to waive such an Event of Default;

15

- to cure any ambiguity or to correct or supplement any provision contained in the relevant indenture or in any applicable supplemental indenture or note certificate which may be defective or inconsistent with any other provision contained in such indenture or in any applicable supplemental indenture or note certificate; or to make such other provisions in regard to matters or questions arising under the relevant indenture or under any applicable supplemental indenture or note certificate as the issuing trust may deem necessary or desirable and which shall not adversely affect the interests of the holders in any material respect; or
- to evidence and provide for the acceptance of appointment under the relevant indenture by a successor indenture trustee with respect to the notes of the applicable series and to add to or change any of the provisions of such indenture as shall be necessary to provide for or facilitate the issuing trust's administration under the applicable indenture by more than one indenture trustee.

The issuing trust shall advise all rating agencies that are then rating the medium term note program, the Allstate LifeSM CoreNotes® program or the relevant series of notes of any such supplemental indentures.

Modifications and Amendments With Consent of Holders

With the consent of the holder or holders of not less than 66²/₃% in aggregate principal amount of the outstanding notes of the applicable series, the issuing trust and the indenture trustee may, from time to time and at any time, enter into a supplemental indenture for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the relevant indenture or of any applicable supplemental indenture or note certificate or of modifying in any manner the rights of the holders of notes of such series; provided, that no such supplemental indenture shall:

- change the final maturity of such series of notes, or reduce the principal amount thereof, or reduce the rate or extend the time of payment of interest thereon, or impair or affect the right of any holder of notes of such series to institute suit for the payment thereof without the consent of the holder of each note of such series;
- modify any of the provisions of the relevant indenture except to increase the percentage of notes of such series required to approve any such supplemental indenture; or
- permit the creation of any lien ranking prior to or on a parity with the lien of the relevant indenture with respect to any part of the relevant collateral or terminate the lien of such indenture on any property held for the benefit and security of holders of notes of such series or deprive any holder of any note of such series of the security afforded by the lien of the relevant indenture, without the consent of the holder of each note of such series.

The issuing trust shall advise all rating agencies that are then rating the medium term note program, the Allstate LifeSM CoreNotes® program or the relevant series of notes of any such supplemental indentures.

Indenture Trustee

Under each indenture, if an Event of Default with respect to the applicable series of notes has occurred and is continuing, the indenture trustee is obligated to exercise such of the rights and powers vested in it by such indenture, and to use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

Each indenture will provide that, except during the continuance of an Event of Default, the indenture trustee need perform only those duties that are specifically set forth therein, and no implied covenants or obligations of the indenture trustee will be read into such indenture.

No provision of an indenture will be construed to relieve the indenture trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

- this paragraph does not limit the effect of the second preceding paragraph;
- in the absence of bad faith on its part, the indenture trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the indenture trustee and conforming to the requirements of the applicable indenture unless a responsible officer (as defined in the applicable indenture) of the indenture trustee has actual knowledge that such statements or opinions are false; provided that the indenture trustee must examine such certificates and opinions to determine whether they conform to the requirements of the applicable indenture;
- the indenture trustee will not be liable for any error of judgment made in good faith by a responsible officer, unless it is proved that the indenture trustee was negligent in ascertaining the pertinent facts;
- the indenture trustee will not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction of the applicable holder representative relating to the time, method and place of conducting any proceeding for any remedy available to the indenture trustee, or exercising any trust or power conferred upon the indenture trustee, under the applicable indenture with respect to the notes of the applicable series; and
- no provision of the applicable indenture will require the indenture trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties thereunder, or in the exercise of any of its rights or powers thereunder, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

The indenture trustee may resign at any time under any indenture by giving not less than 90 days' prior written notice thereof to the issuing trust and the holders of the applicable series of notes. If no successor indenture trustee shall have accepted appointment within 30 days after the giving of such notice of resignation, the resigning indenture trustee will be permitted to petition any court of competent jurisdiction for the appointment of a successor indenture trustee.

If at any time:

- the indenture trustee shall cease to be eligible to serve as indenture trustee under the requirements of the applicable indenture and shall fail to resign after written request;
- the indenture trustee shall become incapable of acting with respect to the applicable series of notes or shall be adjudged as bankrupt or insolvent, or a receiver or liquidator of the indenture trustee or of its property shall be appointed, or any public officer shall take charge or control of the indenture trustee or of its property

or affairs for the purpose of rehabilitation, conservation or liquidation; or

- the indenture trustee shall fail to comply with the obligations imposed upon it under Section 310(b) of the Trust Indenture Act with respect to the applicable series of notes after written request therefor by the issuing trust or any holder of such notes who has been a bona fide holder of such notes for at least six months;

then, the issuing trust (except upon the occurrence and during the continuation of an Event of Default) will be permitted to remove the indenture trustee with respect to the applicable series of notes and appoint a successor indenture trustee under the applicable indenture.

In addition to the right of petition given to the resigning indenture trustee under an indenture and the right of removal given to the issuing trust thereunder as described in the preceding two paragraphs,

17

any holder who has been a holder of notes of such series for at least six months may, on behalf of itself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor indenture trustee under the applicable indenture or the removal of the indenture trustee and the appointment of a successor indenture trustee under the applicable indenture, as the case may be.

The applicable holder representative may at any time remove the indenture trustee with respect to the notes of such series and appoint a successor indenture trustee with respect to the notes of such series by delivering to the indenture trustee so removed, to the successor indenture trustee so appointed and to the issuing trust the evidence required for such action by the relevant indenture.

Meetings of Holders

A meeting of holders of notes of a series will be permitted to be called at any time and from time to time pursuant to the relevant indenture to make, give or take any request, demand, authorization, direction, notice, consent, waiver or other action provided by such indenture to be made, given or taken by such holders of notes of such series.

Unless otherwise provided in a note certificate representing the notes of a particular series, the indenture trustee may at any time call a meeting of holders of notes of such series for any purpose specified in the preceding paragraph, to be held at such time and at such place in the City of New York or the city in which the Corporate Trust Office (as defined in the applicable indenture) is located. Notice of every meeting of holders of notes of such series, setting forth the time and the place of such meeting and in general terms the action proposed to be taken at such meeting, must be given not less than 21 nor more than 180 days prior to the date fixed for the meeting.

Any resolution passed or decision taken at any meeting of holders of notes of a series duly held in accordance with the relevant indenture will be binding on all of the holders of notes of such series, whether or not such holders were present or represented at the meeting.

Nonrecourse Enforcement

Notwithstanding anything to the contrary contained in an indenture or the notes of a series, other than as described below, none of Allstate Life, its officers, directors, affiliates, employees or agents or any of the trustees of Global Funding or the trusts, beneficial owners or agents, or any of their respective officers, directors, affiliates, employees or agents, all of whom are collectively referred to in this prospectus as the "nonrecourse parties," will be personally liable for the payment of any principal, interest or any other sums at any time owing under the terms of any notes. If any Event of Default shall occur with respect to any notes of any series, the right of the holder or holders of notes of such series and the indenture trustee on behalf of such holder or holders in connection with a claim related to such series of notes will be limited solely to a proceeding against the relevant collateral.

Neither any such holder or holders nor the indenture trustee on behalf of such holder or holders will have the right to proceed against the nonrecourse parties or the assets of Global Funding or any other trust to enforce the relevant series of notes (except that to the extent they exercise their rights, if any, to seize any relevant funding agreement(s), they may enforce the funding agreement(s) against Allstate Life) or for any deficiency judgment remaining after foreclosure of any property included in the relevant collateral.

The limitations on the rights of the holders described in the previous two paragraphs will not in any manner or way constitute or be deemed a release of the debt or other obligations of the issuing trust evidenced by the notes of the applicable series or otherwise affect or impair the enforceability against the assets of the issuing trust of the liens, assignments, rights and security interests created by the relevant indenture, the relevant collateral or any other instrument or agreement evidencing, securing or relating to the indebtedness or the obligations of the issuing trust evidenced by the notes of

18

the applicable series. The holders of notes of a series are not precluded from foreclosing upon any property included in the relevant collateral or from any other rights or remedies in law or in equity against the assets of the issuing trust.

Since Allstate Life and Global Funding are registrants, purchasers of notes may be able to proceed directly against Allstate Life and Global Funding to enforce their rights under the Federal securities laws depending on the particular facts and circumstances and their rights under the Federal securities laws will be no different than if they purchased the underlying funding agreements from Allstate Life or Global Funding.

Notices

All notices regarding notes of a series will be mailed to the registered owners thereof as their names appear in the applicable note register maintained by the indenture trustee.

Governing Law; Submission to Jurisdiction

Each indenture and the notes of each series shall (unless specified otherwise in the applicable prospectus supplement) be governed by, and construed in accordance with, the laws of the State of New York, except as required by mandatory provisions of law and except to the extent that the validity or perfection of the ownership of and security interest in the relevant funding agreements of the issuing trust or remedies under the applicable indenture in respect thereof may be governed by the laws of a jurisdiction other than the State of New York. All judicial proceedings brought against a trust or the indenture trustee arising out of or relating to the relevant indenture, any note of the applicable series or any portion of the relevant collateral may be brought in a United States federal court located in New York City, the Borough of Manhattan, provided that the applicable prospectus supplement may specify other jurisdictions as to which the issuing trust may consent to the nonexclusive jurisdiction of courts with respect to such series of notes.

Each trust will use the net proceeds received from the issuance of the related series of notes to purchase a funding note (each, a "funding note"). Global Funding will use the net proceeds received from the sale of the related funding note to purchase one or more funding agreements issued by Allstate Life. Global Funding will immediately assign absolutely and deposit each such funding agreement to the relevant trust, and the relevant funding note will be surrendered.

The funding note will have a principal amount equal to the principal amount of the related funding agreement(s) and the related series of notes. Each funding note will otherwise have payment and other terms substantially similar to the related funding agreement(s) and the related series of notes, except that the terms of each funding note will provide that it will be cancelled immediately upon the sale of, and deposit into, the issuing trust by Global Funding of the related funding agreement(s).

DESCRIPTION OF THE FUNDING AGREEMENTS

This section provides a summary of the terms and conditions of the funding agreements. This summary is not complete and you should read the detailed provisions of the funding agreements, the form of which is filed as an exhibit to the registration statement of which this prospectus forms a part. Capitalized terms used in this summary have the same meanings as those used in the funding agreements, unless the context otherwise requires.

General

In connection with the issuance of a series of notes, the issuing trust will acquire one or more funding agreements issued by Allstate Life. The issuing trust will grant a security interest in, pledge and collaterally assign each such funding agreement to the indenture trustee as collateral to secure the obligations under the applicable series of notes.

Such funding agreement(s) will have a principal amount equal to the principal amount of the related series of notes. The funding agreements will otherwise have payment and other terms substantially similar to the payment and other terms of the related series of notes. See "Description of the Notes" in the applicable prospectus supplement.

The funding agreements are unsecured obligations of Allstate Life, an Illinois stock life insurance company. In the event of insolvency of an Illinois insurance company, claims against the insurer's estate are prioritized pursuant to Section 5/205 of the Illinois Insurance Code. Under Section 5/205(1)(d) of the Illinois Insurance Code, claims by "policyholders, beneficiaries, and insureds, under insurance policies, annuity contracts, and funding agreements" receive payment prior to any distribution to general creditors not falling within any other priority class under the Illinois Insurance Code.

In a properly prepared and presented case in a delinquency proceeding under Article XIII of the Illinois Insurance Code, 215 ILCS Section 5/187 *et seq.* (the "Illinois Liquidation Act"), the timely and properly filed claims of an owner under the funding agreement (with the possible exception of claims for Additional Amounts, as discussed below) would be entitled to distribution *pari passu* with claims made by other policyholders, beneficiaries, and insureds under other insurance policies, insurance contracts, annuities and funding agreements issued by Allstate Life, and the claims of the Illinois Life and Health Insurance Guaranty Association, and any similar organization in another state, in accordance with Section 5/205(1)(d) of the Illinois Liquidation Act, and an owner's claims under the funding agreement should not be recharacterized as other than the claims of a policyholder, beneficiary, or insured under an insurance policy, insurance contract, annuity or funding agreement.

If a funding agreement so provides, Allstate Life may be required to pay Additional Amounts (as such term is defined therein) to the indenture trustee as collateral assignee of the funding agreement. For a discussion regarding payment of Additional Amounts, see "Description of the Notes—Withholding Tax and Payment of Additional Amounts". The language of Section 205(1)(d) that specifically refers to claims under "funding agreements" has not been interpreted in any Illinois judicial decision. Specifically, there is no authority addressing whether claims under funding agreements for Additional Amounts would be accorded priority under Section 205(1)(d) as claims made by other policyholders, beneficiaries and insureds under other policies, insurance contracts, annuities and funding agreements. Accordingly, although such payments could be viewed as a claim under the funding agreements within the meaning of Section 5/205(1)(d), they may also be argued to be a separate payment obligation. Therefore, while in a proceeding before a court of competent jurisdiction the court might find that a claim for an Additional Amount constitutes a claim under a funding agreement, it also might find that such a claim is not a claim entitled to the priority afforded by Section 5/205(1)(d). If a claim for an Additional Amount does not constitute a claim entitled to the priority afforded by Section 5/205(1)(d), then in a properly prepared and presented case any claim for

an Additional Amount would be entitled to the same priority as claims of general creditors of Allstate Life under Section 5/205(1)(g).

As insurance contracts under Illinois law, funding agreements rank senior to unsecured indebtedness of Allstate Life. Therefore, if Allstate Life were to offer notes directly to investors, holders of such notes would receive an effectively subordinated obligation because of the relative priority of insurance contracts and funding agreements over unsecured indebtedness.

With respect to any issuance of the notes of a series, the aggregate amount of Allstate Life's liabilities that would rank *pari passu* with each funding agreement securing such series of notes is disclosed in the financial statements of Allstate Life contained in Allstate Life's most recent Annual Report on Form 10-K or Quarterly Report on Form 10-Q filed with the SEC, in each case as of the date of such financial statements. This amount appears in the Consolidated Statements of Financial Position as a liability under the line item entitled "Contractholder funds".

The statutory authorizations for the uses of funding agreements under the Illinois Insurance Code (the "Illinois Insurance Code") are severely limited. The form of funding agreement has been filed with the Illinois Department of Insurance and has been accepted as a funding agreement that is a type of annuity contract without life contingency permitted by Section 5/226.1 of the Illinois Insurance Code. Under that provision, the permitted uses are limited to funding of: (a) ERISA employee benefit plans; (b) an activity of an Internal Revenue Code Section 501(c) organization; (c) a program of a government entity or instrumentality; (d) structured settlement claims; and (e) a program of an institution with assets in excess of \$25,000,000. Thus, the market for direct sales of funding agreements is very narrow, essentially limited to large institutional investors under Rule 144A or foreign investors under Regulation S promulgated under the Securities Act, as amended. Moreover, in contrast to medium term notes, funding agreements have no secondary market to provide investors with liquidity or mark-to-market valuation and, therefore, the funding agreement market is much narrower than the universe of investors who can purchase medium term notes.

In addition, funding agreements are insurance contracts authorized by Section 5/226.1 of the Illinois Insurance Code. Only licensed insurance agents or the issuing insurance company may sell such contracts. Thus, not only is the market for direct funding agreement sales limited by the specified classes of buyers, but it is restricted also by the limits on the agency force.

The Illinois Department of Insurance has confirmed that it does not consider the sale of publicly offered funding agreement backed medium term notes to violate the Illinois Insurance Code. In addition, the Illinois Department of Insurance has approved the form of funding agreement to be used in connection with the medium term note program and the Allstate LifeSM CoreNotes® program.

The rating by any rating agency of the financial strength of Allstate Life does not mean that such rating agency will rate a funding agreement or the related series of notes. However, unless otherwise indicated in the applicable pricing supplement, each series of notes, the related funding note and the funding agreement(s) securing such series of

notes will have an issue credit rating of _____ from Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. We expect the program to be rated _____ by Moody's Investors Service, Inc. ("Moody's"). If Moody's changes the program rating, the new program rating will be specified in the applicable pricing supplement. Notes of a series will be issued under the program only in the event that, at the time of issuance of such series of notes, at least one nationally recognized rating agency would assign an investment grade rating to such series of notes, the related funding note and the funding agreement(s) securing such series of notes.

Insolvency of Allstate Life

In the event of insolvency of an Illinois insurance company, claims against the insurer's estate are prioritized pursuant to Section 5/205 of the Illinois Insurance Code. Under Section 5/205(1)(d) of the Illinois Insurance Code, claims by "policyholders, beneficiaries, and insureds, under insurance policies, annuity contracts, and funding agreements" receive payment prior to any distribution to general creditors not falling within any other priority class under the Illinois Insurance Code. The funding agreements are unsecured obligations of Allstate Life.

Lord, Bissell & Brook, special Illinois insurance regulatory counsel of Allstate Life, has opined that, subject to the limitations, qualifications and assumptions set forth in its opinion letter, in a properly prepared and presented case, (1) in a delinquency proceeding under Article XIII of the Illinois Insurance Code, 215 ILCS Section 5/187 *et seq.* (the "Illinois Liquidation Act"), the timely and properly filed claims of an owner under the funding agreement (with the possible exception of claims for Additional Amounts, as discussed below) would be entitled to distribution *pari passu* with claims made by other policyholders, beneficiaries, and insureds under other insurance policies, insurance contracts, annuities and funding agreements issued by Allstate Life, and the claims of the Illinois Life and Health Insurance Guaranty Association, and any similar organization in another state, in accordance with Section 5/205(1)(d) of the Illinois Liquidation Act, and (2) an owner's claims under the funding agreement should not be recharacterized as other than the claims of a policyholder, beneficiary, or insured under an insurance policy, insurance contract, annuity or funding agreement.

If a funding agreement so provides, Allstate Life may be required to pay Additional Amounts (as such term is defined therein) to the indenture trustee as collateral assignee of the funding agreement. Although such payments could be viewed as a claim under the funding agreements within the meaning of Section 5/205(1)(d), it may also be argued to be a separate payment obligation. Therefore, while in a proceeding before a court of competent jurisdiction the court might find that a claim for an Additional Amount constitutes a claim under a funding agreement, it also might find that such a claim is not a claim entitled to the priority afforded by Section 5/205(1)(d). Lord, Bissell & Brook has opined that if a claim for an Additional Amount does not constitute a claim entitled to the priority afforded by Section 5/205(1)(d), then in a properly prepared and presented case any claim for an Additional Amount would be entitled to the same priority as claims of general creditors of Allstate Life under Section 5/205(1)(g).

In the absence of controlling judicial precedents, the opinion of Lord, Bissell & Brook is based on a reasoned analysis of Illinois statutes, as well as application of other states' judicial decisions involving similar or analogous circumstances. Investors should note that in the event of the insolvency of an insurance company, however, the judicial application of statutes governing the distribution of the insurer's general assets has typically proceeded on a case-by-case basis.

Payments under Funding Agreements

Under the terms of each funding agreement securing the obligations under a series of notes, Allstate Life will be obligated to make payments in the amounts necessary to permit the issuing trust to meet in full its scheduled payment obligations under the applicable series of notes.

Unless otherwise specified in the applicable pricing supplement, the issuing trust will not pay any additional amounts to holders of the notes of a series in the event that any withholding or deduction for or on account of any United States taxes or other governmental charges is required. If the applicable prospectus supplement or the applicable pricing supplement specifies that the issuing trust will pay additional amounts to holders of the notes of the applicable series in the event of certain changes in tax law, including the repeal of the "Portfolio Interest Exemption" from United States Federal withholding taxes for payments to non-U.S. Holders, the relevant funding agreement(s) will provide that Allstate Life will make payments to the issuing trust in the amounts necessary to permit it

to pay additional amounts, if any, required to be paid to holders of the particular series of notes. If the payment of additional amounts to holders of a particular series of notes is required as a result of a change in tax law, Allstate Life will be obligated to pay such additional amounts to the issuing trust under the relevant funding agreement(s).

Events of Default

The following will be "Events of Default" under each funding agreement:

- default in the payment when due and payable of any principal amount under the funding agreement;
- default in the payment of any interest accrued when such amounts become due and payable, and continuance of such default for a period of five business days;
- Allstate Life fails, is unable, or Allstate Life admits in writing its inability, generally to pay its debts as such debts become due; or the board of directors of Allstate Life adopts any action to approve or for the purpose of effecting any of the actions referred to in this paragraph;
- default in the performance or breach of any one or more of the other covenants of Allstate Life under such funding agreement, and continuance of such default or breach for a period of 45 days after there has been given notice thereof to Allstate Life;
- a court having jurisdiction in the premises has entered a decree or order for relief in respect of Allstate Life in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect in the United States of America or any other applicable jurisdiction which decree or order is not stayed; or any other similar relief has been granted under any applicable law;
- an insolvency case has been commenced against Allstate Life under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect in the United States of America or any other applicable jurisdiction and such case shall not have been dismissed or stayed, in each case within 45 days, or a decree or order of a court having jurisdiction in the premises for the appointment of a receiver, liquidator, rehabilitator, conservator, sequestrator, trustee, custodian or other officer having similar powers over Allstate Life, or over all or a substantial part of its property, has been entered; or there has occurred the involuntary appointment of an interim receiver, trustee or other custodian of Allstate Life, for all or a substantial part of its property; or a court having jurisdiction in the premises has entered a decree or order declaring the dissolution of Allstate Life; or a warrant of attachment, execution or similar process has been issued against any substantial part of the property of Allstate Life;
- the Director of the Illinois Department of Insurance or any other insurance supervisor having jurisdiction over Allstate Life shall have filed a petition seeking any order under the Illinois Insurance Code or other applicable insurance law to rehabilitate, liquidate, or conserve the assets of, or take other similar action with

respect to, Allstate Life; or

- Allstate Life commences a voluntary case or other proceeding seeking liquidation, dissolution, reorganization or other relief with respect to itself or its debts under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect in the United States of America (or any state thereof) or any other applicable jurisdiction, or seeking the appointment of a receiver, liquidator, rehabilitator, sequestrator, conservator or other similar officer of Allstate Life or any substantial part of its property, or consents to the entry of an order for relief in an involuntary case, or to the conversion of an involuntary case to a voluntary case, under any such law, or consents to the appointment of or taking possession by a receiver, trustee or other custodian for

23

all or a substantial part of its property; or Allstate Life makes any general assignment for the benefit of creditors.

If one or more Events of Default shall have occurred and be continuing (other than an Event of Default specified in the third, fourth, fifth, sixth, seventh and eighth bullets above), the indenture trustee as collateral assignee of the funding agreement may, by written notice to Allstate Life, declare the principal of, plus accrued but unpaid interest on and any other amounts then due and owing with respect to, such funding agreement to be due and payable and such amounts will become due and payable on the date the written declaration is given to Allstate Life; provided that if an Event of Default specified in the third, fourth, fifth, sixth, seventh and eighth bullets above occurs, such amounts will be automatically and immediately due and payable without any declaration or other act on the part of the indenture trustee as collateral assignee of the funding agreement; provided further that, without affecting the obligation of Allstate Life to repay such amounts, no such repayment shall be made in preference to other policyholders of Allstate Life.

Representations and Warranties in the Funding Agreement

In each funding agreement, each party will represent and warrant as follows:

- the representing party has the power to enter into the funding agreement and to consummate the transactions contemplated thereby;
- the funding agreement has been duly authorized, executed and delivered by the representing party;
- assuming the due authorization, execution and delivery thereof by the other party thereto, the funding agreement constitutes a legal, valid and binding obligation of the representing party; and
- the funding agreement is enforceable against the representing party in accordance with the terms thereof, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights and subject, as to enforceability, to general principles of equity, regardless of whether enforcement is sought in a proceeding in equity or at law.

Restrictions on Transfer

Each funding agreement will contain provisions prohibiting any transfer or assignment of the funding agreement or any right to receive payments under the funding agreement without the express written consent of Allstate Life and the written affirmation of Allstate Life that it has changed its books and records to reflect the transfer or assignment or right to receive payments under the funding agreement. In connection with the issuance of a series of notes, Allstate Life will consent to the sale and deposit of each relevant funding agreement from the depositor to the issuing trust and the pledge and collateral assignment of, and the grant of a security interest in, each such funding agreement to the Indenture Trustee, and will affirm that it has changed its books and records to reflect the foregoing.

Termination of Funding Agreements by Allstate Life

If the applicable pricing supplement specifies that the issuing trust will pay additional amounts to holders of its notes in the event of certain changes in tax law, including the repeal of the "Portfolio Interest Exemption" from United States Federal withholding taxes for payments to non-U.S. Holders, the funding agreement(s) securing such series of notes will provide that Allstate Life may terminate the relevant funding agreement(s) upon the occurrence of certain specified tax events. Unless otherwise specified in the applicable Pricing Supplement, Allstate Life will not be able to unilaterally terminate any funding agreements under any other circumstances. In order to terminate the relevant funding agreement(s) in the event of a certain change in tax law, Allstate Life must give not less than 30 and no more than 75 days prior written notice to the issuing trust and pay such issuing trust the outstanding

24

principal of and accrued but unpaid interest, including any additional amounts due and owing, on the notes of such series or such other amount as is specified in the applicable pricing supplement for such notes. However, Allstate Life may not give notice of termination earlier than 90 days prior to the earliest day when Allstate Life would become obligated to pay any such additional amounts were a payment in respect of the funding agreement(s) then due.

Governing Law

Each funding agreement will be governed by, and construed in accordance with, the laws of the State of Illinois without regard to conflict of law principles.

DESCRIPTION OF SUPPORT AND EXPENSES AGREEMENTS

Support and Expenses Agreements of the Trusts

This section provides a summary of the material terms and conditions of each support and expenses agreement to be entered into by Allstate Life and the applicable issuing trust (each, a "support agreement"). Each support agreement will incorporate by reference the standard support and expenses agreement terms. The form of support and expenses agreement is included in the form of series instrument. This summary is not complete and you should read the detailed provisions of the standard support and expenses agreement terms, and the applicable support agreement. Copies of the support and expenses agreement terms and the form of series instrument have been filed as exhibits to the registration statement of which this prospectus is a part and are incorporated into this prospectus by reference.

Under each support agreement, Allstate Life will agree to pay the costs and expenses relating to the offering, sale and issuance of the applicable series of notes and costs, expenses and taxes incurred by the issuing trust other than certain excluded amounts described below, and to indemnify the indenture trustee, the Delaware trustee, the administrator and each other service provider, as well as the issuing trust, with respect to certain matters.

Under each support agreement, Allstate Life will not be obligated to pay any costs, expenses, taxes or other amounts that are considered excluded amounts. Excluded amounts include:

- any obligation Global Funding or any trust may have to make any payment in accordance with the terms of any funding notes or any notes;
- any obligation or expense of Global Funding or any trust to the extent that such obligation or expense has actually been paid utilizing funds available from payments under the applicable funding agreement(s) and funding notes, as applicable;
- any cost, loss, damage, claim, action, suit, expense, disbursement, tax, penalty and liability of any kind or nature whatsoever resulting from or relating to any insurance regulatory or other governmental authority asserting that:
 - the funding notes or the notes are, or are deemed to be, participations in the funding agreements or contracts of insurance, or
 - the offer, purchase, sale and/or transfer of the funding notes or the notes and/or the pledge and collateral assignment of, or the grant of a security interest in, any funding agreement, constitute the conduct of the business of insurance or reinsurance in any jurisdiction or require Global Funding, any trust or any holder to be licensed as an insurer, insurance agent or broker in any jurisdiction;
- any obligation of Global Funding or any trust to pay additional amounts to indemnify any holder of the funding notes or the notes against potential withholding tax liabilities;

25

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- any cost, loss, damage, claim, expense, tax, penalty or liability of any kind imposed on a service provider to the trust resulting from the bad faith, misconduct or negligence of such service provider;
 - any income taxes or overhead expenses of any service provider; or
 - any withholding taxes imposed with respect to payments made under any funding agreement or any notes, or any additional amounts paid to any noteholder.

With respect to any support obligation owed to the Delaware trustee and the Administrator, excluded amounts specified in the third bullet point above shall not apply.

Support and Expenses Agreement of Global Funding

Allstate Life and Global Funding entered into a support and expenses agreement dated as of _____ (the "depositor support agreement"). Pursuant to the depositor support agreement Allstate Life agreed to pay the costs and expenses relating to the offering, sale and issuance of each funding note and costs, expenses and taxes incurred by Global Funding other than the excluded amounts (as described under "—Support and Expenses Agreements of the Trusts" above). Pursuant to the depositor trust agreement Allstate Life also agreed to indemnify the indenture trustee, the Delaware trustee, the administrator and each other service provider, as well as Global Funding, with respect to certain matters.

Under the depositor trust agreement, Allstate Life will not be obligated to pay any costs, expenses, taxes or other amounts that are considered excluded amounts.

DESCRIPTION OF ADMINISTRATIVE SERVICES AGREEMENTS

Administrative Services Agreements of the Trusts

This section provides a summary of the material terms and conditions of each administrative services agreement to be entered into between the administrator and each trust to be formed in connection with the issuance of a series of notes (each, an "administrative services agreement"). The form of administrative services agreement is included in the form of series instrument. Each administrative services agreement will incorporate by reference the standard administrative services terms. This summary is not complete and you should read the detailed provisions of the standard administrative services terms and the applicable administrative services agreement. Copies of the standard administrative services terms and the form of series instrument have been filed as exhibits to the registration statement of which this prospectus is a part and are incorporated into this prospectus by reference.

Pursuant to each administrative services agreement, the administrator will perform various financial, statistical, accounting and other services for the issuing trust, including maintenance of books and records, preparation, upon request, of amendments to and waivers under certain documents, holding, maintaining and preserving executed copies of certain documents; upon receipt of notice, taking certain actions to enforce agreements as to which the issuing trust is a party, preparing certain documents for signature by the issuing trust, obtaining services of outside counsel, accountants and/or other outside service providers, other actions incidental or reasonably necessary to accomplish the foregoing and certain other actions specifically directed by the issuing trust. In addition, the administrator will prepare and file with the SEC and, if necessary, execute, on behalf of the issuing trust such documents, forms, certifications or filings as may be required by the Exchange Act.

Each administrative services agreement will be governed by, and construed in accordance with, the laws of the State of New York.

26

Administrative Services Agreement of Global Funding

Global Funding and the administrator executed the administrative services agreement of Global Funding, dated as of June 27, 2002 (as amended, restated or modified from time to time, the "depositor administrative services agreement").

Pursuant to the depositor administrative services agreement, the administrator agreed to perform various financial, statistical, accounting and other services for Global Funding, including maintenance of books and records, preparation, upon request, of amendments to and waivers under certain documents, holding, maintaining and preserving executed copies of certain documents; upon receipt of notice, taking certain actions to enforce agreements as to which Global Funding is a party, preparing certain documents for signature by Global Funding, obtaining services of outside counsel, accountants and/or other outside service providers, other actions incidental or reasonably necessary to accomplish the foregoing and certain other actions specifically directed by Global Funding. In addition, the administrator will prepare and file with the SEC and, if necessary, execute on behalf of Global Funding such documents, forms, certifications or filings as may be required by the Exchange Act.

ERISA CONSIDERATIONS

ERISA imposes certain requirements on "employee benefit plans" (as defined in Section 3(3) of ERISA) subject to ERISA, including entities such as collective investment funds whose underlying assets include the assets of such plans (collectively, "ERISA Plans"), and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including the requirement of investment prudence and diversification and the requirement that an ERISA Plan's investments be made in accordance with the documents governing the ERISA Plan. Each fiduciary of an ERISA Plan should consider the fiduciary standards of ERISA in the context of the ERISA Plan's particular circumstances before authorizing an investment in the notes. Accordingly, among other factors, the fiduciary should consider whether the investment would satisfy the prudence and diversification requirements of ERISA and would be consistent with the documents and instruments governing the ERISA Plan.

Under U.S. Department of Labor regulations at 29 C.F.R. 2510.3-101, as in effect from time to time (the "Plan Asset Regulations"), assets of a trust may be deemed to be "plan assets" of an ERISA Plan or a "plan" such as an individual retirement account or a Keogh plan (as defined in Section 4975(e)(1) of the Code, other than a governmental or church plan described in Section 4975(g)(2) or (3) of the Code) (together with ERISA Plans, "Plans") for purposes of ERISA and Section 4975 of the Code if a Plan or a person investing "plan assets" of a Plan acquires an equity interest in a trust and none of the exceptions contained in the Plan Asset Regulations are applicable. An equity interest is defined under the Plan Asset Regulations as an interest other than an instrument that is treated as indebtedness under applicable local law and has no substantial equity features. There is very little pertinent authority on the issue of what constitutes an equity interest for purposes of the Plan Asset Regulations. Accordingly, whether the notes would be treated as debt or equity for purposes of the Plan Asset Regulations is unclear. Since, however, the holders of notes of a series will have recourse only to the relevant collateral that secures such series of notes, if the notes were treated as equity interests, the related funding agreements would be treated as assets of any Plan holding a note.

Even if the notes were treated as equity interests for purposes of the Plan Asset Regulations, because (a) each trust expects that the funding agreements will be treated as debt, rather than equity, for federal tax purposes and (b) the funding agreements should not be deemed to have any "substantial equity features," none of the assets underlying the funding agreements should be treated as Plan Assets for purposes of the Plan Asset Regulations. Those conclusions are based, in part, upon the traditional

27

debt features of the funding agreements, including the reasonable expectation of purchasers of the notes that the payments due under the funding agreements will be paid when due, as well as the absence of conversion rights, warrants and other typical equity features.

Moreover, since the Delaware trustee has no discretionary authority with respect to the funding agreements, even if the funding agreements are treated as assets of a Plan holding a note, the Delaware trustee should not be treated as having acted in a fiduciary capacity with respect to the funding agreements and the treatment of the funding agreements as Plan assets should not, absent other factors that do not appear to be present, give rise to a violation of the prohibited transaction rules of ERISA or Section 4975 of the Code.

Therefore, subject to the considerations described herein, the notes are eligible for purchase by Plans, any entity whose underlying assets include "plan assets" by reason of any Plan's investment in the entity ("Plan Asset Entity") and any person investing "plan assets" of any Plan.

Section 406 of ERISA and Section 4975 of the Code also prohibit Plans from engaging in certain transactions involving "plan assets" with persons who are "parties in interest" under ERISA or "disqualified persons" under the Code with respect to such Plans (together, "Parties in Interest"). For example, if either [Global Funding,] a trust or Allstate Life is a Party in Interest with respect to a Plan (either directly or by reason of its ownership of its subsidiaries), the purchase of the notes of the applicable series by or on behalf of the Plan would likely be a prohibited transaction under Section 406(a)(1) of ERISA and Section 4975(c)(1) of the Code, unless exemptive relief were available under an applicable administrative exemption (see below). A Party in Interest that engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code.

The U.S. Department of Labor has issued five prohibited transaction class exemptions ("PTCEs") that may provide exemptive relief for direct or indirect prohibited transactions resulting from the purchase and holding of the notes by or on behalf of a Plan. Those class exemptions are PTCE 96-23 (for certain transactions determined by in-house asset managers), PTCE 95-60 (for certain transactions involving insurance company general accounts), PTCE 91-38 (for certain transactions involving bank collective investment funds), PTCE 90-1 (for certain transactions involving insurance company separate accounts) and PTCE 84-14 (for certain transactions determined by independent qualified professional asset managers). There can be no assurances that any of these class exemptions or any other exemptions will be available with respect to any particular transaction involving the notes. In addition, a purchaser of the notes should be aware that even if the conditions specified in one or more of the above-referenced exemptions are met, the scope of the exemptive relief provided by the exemption might not cover all acts which might be construed as prohibited transactions.

Accordingly, the notes may not be purchased or held by any Plan, any Plan Asset Entity or any person investing "plan assets" of any Plan, unless the purchase and holding of the notes is exempt under PTCE 96-23, 95-60, 91-38, 90-1 or 84-14. Any purchaser of the notes or any interest therein, including in the secondary market, will be deemed to have represented that, among other things, either it is not a Plan or other Plan Asset Entity and is not purchasing the notes on behalf of or with "plan assets" of any Plan or other Plan Asset Entity; or its purchase and holding of the notes is exempt under PTCE 96-23, 95-60, 91-38, 90-1 or 84-14, and that such representations shall be deemed to be made each day from the date on which the purchaser purchases through and including the date on which the purchaser disposes of the notes.

Moreover, the notes may not be purchased or held by any Plan, any Plan Asset Entity or any person investing "plan assets" of any Plan if Global Funding, any trust or any of their respective affiliates (a) have investment or administrative discretion with respect to the assets of the Plan used to effect such purchase; (b) have authority or responsibility to give, or regularly give, investment advice with respect to such assets, for a fee and pursuant to an agreement or understanding that such advice

28

(1) will serve as a primary basis for investment decisions with respect to such assets, and (2) will be based on the particular investment needs of such Plan; or (c) unless PTCE 95-60, 91-38 or 90-1 applies, are an employer maintaining or contributing to such Plan.

Any insurance company proposing to invest assets of its general account in the notes should consider the implications of the United States Supreme Court's decision in *John Hancock Mutual Life Insurance Co. v. Harris Trust and Savings Bank*, 510 U.S. 86, 114 S. Ct. 517 (1993), in which the United States Supreme Court held that in certain circumstances assets in a life insurance company's general account are treated as assets of a Plan that owns a policy or other contract with such insurance company, as well as the effect of Section 401(c) of ERISA as interpreted by regulations issued by the U.S. Department of Labor in January 2000.

Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries or other persons considering purchasing notes on behalf of or with "plan assets" of any Plan or Plan Asset Entity consult with their counsel regarding the potential consequences under ERISA and the Code and the availability of exemptive relief under PTCE 96-23, 95-60, 91-38, 90-1 or 84-14.

Governmental plans (as defined in Section 3(32) of ERISA) and certain church plans (as defined in Section 3(33) of ERISA), while not subject to the fiduciary responsibility provisions of ERISA or the provisions of Section 4975 of the Code, may nevertheless be subject to state, local or other federal laws that are substantially similar to the foregoing provisions of ERISA and the Code such as Section 503 of the Code. No view is expressed as to whether an investment in the notes (and any continued holding of the notes), or the operation and administration of Global Funding or any trust, is appropriate or permissible for any governmental plan or church plan under Section 503 of the Code, or under any state, local or other law respecting such plan. Any purchaser of the notes or any interest therein, including in the secondary market, will be deemed to have represented that, among other things either (a) it is not a government plan or a church plan or any entity the assets of which are treated as including assets of such plans and it is not purchasing the notes on behalf of or with assets of any such plan or entity or (b) its purchase, holding and disposition of the notes is not in violation of the laws applicable to any such governmental plan or church plan, and such representations shall be deemed to be made each day from the date on which the purchaser purchases, through and including the date on which the purchaser disposes of the notes. Fiduciaries of any such plans should consult with their counsel before purchasing any notes.

The sale of any notes to a Plan is in no respect a representation by any party or entity that such an investment meets all relevant legal requirements with respect to investments by Plans generally or any particular Plan, or that such an investment is appropriate for Plans generally or any particular Plan.

Notwithstanding the above, with regard to a particular trust, the sale of notes of the applicable series to Plans, or a person utilizing the plan assets of Plans, might not be allowed, or might only be allowed subject to certain additional conditions, in which case the applicable pricing supplement to this prospectus will disclose the prohibition or such additional conditions.

THE EMPLOYEE BENEFIT PLAN CONSIDERATIONS SET FORTH ABOVE ARE ONLY INTENDED AS A SUMMARY AND MAY NOT BE APPLICABLE DEPENDING UPON A PLAN'S SPECIFIC FACTS AND CIRCUMSTANCES. PLAN FIDUCIARIES SHOULD CONSULT THEIR OWN ADVISORS WITH RESPECT TO THE ADVISABILITY OF AN INVESTMENT IN THE NOTES, AND POTENTIALLY ADVERSE CONSEQUENCES OF SUCH INVESTMENT, INCLUDING WITHOUT LIMITATION THE POSSIBLE EFFECTS OF CHANGES IN APPLICABLE LAWS.

29

PLAN OF DISTRIBUTION

The trusts will offer the notes from time to time for sale to or through the agents identified in the applicable prospectus supplement (collectively, the "Agents"). The trusts may also offer the notes from time to time for sale directly to investors and other purchasers. The distribution of the notes offered under this prospectus may occur in one or more transactions at fixed prices, at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices, all of which may change over time.

In connection with any sale of the notes, the Agents may receive compensation in the form of discounts, concessions or commissions from the issuing trust or from purchasers of the notes for whom they may act as agents. The Agents may sell the notes to or through dealers, and those dealers may receive compensation in the form of discounts, concessions, or commissions from the purchasers for whom they may act as agents. Any Agents that participate in the offering of the notes will be identified and their compensation will be described in the applicable prospectus supplement or the applicable pricing supplement. The applicable prospectus supplement or the applicable pricing supplement will also describe the other terms of the offering, including any discounts or concessions allowed or reallocated or paid to dealers.

The Agents participating in the distribution of notes will be "underwriters," with respect to the notes being distributed by them and the funding agreements being purchased by the issuing trust, and any discounts or commissions received by them on the sale or resale of notes may be deemed to be underwriting discounts and commissions under the Securities Act. The Agents may be entitled under agreements entered into with a trust, Global Funding and Allstate Life to indemnification against certain civil liabilities, including liabilities under the Securities Act, or to contribution with respect to payments that the Agents may be required to make in respect of such liabilities.

Global Funding is a statutory issuer of the notes and the funding notes under the Securities Act, and Allstate Life is a statutory issuer of the funding agreements under the Securities Act.

The indenture trustee is affiliated with J.P. Morgan Securities Inc., which is an Agent.

In the ordinary course of its business, the Agents and their affiliates have engaged, and may in the future engage, in investment and commercial banking transactions with Allstate Life and certain of its affiliates.

LEGAL OPINIONS

Certain matters regarding the notes, funding notes and funding agreements, and their offering will be passed upon:

- for Allstate Life by Counsel of Allstate Life (as to Illinois law, including the validity of the funding agreements thereunder);
- for Global Funding and Allstate Life by LeBoeuf, Lamb, Greene & MacRae, L.L.P., a limited liability partnership including professional corporations (as to New York law and United States Federal securities law, including the validity of the notes and the funding notes thereunder, and as to tax law and certain insurance regulatory matters);
- for Global Funding and Allstate Life by Lord, Bissell & Brook (as to certain Illinois regulatory matters);
- for Global Funding and Wilmington Trust Company by Richards, Layton & Finger, P.A. (as to Delaware law); and
- for the Agents by Sidley Austin Brown & Wood LLP (as to United States Federal securities law).

LeBoeuf, Lamb, Greene & MacRae, L.L.P. has from time to time represented, and continues to represent, one or more of the Agents. Sidley Austin Brown & Wood LLP has from time to time represented, and continues to represent Allstate Life.

30

EXPERTS

The consolidated financial statements and the related consolidated financial statement schedules incorporated in this prospectus by reference from the Allstate Life Insurance Company Annual Report on Form 10-K for the year ended December 31, 2002 have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report, which is incorporated herein by reference, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

With respect to the unaudited interim financial information for the periods ended March 31, 2003 and 2002; June 30, 2003 and 2002; and September 30, 2003 and 2002 which is incorporated herein by reference, Deloitte & Touche LLP have applied limited procedures in accordance with professional standards for a review of such information. However, as stated in their reports included in the Company's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2003; June 30, 2003; and September 30, 2003 and incorporated by reference herein, they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their reports on such information should be restricted in light of the limited nature of the review procedures applied. Deloitte & Touche LLP are not subject to the liability provisions of Section 11 of the Securities Act, for their reports on the unaudited interim financial information because those reports are not "reports" or a "part" of the Registration Statement prepared or certified by an accountant within the meaning of Sections 7 and 11 of the Securities Act.

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. Other Expenses of Issuance and Distribution.

The following table sets forth the estimated expenses to be incurred in connection with the offering described in this registration statement:

Securities and Exchange Commission registration fee	\$	323,600*
Blue Sky Filing and Counsel Fees		850,000
Fees and expenses of Trustees		50,000
Printing Registration Statement, prospectus and other documents		100,000
Accountants' fees		75,000
Rating Agencies' fees		300,000
Miscellaneous expenses		50,000
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Total	\$	1,701,000
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* Pursuant to Rule 457(p) under the Securities Act, a registration fee of \$276,000 previously paid in connection with the registration statement on Form S-3 (File No. 333-101424), originally filed on November 22, 2002 and withdrawn on June 11, 2003, is offset against the total filing fee of \$323,600 due in respect of this registration statement.

Item 15. Indemnification of Directors and Officers.

Allstate Life Insurance Company

Under Section 8.75 of the Illinois Business Corporation Act of 1983, Allstate Life Insurance Company is empowered, subject to the procedures and limitations stated therein, to indemnify any person against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any threatened, pending or completed action, suit or proceeding to which such person is made a party or threatened to be made a party by reason of his being or having been a director, officer, employee or agent of Allstate Life Insurance Company, or serving or having served at the request of Allstate Life Insurance Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise. Section 8.75 further provides that indemnification to which a person may be entitled under any by-law, agreement, vote of stockholders or disinterested directors, or otherwise, and that such indemnification to which a person may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors, officer, employee or agent of Allstate Life Insurance Company who has ceased to serve in such capacity, and shall inure to the benefit of the heirs, executors and administrators of such a person.

Article VI, Section 1 of the bylaws of Allstate Life Insurance Company provides that Allstate Life Insurance Company will indemnify all of its directors, former directors, officers and former officers, to the fullest extent permitted under law, who were or are a party or are threatened to be made party to any proceeding by reason of the fact that such persons were or are directors or officers of Allstate Life Insurance Company, against liabilities, expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred by them. The indemnity shall not be deemed exclusive of any other rights to which directors or officers may be entitled by law or under any articles of incorporation, bylaw, agreement, vote of stockholders or disinterested directors or otherwise. In addition, the indemnity shall inure to the benefit of the legal representatives of directors and officers or of their estates, whether such representatives are court appointed or otherwise designated, and to the benefit of the heirs of such directors and officers. The indemnity shall extend to and include claims for such

payments arising out of any proceeding commenced or based on actions of such directors and officers taken prior to the effectiveness of this indemnity; provided that payment of such claims had not been agreed to or denied by Allstate Life Insurance Company before such date. Article IV of the bylaws of The Allstate Corporation provides similar rights of indemnification to all directors, former directors, officers and former officers of Allstate Life Insurance Company, as a subsidiary of The Allstate Corporation.

The directors and officers of Allstate Life Insurance Company have been provided liability insurance for certain losses arising from claims or charges made against them while acting in their capacities as directors or officers of Allstate Life Insurance Company.

Allstate Life Global Funding

Pursuant to a support and expenses agreement between Allstate Life Insurance Company and Allstate Life Global Funding dated as of _____, Allstate Life Insurance Company agreed to indemnify Wilmington Trust Company as Delaware trustee and AMACAR Pacific Corp. as administrator of Allstate Life Global Funding with respect to certain matters related to the performance of such functions.

Allstate Life Global Funding agreed, pursuant to the administrative services agreement of Allstate Life Global Funding dated as of June 27, 2002 (the "depositor administrative services agreement"), to indemnify AMACAR Pacific Corp., as administrator, and to hold the administrator harmless, from and against certain losses arising out of, in connection with, or resulting from the administrator's right and/or performance of the administrator's duties by the administrator or its agents and employees pursuant to the depositor administrative services agreement. Allstate Life Global Funding has also agreed, pursuant to an indemnity agreement with Wilmington Trust Company, to

indemnify, protect, save and keep harmless Wilmington Trust Company, as Delaware trustee, and its officers, directors, successors, assigns, legal representatives, agents, and servants, from and against certain liabilities relating to or arising out of the trust agreement of Allstate Life Global Funding dated as of (as the same may be amended, restated or modified) or any other agreements to which Allstate Life Global Funding is a party or to which Allstate Life Global Funding becomes a party.

Item 16. Exhibits.

(a) Exhibits:

Exhibit No.	Description
1.1	Form of Distribution Agreement.
1.2	Form of Terms Agreement (included in Part E to the Form of Series Instrument filed as Exhibit 4.13 hereto).
1.3	Form of Representations and Indemnity Agreement.
3.1	Articles of Amendment to the Articles of Incorporation of Allstate Life Insurance Company dated December 29, 1999 (incorporated by reference to Form 10 dated April 24, 2002 (File No. 000-31248)).
3.2	By-Laws of Allstate Life Insurance Company, Amended and Restated June 28, 2000 (incorporated by reference to Form 10 dated April 24, 2002 (File No. 000-31248)).
3.3	Certificate of Trust of Allstate Life Global Funding, dated as of June 24, 2002 (incorporated by reference to Registration Statement (File No. 333-101424)).
3.4	Form of Amended and Restated Certificate of Trust of Allstate Life Global Funding.
3.5	Form of Certificate of Trust of an Allstate Life Global Funding Trust.

II-2

4.1	Trust Agreement of Allstate Life Global Funding, dated as of June 24, 2002, between Wilmington Trust Company and AMACAR Pacific Corp. (incorporated by reference to Registration Statement (File No. 333-101424)).
4.2	Form of Amended and Restated Trust Agreement of Allstate Life Global Funding to be entered into by Wilmington Trust Company, as Delaware Trustee, and AMACAR Pacific Corp., in its capacities as Administrator and Trust Beneficial Owner.
4.3	Standard Trust Agreement Terms.
4.4	Form of Trust Agreement of each Issuing Trust to be entered into among Wilmington Trust Company, AMACAR Pacific Corp. and Global Funding (included in Part A to the Form of Series Instrument filed as Exhibit 4.13 hereto).
4.5	Standard Indenture Terms.
4.6	Form of Indenture to be entered into between each Issuing Trust and J.P. Morgan Trust Company, National Association (included in Part A to the Form of Closing Instrument filed as Exhibit 4.14 hereto).
4.7	Standard Funding Note Indenture Terms.
4.8	Form of Funding Note Indenture to be entered into between Global Funding and J.P. Morgan Trust Company, National Association (included in Part B to the Form of Closing Instrument filed as Exhibit 4.14 hereto).
4.9	Form of Global Security for Secured Medium Term Note Program.
4.10	Form of Definitive Security for Secured Medium Term Note Program.
4.11	Form of Global Security for Allstate Life SM CoreNotes® Program.
4.12	Form of Definitive Security for Allstate Life SM CoreNotes® Program.
4.13	Form of Series Instrument.
4.14	Form of Closing Instrument.
5.1	Opinion of Counsel of Allstate Life Insurance Company.
5.2	Opinion of LeBoeuf, Lamb, Greene & MacRae, L.L.P.
8	Opinion of LeBoeuf, Lamb, Greene & MacRae, L.L.P., as Tax Counsel.
10.1	Form of Funding Agreement between Allstate Life Insurance Company and Allstate Life Global Funding (incorporated by reference to Registration Statement (File No. 333-101424)).
10.2	Form of Funding Note related to Secured Medium Term Notes issued under the Allstate Life SM CoreNotes® Program.
10.3	Form of Funding Note related to Secured Medium Term Notes issued under the Secured Medium Term Note Program.
10.4	Support and Expenses Agreement, dated as of June 27, 2002, between Allstate Life Insurance Company and Allstate Life Global Funding (incorporated by reference to Registration Statement (File No. 333-101424)).
10.5	Form of Amended and Restated Support and Expenses Agreement to be entered into between Allstate Life Insurance Company and Allstate Life Global Funding.
10.6	Standard Support and Expenses Agreement Terms.
10.7	Form of Support and Expenses Agreement (included in Part C to the Form of Series Instrument filed as Exhibit 4.13 hereto).

II-3

10.8	Administrative Services Agreement, dated as of June 27, 2002, between Allstate Life Global Funding and AMACAR Pacific Corp. (incorporated by reference to Registration Statement (File No. 333-101424)).
10.9	Form of Amended and Restated Administrative Services Agreement to be entered into between Allstate Life Global Funding and AMACAR Pacific Corp.
10.10	Standard Administrative Services Agreement Terms.
10.11	Form of Administrative Services Agreement of each Issuing Trust to be entered into between each Issuing Trust and AMACAR Pacific Corp. (included in Part B to the Form of Series Instrument filed as Exhibit 4.13 hereto).
10.12	Form of Name Licensing Agreement between Allstate Insurance Company and Allstate Life Global Funding.
10.13	Form of Name Licensing Agreement of each Issuing Trust (included in Part D to the Form of Series Instrument filed as Exhibit 4.13 hereto).
10.14	Standard Name Licensing Agreement Terms.
10.15	Indemnity Agreement, dated as of June 24, 2002, between Allstate Life Global Funding and Wilmington Trust Company (incorporated by reference to Registration Statement (File No. 333-101424)).
10.16	Form of Amended and Restated Indemnity Agreement to be entered into between Allstate Life Global Funding and Wilmington Trust Company.
12	Ratio of Earnings to Fixed Charges of Allstate Life Insurance Company.
15*	Letter re unaudited interim financial information.
23.1	Consent of Deloitte & Touche LLP.
23.2	Consent of Counsel of Allstate Life Insurance Company (included in Exhibit 5.1).
23.3	Consents of LeBoeuf, Lamb, Greene & MacRae, L.L.P.

23.4	Consent of Lord, Bissell & Brook.
23.5	Consent of Richards, Layton & Finger, P.A.
24	Power of Attorney (included as part of the Allstate Life Insurance Company signature pages).
25	Statement of Eligibility under the Trust Indenture Act of 1939 of J.P. Morgan Trust Company, National Association as Indenture Trustee under the Indenture.

* Previously filed.

Item 17. Undertakings.

(a) The undersigned registrants hereby undertake: (1) To file, during any period in which offers or sales are being made of the securities registered hereby, a post-effective amendment to this registration statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of this registration statement (or the most recent post-effective amendment hereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in this registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from low or high end estimated offering range may be reflected in the form of

II-4

prospectus filed with the Commission pursuant to Rule 424(b), if, in the aggregate, the changes in volume and price represent no more than 20 percent change in maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement. (iii) To include any material information with respect to the plan of distribution not previously disclosed in this registration statement or any material change to such information in this registration statement; provided, however, that the undertakings set forth in paragraphs (i) and (ii) above do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the registrants pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in this registration statement.

(2) That for purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrants pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(3) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(4) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned registrants hereby further undertake that, for purposes of determining any liability under the Securities Act of 1933, each filing of any annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in this registration statement shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) The undersigned registrants hereby undertake to file an application for the purposes of determining eligibility of the trustee to act under Subsection (a) of Section 310 of the Trust Indenture Act in accordance with the rules and regulations prescribed by the Commission under Section 305(b)(2) of the Trust Indenture Act.

(d) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions discussed in Item 15 above, or otherwise, the undersigned registrants have been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by Allstate Life of expenses incurred or paid by its director, officer or controlling person in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, Allstate Life will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

II-5

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, Allstate Life Global Funding certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Charlotte, State of North Carolina, on March 5, 2004.

ALLSTATE LIFE GLOBAL FUNDING

By: AMACAR Pacific Corp., not in its individual capacity,
but solely as administrator

By: /s/ EVELYN ECHEVARRIA

Name: Evelyn Echevarria
Title: Vice President

II-6

Pursuant to the requirements of the Securities Act of 1933, as amended, Allstate Life Insurance Company certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this amendment no. 1 to the registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Northbrook, and State of Illinois, on March 5, 2004.

ALLSTATE LIFE INSURANCE COMPANY

By: /s/ CASEY J. SYLLA

Casey J. Sylla, Chairman of the Board, President and Director

Each person whose signature appears below hereby appoints John C. Lounds, Steven E. Shebik, Casey J. Sylla, and Michael J. Velotta as his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement and any registration statement for the same offering filed pursuant to Rule 462 under the Securities Act of 1933, and to file the same, with all exhibits thereto and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and anything appropriate or necessary to be done, as fully and for all confirming all that said attorneys-in-fact and agents or their substitute or substitutes may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this amendment no. 1 to the registration statement has been signed on March 5, 2004 by the following persons in the capacities indicated.

Signature	Title
/s/ DAVID A. BIRD	Senior Vice President and Director of Allstate Life
David A. Bird	
/s/ DANNY L. HALE	Director of Allstate Life
Danny L. Hale	
/s/ EDWARD M. LIDDY	Director of Allstate Life
Edward M. Liddy	
/s/ JOHN C. LOUNDS	Senior Vice President and Director of Allstate Life
John C. Lounds	
/s/ J. KEVIN MCCARTHY	Senior Vice President and Director of Allstate Life
J. Kevin McCarthy	
II-7	
/s/ ROBERT W. PIKE	Director of Allstate Life
Robert W. Pike	
/s/ SAMUEL H. PILCH	Group Vice President and Controller of Allstate Life
Samuel H. Pilch	
/s/ STEVEN E. SHEBIK	Senior Vice President, Chief Financial Officer and Director of Allstate Life (Principal Financial Officer)
Steven E. Shebik	
/s/ ERIC A. SIMONSON	Senior Vice President, Chief Investment Officer and Director of Allstate Life
Eric A. Simonson	
/s/ KEVIN R. SLAWIN	Senior Vice President and Director of Allstate Life
Kevin R. Slawin	
/s/ CASEY J. SYLLA	Chairman of the Board, President and Director of Allstate Life (Principal Executive Officer)
Casey J. Sylla	
/s/ MICHAEL J. VELOTTA	Senior Vice President, General Counsel, Secretary and Director of Allstate Life
Michael J. Velotta	
/s/ THOMAS J. WILSON, II	Director of Allstate Life

EXHIBIT INDEX

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10.12	Form of Name Licensing Agreement between Allstate Insurance Company and Allstate Life Global Funding.
10.13	Form of Name Licensing Agreement of each Issuing Trust (included in Part D to the Form of Series Instrument filed as Exhibit 4.13 hereto).
10.14	Standard Name Licensing Agreement Terms.
10.15	Indemnity Agreement, dated as of June 24, 2002, between Allstate Life Global Funding and Wilmington Trust Company (incorporated by reference to Registration Statement (File No. 333-101424)).
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15*	Letter re unaudited interim financial information.
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23.2	Consent of Counsel of Allstate Life Insurance Company (included in Exhibit 5.1).
23.3	Consents of LeBoeuf, Lamb, Greene & MacRae, L.L.P.
23.4	Consent of Lord, Bissell & Brook.
23.5	Consent of Richards, Layton & Finger, P.A.
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* Previously filed.

QuickLinks

[EXPLANATORY NOTE](#)
[TABLE OF CONTENTS](#)
[FORWARD-LOOKING STATEMENTS](#)
[ABOUT THIS PROSPECTUS SUPPLEMENT AND THE PRICING SUPPLEMENTS SUMMARY](#)
[RISK FACTORS](#)
[ALLSTATE LIFE GLOBAL FUNDING TRUSTS](#)
[ALLSTATE LIFE GLOBAL FUNDING](#)
[ALLSTATE LIFE INSURANCE COMPANY](#)
[DESCRIPTION OF THE NOTES](#)
[GLOBAL CLEARANCE AND SETTLEMENT PROCEDURES](#)
[SPECIAL PROVISIONS RELATING TO FOREIGN CURRENCY NOTES](#)
[DESCRIPTION OF THE FUNDING AGREEMENTS](#)
[UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS](#)
[PLAN OF DISTRIBUTION](#)
[TABLE OF CONTENTS](#)
[FORWARD-LOOKING STATEMENTS](#)
[ABOUT THIS PROSPECTUS SUPPLEMENT AND THE PRICING SUPPLEMENTS SUMMARY](#)
[RISK FACTORS](#)
[ALLSTATE LIFE GLOBAL FUNDING TRUSTS](#)
[ALLSTATE LIFE GLOBAL FUNDING](#)
[ALLSTATE LIFE INSURANCE COMPANY](#)
[DESCRIPTION OF THE NOTES](#)
[DESCRIPTION OF THE FUNDING AGREEMENTS](#)
[UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS](#)
[PLAN OF DISTRIBUTION](#)

[ANNEX A](#)

[REPAYMENT ELECTION FORM](#)
[INSTRUCTIONS FOR COMPLETING REPAYMENT ELECTION FORM AND EXERCISING REPAYMENT OPTION](#)
[FORWARD-LOOKING STATEMENTS](#)
[ABOUT THIS PROSPECTUS](#)
[AVAILABLE INFORMATION](#)
[INCORPORATION OF DOCUMENTS BY REFERENCE](#)
[DESCRIPTION OF ALLSTATE LIFE GLOBAL FUNDING AND THE TRUSTS](#)
[DESCRIPTION OF ALLSTATE LIFE INSURANCE COMPANY](#)
[RATIO OF EARNINGS TO FIXED CHARGES](#)
[USE OF PROCEEDS](#)
[DESCRIPTION OF THE NOTES](#)
[DESCRIPTION OF THE INDENTURES](#)
[DESCRIPTION OF THE FUNDING NOTES](#)
[DESCRIPTION OF THE FUNDING AGREEMENTS](#)
[DESCRIPTION OF SUPPORT AND EXPENSES AGREEMENTS](#)
[DESCRIPTION OF ADMINISTRATIVE SERVICES AGREEMENTS](#)
[ERISA CONSIDERATIONS](#)
[PLAN OF DISTRIBUTION](#)
[LEGAL OPINIONS](#)
[EXPERTS](#)
[PART II INFORMATION NOT REQUIRED IN PROSPECTUS](#)

[Item 14. Other Expenses of Issuance and Distribution.](#)

[Item 15. Indemnification of Directors and Officers.](#)

[Item 16. Exhibits.](#)

[Item 17. Undertakings.](#)

[SIGNATURES](#)
[EXHIBIT INDEX](#)

ALLSTATE LIFE GLOBAL FUNDING

\$4,000,000,000

SECURED MEDIUM TERM NOTE PROGRAM

DISTRIBUTION AGREEMENT

, 2004

Merrill Lynch, Pierce, Fenner & Smith
Incorporated
A.G. Edwards & Sons, Inc.
Banc of America Securities LLC
Banc One Capital Markets, Inc.
Barclays Capital Inc.
Citigroup Global Markets Inc.
Credit Suisse First Boston LLC
Deutsche Bank Securities Inc.
Goldman, Sachs & Co.
J.P. Morgan Securities Inc.
Lehman Brothers Inc.
Morgan Stanley & Co. Incorporated
UBS Securities LLC
Wachovia Securities L.L.C.

Ladies and Gentlemen:

Allstate Life Global Funding, a Delaware statutory trust ("GLOBAL FUNDING") formed pursuant to a Trust Agreement, dated June 24, 2002, as amended, restated or modified from time to time (the "GLOBAL FUNDING TRUST AGREEMENT"), between Wilmington Trust Company, as Delaware trustee (the "GLOBAL FUNDING DELAWARE TRUSTEE"), and AMACAR Pacific Corp., as trust beneficial owner, in connection with the Allstate Life Global Funding Secured Medium Term Note Program (the "INSTITUTIONAL PROGRAM") and the Allstate Life(SM) CoreNotes(SM) Program (the "RETAIL PROGRAM" and, together with the Institutional Program, the "PROGRAMS"), confirms its agreement with Merrill Lynch, Pierce, Fenner & Smith Incorporated and each other institution named on SCHEDULE1 hereto (each, an "Agent") with respect to the issue and sale, from time to time by separate and distinct Delaware statutory trusts formed, and beneficially owned, by Global Funding (each, an "ISSUING TRUST" and, collectively, the "ISSUING Trusts"), of notes due between nine months and thirty years from the date of issuance (the "NOTES"). As of the date hereof, the Issuing Trusts are authorized to issue collectively up to U.S. \$4,000,000,000 aggregate initial offering price of Notes (or its equivalent as determined in Section 4(o)).

- - - - -
Allstate Life(SM) is a service mark of Allstate Life Insurance Company.
CoreNotes(R) is a service mark of Merrill Lynch & Co.

From time to time, upon the formation of a new Issuing Trust, in connection with the offer and sale of Notes by such Issuing Trust, upon execution and delivery by such Issuing Trust and the applicable Agent or Agents of the terms agreement (the "TERMS AGREEMENT") set forth in Section - of the series instrument to be executed by Global Funding, such Issuing Trust and the applicable Agent or Agents, among others (the "SERIES INSTRUMENT"), such Issuing Trust shall become a party hereto in relation to its Notes (the time of such execution and delivery referred to herein as such Issuing Trust's "TRUST EFFECTIVE TIME"), with all the authority, rights, powers, duties and obligations of an Issuing Trust as if originally named as an Issuing Trust hereunder. Any agreement, covenant, acknowledgment, representation or warranty made by an Issuing Trust hereunder shall be deemed to have been made by each Issuing Trust at its Trust Effective Time, unless another time or times are specified herein, in which case such specified time or times shall instead apply.

The Notes of each Issuing Trust will be issued pursuant to an indenture, as amended or modified from time to time, which will adopt and incorporate the standard indenture terms (each, an "INDENTURE" and, collectively, the "INDENTURES") between the relevant Issuing Trust and J.P. Morgan Trust Company, National Association, as indenture trustee (the "INDENTURE TRUSTEE"). Each Issuing Trust shall issue only one series of Notes.

Each Issuing Trust will immediately use the proceeds from the sale of its Notes to purchase a funding note (each a "FUNDING NOTE") from Global Funding. Each Funding Note will be issued pursuant to a funding note indenture, as amended or modified from time to time, which will adopt and incorporate the standard funding note indenture terms (each, a "FUNDING NOTE INDENTURE") between Global Funding and J.P. Morgan Trust Company, National Association, as the

funding note indenture trustee (the "FUNDING NOTE INDENTURE TRUSTEE"). Global Funding will immediately use the net proceeds received from the sale of the Funding Note to purchase one or more funding agreements (the "FUNDING AGREEMENT(S)") issued by Allstate Life Insurance Company, an Illinois stock life insurance company (the "COMPANY"). Global Funding will immediately assign absolutely to, and deposit into the relevant Issuing Trust, the relevant Funding Agreement(s) and the relevant Funding Note will be surrendered. The Notes of the Issuing Trust will be secured by the relevant Funding Agreement(s). The Issuing Trust will immediately collaterally assign, and grant a first priority perfected security interest in, the Funding Agreement(s) to the Indenture Trustee for the benefit of the holders of the Notes of the Issuing Trust pursuant to the terms of the Indenture. In connection with the sale of its Notes, the Issuing Trust will prepare a Pricing Supplement (the "PRICING SUPPLEMENT") including or incorporating by reference a description of the terms of the Notes and the terms of the offering.

The Agents include those institutions named from time to time in SCHEDULE 1 hereto and any institution appointed as an Agent pursuant to Section 19 below. If any institution is appointed as an Agent only with respect to the Notes of a particular Issuing Trust, such institution shall only be an Agent with respect to Notes of such Issuing Trust.

This Agreement specifies the terms and conditions on which Notes may be sold by an Issuing Trust (i) to one or more Agents as principal for resale to investors, (ii) directly to investors through the applicable Agent as an agent of such Issuing Trust in soliciting offers for

2

the purchase of Notes and (iii) to such other investors in compliance with all applicable securities laws as such Issuing Trust may determine from time to time.

The Company has registered shares of its common stock with the Securities and Exchange Commission (the "COMMISSION") pursuant to Section 12(g) of the Securities Exchange Act of 1934, as amended (the "1934 ACT") on Form 10 under the 1934 Act. The Company and Global Funding have filed with the Commission a registration statement on Form S-3 (No. 333--) and pre-effective amendment no. -thereto as amended, if applicable (the "REGISTRATION STATEMENT") under the Securities Act of 1933, as amended (the "1933 ACT") for the registration of the Funding Agreement(s), the Funding Notes, and the Notes, and the offering thereof in accordance with Rule 415 of the rules and regulations of the Commission under the 1933 Act (the "1933 ACT REGULATIONS"). The Registration Statement has been declared effective by the Commission, and the form of Indenture and the form of Funding Note Indenture have been duly qualified under the Trust Indenture Act of 1939, as amended (the "1939 ACT"), and the Company and Global Funding have filed such post-effective amendments thereto as may be required prior to the acceptance by Global Funding and any Issuing Trust of any offer for the purchase of Notes and each such post-effective amendment has been declared effective by the Commission. The final prospectus and all applicable amendments or supplements thereto (including the final prospectus supplement and Pricing Supplement relating to the offering of Notes), in the form first furnished to the applicable Agent for use in confirming sales of Notes, are collectively referred to herein as the "PROSPECTUS"; provided, however, that all references to the "Registration Statement" and the "Prospectus" shall also be deemed to include all documents incorporated therein by reference pursuant to the 1934 Act, prior to any acceptance by Global Funding and any Issuing Trust of an offer for the purchase of Notes; provided, further, that if the Company or Global Funding file a registration statement with the Commission pursuant to Rule 462(b) of the 1933 Act Regulations (the "RULE 462(b) REGISTRATION STATEMENT"), then, after such filing, all references to the "Registration Statement" shall also be deemed to include the Rule 462(b) Registration Statement. A "PRELIMINARY PROSPECTUS" shall be deemed to refer to any prospectus used before the Registration Statement became effective and any prospectus furnished by the Company or Global Funding after the Registration Statement became effective and before any acceptance by Global Funding and an Issuing Trust of an offer for the purchase of its Notes which omitted information to be included upon pricing in a form of prospectus filed with the Commission pursuant to Rule 424(b) of the 1933 Act Regulations. For purposes of this Agreement, all references to the Registration Statement, Prospectus or preliminary prospectus or to any amendment or supplement thereto shall be deemed to include any copy filed with the Commission pursuant to its Electronic Data Gathering, Analysis and Retrieval system ("EDGAR").

All references in this Agreement to financial statements and schedules and other information which is "disclosed", "contained", "included" or "stated" (or other references of like import) in the Registration Statement, Prospectus or preliminary prospectus shall be deemed to include all such financial statements and schedules and other information which is incorporated by reference in the Registration Statement, Prospectus or preliminary prospectus, as the case may be; and all references in this Agreement to amendments or supplements to the Registration Statement, Prospectus or preliminary prospectus shall be deemed to include the filing of any document under the 1934 Act which is incorporated by reference in the Registration Statement, Prospectus or preliminary prospectus, as the case may be.

3

SECTION 1. APPOINTMENT AS AGENT.

(a) APPOINTMENT. Subject to the terms and conditions stated herein, Global Funding and the relevant Issuing Trust hereby agree that the Notes of such Issuing Trust will be sold to or through the Agents pursuant to the terms of this Agreement. Global Funding and the relevant Issuing Trust agree that they will not appoint any other agents to act on an Issuing Trust's behalf or to assist an Issuing Trust, in the placement of the Notes; provided, however that with respect to transactions in which the sales of Notes will be targeted to institutional purchasers under the Institutional Program, Global Funding and an Issuing Trust may enter into arrangements with other agent(s) not a party to this Agreement provided that such agent(s) enter into an agreement with terms substantially identical to those contained herein. Subject to the terms and conditions of Sections 4(j) and 5(b), Global Funding and each Issuing Trust agree that they hereby appoint only Merrill Lynch, Pierce, Fenner & Smith Incorporated (the "PURCHASING AGENT") to act on an Issuing Trust's behalf or to assist an Issuing Trust in connection with transactions in which the sale of Notes will be targeted to retail purchasers under the Retail Program. For purposes of this Agreement, all references to any Agent shall be deemed to include the Purchasing Agent.

(b) SALE OF NOTES. Each Issuing Trust shall not sell or approve the solicitation of offers for the purchase of Notes in excess of the aggregate initial offering price of Notes registered pursuant to the Registration Statement. The Agents shall have no responsibility for maintaining records with respect to the aggregate initial offering price of Notes sold, or of otherwise monitoring the availability of Notes for sale, under the Registration Statement.

(c) PURCHASES AS PRINCIPAL. The Agents shall not have any obligation to purchase Notes from any Issuing Trust as principal. However, absent an agreement by and between Global Funding and the relevant Issuing Trust, on the one hand, and an Agent, on the other hand, for such Agent to act as an agent for the relevant Issuing Trust, such Agent shall be deemed to be acting as principal in connection with any offering of Notes by such Issuing Trust. Accordingly, the Agents, individually or in a syndicate, may agree from time to time to purchase Notes from an Issuing Trust as principal for resale to investors determined by such Agents. Any purchase of Notes from an Issuing Trust by an Agent as principal shall be made in accordance with Section 3(a) hereof.

(d) SOLICITATIONS AS AGENT. If agreed upon between an Agent, on the one hand, and Global Funding and an Issuing Trust, on the other hand, then such Agent, acting solely as an agent for such Issuing Trust and not as principal, will solicit offers for the purchase of Notes. Such Agent will communicate to such Issuing Trust, orally, each offer for the purchase of Notes solicited by it on an agency basis other than those offers rejected by such Agent. Such Agent shall have the right, in its discretion reasonably exercised, to reject any offer for the purchase of Notes, in whole or in part, and any such rejection shall not be deemed a breach of its agreement contained herein. Such Issuing Trust may accept or reject any offer for the purchase of Notes, in whole or in part. Such Agent shall make reasonable efforts to assist such Issuing Trust in obtaining performance by each purchaser whose offer for the purchase of Notes has been solicited by it on an agency basis and accepted by such Issuing Trust. Such Agent shall not have any liability to such Issuing Trust in the event that any such purchase is not consummated for any reason. If such Issuing Trust shall default on its obligation to deliver Notes to a purchaser whose offer has been solicited by an Agent on an agency basis and accepted by such Issuing

4

Trust, then (i) such Issuing Trust shall hold such Agent harmless against any loss, claim or damage arising from or as a result of such default by such Issuing Trust and (ii) the Issuing Trust shall be responsible to pay to such Agent any commission to which such Agent would otherwise be entitled absent such default.

(e) RELIANCE. Each Issuing Trust and Global Funding, on the one hand, and the Agents, on the other hand, agree that any Notes purchased from an Issuing Trust by one or more Agents as principal shall be purchased, and any Notes the placement of which an Agent arranges as an agent of such Issuing Trust shall be placed by such Agent, in reliance on the representations, warranties, covenants and agreements of Global Funding and such Issuing Trust contained herein and on the terms and conditions and in the manner provided herein.

SECTION 2. REPRESENTATIONS AND WARRANTIES.

(a) REPRESENTATIONS AND WARRANTIES OF GLOBAL FUNDING. Global Funding represents and warrants to each Agent as of the date hereof, as of the date of each acceptance by an Issuing Trust of an offer for the purchase of Notes (whether to such Agent as principal or through such Agent as agent), as of the date of each delivery of Notes (whether to such Agent as principal or through such Agent as agent) (the date of each such delivery is referred to herein as a "SETTLEMENT DATE"), and as of any time that the Registration Statement or the Prospectus shall be amended or supplemented (each of the times referenced above is referred to herein as a "GLOBAL FUNDING REPRESENTATION DATE"), as follows:

(i) DUE FORMATION AND GOOD STANDING OF GLOBAL FUNDING. Global Funding is a statutory trust, duly formed under Delaware law pursuant to the Global Funding Trust Agreement and the filing of a certificate of trust with the Delaware Secretary of State, which is validly existing and in good standing as a statutory trust under the laws of the State of Delaware.

(ii) REGISTRATION STATEMENT AND PROSPECTUS; FILING STATUS. Global Funding meets the requirements for use of Form S-3 under the 1933 Act; the Registration Statement (or any Rule 462(b) Registration Statement) has become effective under the 1933 Act and no stop order suspending the effectiveness of the Registration Statement (or any Rule 462(b) Registration Statement) has been issued under the 1933 Act and no proceedings for that purpose have been instituted or are pending or, to the knowledge of Global Funding, are contemplated by the Commission, and any request on the part of the Commission for additional information has been complied with; the form of Indenture has been duly qualified under the 1939 Act; the form of Funding Note Indenture has been duly qualified under the 1939 Act; at the respective times that the Registration Statement (including any Rule 462(b) Registration Statement) and any post-effective amendment thereto became effective and at each Global Funding Representation Date, the Registration Statement (including any Rule 462(b) Registration Statement) complied and will comply in all material respects with the requirements of the 1933 Act and the 1933 Act Regulations, the 1934 Act and the rules and regulations of the Commission under the 1934 Act (the "1934 ACT REGULATIONS") and the 1939 Act and the rules and regulations of the Commission under the 1939 Act (the "1939 ACT REGULATIONS") and did not and will not contain an untrue statement of a material fact or omit to state a material fact required

5

to be stated therein or necessary to make the statements therein not misleading; each preliminary prospectus and Prospectus filed as part of the Registration Statement as originally filed or as part of any amendment thereto, or filed pursuant to Rule 424 under the 1933 Act, complied when so filed in all material respects with the 1933 Act and the 1933 Act Regulations; each preliminary prospectus and the Prospectus delivered to an Agent for use in connection with the offering of Notes are identical in all material respects to any electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T; and at the date hereof, at the date of the Prospectus and each amendment or supplement thereto and at each Global Funding Representation Date, neither the Prospectus nor any amendment or supplement thereto included or will include an untrue statement of a material fact or omitted or will omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the representations and warranties in this subsection shall not apply to (i) statements in or omissions from the Registration Statement or the Prospectus made in reliance upon and in conformity with information furnished to Global Funding in writing by the applicable Agents concerning such Agents expressly for use in the Registration Statement or the Prospectus or (ii) the parts of the Registration Statement which constitute the Statement of Eligibility and Qualification (Form T-1) of the Indenture Trustee and the Funding Note Indenture Trustee under the 1939 Act.

(iii) INCORPORATED DOCUMENTS; 1934 ACT FILINGS. The documents incorporated or deemed to be incorporated by reference in the Prospectus, at the time they were or hereafter are filed with the Commission, complied and will comply in all material respects with the requirements of the 1934 Act and the 1934 Act Regulations and, when read together with the other information in the Prospectus, at the date hereof, at the date of the Prospectus and at each Global Funding Representation Date, did not and will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. Any reports, filings or other documents, exhibits or schedules filed by Global Funding and each Issuing Trust pursuant to the 1934 Act comply in all material respects with the requirements of the 1934 Act and the 1934 Act Regulations.

(iv) INDEPENDENT ACCOUNTANTS. The accountants who certified the financial statements and any supporting schedules thereto included in the Registration Statement and the Prospectus are independent public accountants to the extent required by the 1933 Act and the 1933 Act Regulations.

(v) GLOBAL FUNDING FINANCIAL STATEMENTS. The consolidated financial statements of Global Funding, if any, included in any report or filing under the 1934 Act, together with the related schedules and notes present fairly the consolidated financial position of Global Funding at the dates indicated to the extent required under the 1934 Act; such financial statements have been prepared in conformity with generally accepted accounting principles ("GAAP") applied on a consistent basis throughout the periods involved; the supporting schedules, if any, present fairly in accordance with GAAP the information required to be stated therein; the selected financial data and the summary

financial information included in the Registration Statement and the Prospectus present fairly the information shown therein.

(vi) NO MATERIAL CHANGES. Since the respective dates as of which information is given in the Registration Statement and the Prospectus, except as otherwise stated therein, (1) there has been no event or occurrence that would result in a material adverse effect on the condition (financial or otherwise) of Global Funding or on the power or ability of Global Funding to perform its obligations under this Agreement, the Global Funding Trust Agreement, any Funding Note or the Administrative Services Agreement (the "GLOBAL FUNDING ADMINISTRATION AGREEMENT"), dated June 24, 2002, as amended, restated or modified from time to time, between the Global Funding Delaware Trustee, on behalf of Global Funding, and AMACAR Pacific Corp., as administrator (the "GLOBAL FUNDING ADMINISTRATOR"), or to consummate the transactions to be performed by it as contemplated in the Prospectus (a "GLOBAL FUNDING MATERIAL ADVERSE EFFECT") and (2) there have been no transactions entered into by Global Funding, other than those in the ordinary course of business, which are material with respect to Global Funding.

(vii) AUTHORIZATION OF THIS AGREEMENT, EACH FUNDING AGREEMENT, GLOBAL FUNDING TRUST AGREEMENT, GLOBAL FUNDING ADMINISTRATION AGREEMENT AND THE FUNDING NOTES. This Agreement, the relevant Funding Agreement(s), Global Funding Trust Agreement and Global Funding Administration Agreement have been, and each Funding Note will be, duly authorized, executed and delivered by Global Funding and this Agreement, each relevant Funding Agreement, the Global Funding Trust Agreement, Global Funding Administration Agreement and the Funding Notes will each be a valid and legally binding agreement of Global Funding enforceable against Global Funding in accordance with its terms, as applicable, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally or by general equitable principles (regardless of whether enforcement is considered in a proceeding in equity or at law), and except further as enforcement thereof may be limited by requirements that a claim with respect to any Funding Note that is payable in a foreign or composite currency (or a foreign or composite currency judgment in respect of such claim) be converted into U.S. dollars at a rate of exchange prevailing on a date determined pursuant to applicable law or by governmental authority to limit, delay or prohibit the making of payments outside the United States.

(viii) ABSENCE OF DEFAULTS AND CONFLICTS. Global Funding is not in violation of its certificate of trust or in default in the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, loan or credit agreement, note, lease or other agreement or instrument to which Global Funding is a party or by which it may be bound or to which any of the property or assets of Global Funding is subject (the "GLOBAL FUNDING AGREEMENTS AND INSTRUMENTS"), except for such violations or defaults that would not result in a Global Funding Material Adverse Effect; and the execution, delivery and performance of this Agreement, the Global Funding Trust Agreement, the Funding Agreement(s), Global Funding Administration Agreement and each Funding Note and any other agreement or instrument entered into or issued or to be entered into or issued by Global Funding in connection with the

transactions contemplated by the Prospectus, the consummation of the transactions contemplated in the Prospectus (including the issuance and sale of the Notes by an Issuing Trust and the use of proceeds therefrom as described in the Prospectus) (collectively, the "GLOBAL FUNDING PROGRAM DOCUMENTS") and the compliance by Global Funding with its obligations hereunder and under Global Funding Program Documents, have been duly authorized by all necessary action and do not and will not, whether with or without the giving of notice or the passage of time or both, conflict with or constitute a breach of, or default or event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by Global Funding under, or result in the creation or imposition of any lien, charge or encumbrance upon any assets, properties or operations of any Issuing Trust or Global Funding pursuant to, any Global Funding Agreements and Instruments, nor will such action result in any violation of Global Funding's certificate of trust, the Global Funding Trust Agreement or Global Funding Administration Agreement which may reasonably be expected to result in a Global Funding Material Adverse Effect and Global Funding is not in default in the performance or observance of any applicable law, statute, rule, regulation, judgment, order, writ or decree of any government, government instrumentality or court, domestic or foreign, having jurisdiction over Global Funding or any of its assets, properties or operations, except for such defaults which would not reasonably be expected to result in a Global Funding Material Adverse Effect.

(ix) ABSENCE OF PROCEEDINGS. There is no action, suit, proceeding, inquiry or investigation before or brought by any court or governmental agency or body, domestic or foreign, now pending, or to the knowledge of Global Funding threatened, against or affecting Global Funding which is required to be disclosed in the Registration Statement and the Prospectus (other than as stated therein), or which may reasonably be expected to result in a Global Funding Material Adverse Effect, or which may reasonably be expected to materially and adversely affect the assets, properties or operations thereof, the performance by Global Funding of its obligations under this Agreement and the other Global Funding Program Documents or the consummation of the transactions contemplated in the Prospectus; and the aggregate of all pending legal or governmental proceedings to which Global Funding is a party or of which any of its assets, properties or operations is the subject which are not described in the Registration Statement and the Prospectus, including ordinary routine litigation incidental to the business, may not reasonably be expected to result in a Global Funding Material Adverse Effect.

(x) POSSESSION OF LICENSES AND PERMITS. Global Funding possesses such permits, licenses, approvals, consents and other authorizations (collectively, "GOVERNMENTAL LICENSES") issued by the appropriate federal, state, local or foreign regulatory agencies or bodies necessary to conduct the business now operated by it; Global Funding is in compliance with the terms and conditions of all such Governmental Licenses, except where the failure so to comply would not, singly or in the aggregate, result in a Global Funding Material Adverse Effect; all of the Governmental Licenses are valid and in full force and effect, except where the invalidity of such Governmental Licenses or the failure of such Governmental Licenses to be in full force and effect would not result in a Global Funding Material Adverse Effect; and Global Funding has not

8

received any notice of proceedings relating to the revocation or modification of any such Governmental Licenses which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would result in a Global Funding Material Adverse Effect.

(xi) NO FILINGS, REGULATORY APPROVALS ETC. No filing with, or approval, authorization, consent, license, registration, qualification, order or decree of, any court or governmental authority or agency, domestic or foreign, is necessary or required for the due authorization, execution and delivery by Global Funding of Global Funding Program Documents or for the performance by Global Funding of the transactions contemplated in Global Funding Program Documents, except such as have been previously made, obtained or rendered, as applicable.

(xii) INVESTMENT COMPANY ACT. Neither Global Funding nor any Issuing Trust is, and upon any sale of Funding Notes and the Notes as herein contemplated and the application of the net proceeds therefrom as described in the Prospectus, will not be an "investment company" within the meaning of the Investment Company Act of 1940, as amended (the "1940 ACT").

(xiii) RATINGS. The Programs under which the Notes are issued, as well as the Notes, are ----- rated [____] by Moody's Investors Service, Inc. and [____] by Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. (Moody's Investors Service, Inc. and Standard & Poor's Ratings Services are referred to herein as the "RATINGS AGENCIES"), or such other rating as to which Global Funding shall have most recently notified the Agents pursuant to Section 4 hereof.

(xiv) NOTES LISTED ON ANY STOCK EXCHANGE. If specified in a Pricing Supplement, the Notes described in such Pricing Supplement shall be listed on the securities exchange designated in the Pricing Supplement.

(b) REPRESENTATIONS AND WARRANTIES OF THE RELEVANT ISSUING TRUST. Each Issuing Trust represents and warrants, only as to itself, to each applicable Agent as of the such Issuing Trust's Trust Effective Time, as of the date of each acceptance by such Issuing Trust of an offer for the purchase of its Notes (whether to each such Agent as principal or through each such Agent as agent), as of the date of each delivery of its Notes (whether to each such Agent as principal or through each such Agent as agent) (the date of each such delivery is referred to herein as a "SETTLEMENT DATE") (each of the times referenced above is referred to herein as an "ISSUING TRUST REPRESENTATION DATE"), as follows:

(i) DUE FORMATION AND GOOD STANDING OF THE ISSUING TRUST. Such Issuing Trust is a statutory trust, duly formed under Delaware law pursuant to the trust agreement between Wilmington Trust Company, as Delaware trustee (the "RELEVANT ISSUING TRUST TRUSTEE") and Global Funding (the "ISSUING TRUST AGREEMENT") and the filing of a certificate of trust with the Delaware Secretary of State, which is validly existing and in good standing as a statutory trust under the laws of the State of Delaware.

(ii) NO MATERIAL CHANGES. Since the respective dates as of which information is given in the Registration Statement and the Prospectus or the Trust Effective Time,

whichever is later, except as otherwise stated therein, (1) there has been no event or occurrence that would result in a material adverse effect on the condition (financial or otherwise) of such Issuing Trust or on the power or ability of such Issuing Trust to perform its obligations under this Agreement, the Issuing Trust Agreement, its Notes, any Funding Agreement, the Indenture or the Issuing Trust Administrative Services Agreement (the "ISSUING TRUST ADMINISTRATION AGREEMENT"), as amended or modified from time to time, between the Relevant Issuing Trust Trustee, on behalf of such Issuing Trust, and AMACAR Pacific Corp., as administrator (the "ISSUING TRUST ADMINISTRATOR"), or to consummate the transactions to be performed by it as contemplated in the Prospectus (an "ISSUING TRUST MATERIAL ADVERSE EFFECT") and (2) there have been no transactions entered into by such Issuing Trust, other than those in the ordinary course of business, which are material with respect to such Issuing Trust.

(iii) AUTHORIZATION OF THIS AGREEMENT, THE ISSUING TRUST AGREEMENT, THE ISSUING TRUST ADMINISTRATION AGREEMENT, THE INDENTURE AND THE NOTES. This Agreement, the Issuing Trust Agreement, the Issuing Trust Administration Agreement and the relevant Indenture have been or will be, duly authorized, executed and delivered by such Issuing Trust and each is or will be a valid and legally binding agreement of the Issuing Trust enforceable against the Issuing Trust in accordance with its terms, as applicable, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally or by general equitable principles (regardless of whether enforcement is considered in a proceeding in equity or at law), and except further as enforcement thereof may be limited by requirements that a claim with respect to any Notes issued under the Indenture that are payable in a foreign or composite currency (or a foreign or composite currency judgment in respect of such claim) be converted into U.S. dollars at a rate of exchange prevailing on a date determined pursuant to applicable law or by governmental authority to limit, delay or prohibit the making of payments outside the United States; the Notes have been duly authorized by such Issuing Trust for offer, sale, issuance and delivery pursuant to this Agreement and, when issued, authenticated and delivered in the manner provided for in the Indenture and delivered against payment of the consideration therefor, will constitute valid and legally binding obligations of such Issuing Trust, enforceable against such Issuing Trust in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally or by general equitable principles (regardless of whether enforcement is considered in a proceeding in equity or at law); the Notes will be substantially in a form previously certified to the Agents and contemplated by the Indenture; and each holder of Notes will be entitled to the benefits set forth in the Indenture.

(iv) ABSENCE OF DEFAULTS AND CONFLICTS. Such Issuing Trust is not in violation of its certificate of trust or in default in the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, loan or credit agreement, note, lease or other agreement or instrument to which such Issuing Trust is a party or by which it may be bound or to which any of the property or assets of such Issuing Trust is subject (the "ISSUING TRUST AGREEMENTS AND INSTRUMENTS"), except for such violations or defaults that would not result in an Issuing Trust Material

Adverse Effect; and the execution, delivery and performance of this Agreement, the Issuing Trust Agreement, the Issuing Trust Administration Agreement, its Notes and the Indenture and any other agreement or instrument entered into or issued or to be entered into or issued by such Issuing Trust in connection with the transactions contemplated by the Prospectus, the consummation of the transactions contemplated in the Prospectus (including the issuance and sale of the Notes by an Issuing Trust and the use of proceeds therefrom as described in the Prospectus) (collectively, the "ISSUING TRUST PROGRAM DOCUMENTS") and the compliance by such Issuing Trust with its obligations hereunder and under the Issuing Trust Program Documents, have been duly authorized by all necessary action and do not and will not, whether with or without the giving of notice or the passage of time or both, conflict with or constitute a breach of, or default or event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by such Issuing Trust under, or result in the creation or imposition of any lien, charge or encumbrance upon any assets, properties or operations of any Issuing Trust or such Issuing Trust pursuant to, any Issuing Trust Agreements and Instruments, nor will such action result in any violation of such Issuing Trust's certificate of trust, the Issuing Trust Agreement or the Issuing Trust Administration Agreement which may reasonably be expected to result in an Issuing Trust Material Adverse Effect and such Issuing Trust is not in default in the

performance or observance of any applicable law, statute, rule, regulation, judgment, order, writ or decree of any government, government instrumentality or court, domestic or foreign, having jurisdiction over such Issuing Trust or any of its assets, properties or operations, except for such defaults which would not reasonably be expected to result in an Issuing Trust Material Adverse Effect.

(v) ABSENCE OF PROCEEDINGS. There is no action, suit, proceeding, inquiry or investigation before or brought by any court or governmental agency or body, domestic or foreign, now pending, or to the knowledge of such Issuing Trust threatened, against or affecting such Issuing Trust which is required to be disclosed in the Registration Statement and the Prospectus (other than as stated therein), or which may reasonably be expected to result in an Issuing Trust Material Adverse Effect, or which may reasonably be expected to materially and adversely affect the assets, properties or operations thereof, the performance by such Issuing Trust of its obligations under this Agreement and the other Issuing Trust Program Documents or the consummation of the transactions contemplated in the Prospectus; and the aggregate of all pending legal or governmental proceedings to which such Issuing Trust is a party or of which any of its assets, properties or operations is the subject which are not described in the Registration Statement and the Prospectus, including ordinary routine litigation incidental to the business, may not reasonably be expected to result in an Issuing Trust Material Adverse Effect.

(vi) POSSESSION OF LICENSES AND PERMITS. Such Issuing Trust possesses such permits, licenses, approvals, consents and other authorizations (collectively, "GOVERNMENTAL LICENSES") issued by the appropriate federal, state, local or foreign regulatory agencies or bodies necessary to conduct the business now operated by it; such Issuing Trust is in compliance with the terms and conditions of all such Governmental Licenses, except where the failure so to comply would not, singly or in the aggregate,

11

result in an Issuing Trust Material Adverse Effect; all of the Governmental Licenses are valid and in full force and effect, except where the invalidity of such Governmental Licenses or the failure of such Governmental Licenses to be in full force and effect would not result in an Issuing Trust Material Adverse Effect; and such Issuing Trust has not received any notice of proceedings relating to the revocation or modification of any such Governmental Licenses which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would result in an Issuing Trust Material Adverse Effect.

(vii) NO FILINGS, REGULATORY APPROVALS ETC. Other than the filing of the applicable financing statements, if any, no filing with, or approval, authorization, consent, license, registration, qualification, order or decree of, any court or governmental authority or agency, domestic or foreign, is necessary or required for the due authorization, execution and delivery by such Issuing Trust of the Issuing Trust Program Documents or for the performance by such Issuing Trust of the transactions contemplated in the Issuing Trust Program Documents, except such as have been previously made, obtained or rendered, as applicable.

(viii) INVESTMENT COMPANY ACT. Such Issuing Trust is not, and upon any sale of Notes by such Issuing Trust as herein contemplated and the application of the net proceeds therefrom as described in the Prospectus will not be, an "investment company" within the meaning of the Investment Company Act of 1940, as amended (the "1940 ACT").

(ix) NOTES LISTED ON ANY STOCK EXCHANGE. If specified in a Pricing Supplement, such Issuing Trust's Notes described in such Pricing Supplement shall be listed on the securities exchange designated in the Pricing Supplement.

(c) ADDITIONAL CERTIFICATIONS. Any certificate signed by any officer of the Global Funding Delaware Trustee, on behalf of Global Funding or any officer of the Delaware Issuing Trustee, on behalf of the applicable Issuing Trust, and delivered to one or more Agents or to counsel for the Agents in connection with an offering of Notes to one or more Agents as principal or through an Agent as agent shall be deemed a representation and warranty by Global Funding or Issuing Trust (as applicable) to such Agent(s) as to the matters covered thereby on the date of such certificate and, unless subsequently amended or supplemented, at each Representation Date subsequent thereto.

SECTION 3. PURCHASES AS PRINCIPAL; SOLICITATIONS AS AGENT; OTHER SALES.

(a) PURCHASES AS PRINCIPAL. Notes purchased from an Issuing Trust by the Agents, individually or in a syndicate, as principal shall be made in accordance with terms agreed upon between such Agent(s), on one hand, and Global Funding and such Issuing Trust, on the other hand, specified in the Terms Agreement. An Agent's commitment to purchase Notes as principal shall be deemed to have been made on the basis of the representations and warranties of Global Funding and Issuing Trust herein contained and shall be subject to the terms and conditions herein set forth. Unless the context otherwise requires, references herein to

"this Agreement" shall include the applicable Terms Agreement Each purchase of Notes by Merrill Lynch, Pierce, Fenner & Smith Incorporated, as the Purchasing Agent, unless otherwise agreed,

12

shall be at a discount from the principal amount of each such Note equivalent to the applicable commission set forth in SCHEDULE 2 hereto. Any other purchase of Notes, unless otherwise agreed, shall be at a discount from the principal amount of each such Note equivalent to the applicable commission set forth in SCHEDULE 3 hereto. The Agents may engage the services of any broker or dealer in connection with the resale of the Notes purchased by them as principal and may allow all or any portion of the discount received by them in connection with such purchases to any broker or dealer.

If Global Funding and an Issuing Trust, on one hand, and two or more Agents, on the other hand, enter into a Terms Agreement pursuant to which such Agents agree to purchase Notes from such Issuing Trust as principal and one or more of such Agents shall fail at the Settlement Date to purchase the Notes which it or they are obligated to purchase (the "DEFAULTED NOTES"), then the nondefaulting Agents shall have the right, within 24 hours thereafter, to make arrangements for one of them or one or more other Agents or underwriters to purchase all, but not less than all, of the Defaulted Notes in such amounts as may be agreed upon and upon the terms herein set forth; provided, however, that if such arrangements shall not have been completed within such 24-hour period, then:

(i) if the aggregate principal amount of Defaulted Notes does not exceed 10% of the aggregate principal amount of Notes to be so purchased by all of such Agents on the Settlement Date, the nondefaulting Agents shall be obligated, severally and not jointly, to purchase the full amount thereof in the proportions that their respective initial underwriting obligations bear to the underwriting obligations of all nondefaulting Agents; or

(ii) if the aggregate principal amount of Defaulted Notes exceeds 10% of the aggregate principal amount of Notes to be so purchased by all of such Agents on the Settlement Date, such agreement shall terminate without liability on the part of any nondefaulting Agent.

No action taken pursuant to this paragraph shall relieve any defaulting Agent from liability in respect of its default. In the event of any such default which does not result in a termination of such agreement, either the nondefaulting Agents, on one hand, or Global Funding and such Issuing Trust, on the other hand, shall have the right to postpone the Settlement Date for a period not exceeding seven days in order to effect any required changes in the Registration Statement or the Prospectus or in any other documents or arrangements.

(b) SOLICITATIONS AS AGENT. On the basis of the representations and warranties herein contained, but subject to the terms and conditions herein set forth, when agreed by an Issuing Trust, on one hand, and an Agent, on the other hand, such Agent, as an agent of the such Issuing Trust, will use its reasonable efforts to solicit offers for the purchase of such Issuing Trust's Notes upon the terms set forth in the Prospectus. Unless the context otherwise requires, references herein to "this Agreement" shall include the applicable Terms Agreement. Such Agent is authorized to appoint any sub-agent with respect to solicitations of offers to purchase Notes; provided, however, that any such appointment of a sub-agent shall be subject to the prior consent of the Company and such Issuing Trust. All Notes sold through such Agent as agent will be sold at one hundred percent (100%) of their principal amount unless otherwise agreed upon between the relevant Issuing Trust, on one hand, and such Agent, on the other hand.

13

An Issuing Trust reserves the right, in its sole discretion, to suspend solicitation of offers for the purchase of Notes through an Agent, as an agent of such Issuing Trust, commencing at any time for any period of time or permanently. As soon as practicable after receipt of instructions from such Issuing Trust, such Agent will suspend solicitation of offers for the purchase of Notes from such Issuing Trust until such time as such Issuing Trust has advised such Agent that such solicitation may be resumed.

Each Issuing Trust agrees to pay Merrill Lynch, Pierce, Fenner & Smith Incorporated, for acting as the Purchasing Agent, as consideration for soliciting offers to purchase its Notes as an agent of such Issuing Trust, a commission, in the form of a discount, equal to the applicable percentage of the principal amount of each Note sold by such Issuing Trust as a result of any such solicitation made by the Purchasing Agent, as set forth in SCHEDULE 2 hereto.

Each Issuing Trust agrees to pay the Agent, as consideration for soliciting offers to purchase Notes as an agent of such Issuing Trust, a commission, in the form of a discount, equal to the applicable percentage of the principal amount of each Note sold by such Issuing Trust as a result of any such solicitation made by such Agent, as set forth in SCHEDULE 3 hereto.

(c) ADMINISTRATIVE PROCEDURES. The purchase price, interest rate or formula, maturity date and other terms of the Notes shall be agreed upon between Global Funding and the relevant Issuing Trust, on one hand, and the applicable Agent(s), on the other hand, and specified in a Pricing Supplement prepared in connection with each sale of Notes. Except as otherwise specified in the applicable Pricing Supplement, the Notes will be issued in denominations of U.S. \$1,000 or any larger amount that is an integral multiple of U.S. \$1,000. Administrative procedures with respect to the issuance and sale of the Notes (the "ADMINISTRATIVE PROCEDURES") shall be agreed upon from time to time among Global Funding, the relevant Issuing Trust, the Agent(s), the relevant Issuing Trust Administrator and the Indenture Trustee. The Agents, Global Funding and each Issuing Trust agree to perform and Global Funding agrees to cause the Company, and the Issuing Trust agrees to cause the Issuing Trust Administrator and the Indenture Trustee to agree to perform, their respective duties and obligations specifically provided to be performed by them in the Administrative Procedures.

(d) OBLIGATIONS SEVERAL. Global Funding and each Issuing Trust acknowledge that the obligations of the Agents under this Agreement are several and not joint.

(e) OTHER SALES. Subject to the terms and conditions of Sections 1(a), 4(j) and 4(k), Global Funding and each Issuing Trust reserves the right, to be exercised in their sole discretion, to sell Notes of such Issuing Trust, in compliance with all applicable securities laws, to other investors without the assistance of any Agent.

SECTION 4. COVENANTS OF GLOBAL FUNDING.

Global Funding covenants and agrees with each Agent as follows:

(a) NOTICE OF CERTAIN EVENTS. Global Funding with respect to the Registration Statement and Prospectus will notify the Agents immediately, and confirm such notice in writing of (i) the effectiveness of any post-effective amendment to the Registration Statement or the

14

filing of any amendment or supplement to the Prospectus (other than any amendment or supplement thereto providing solely for the determination of the variable terms of the Notes), (ii) the receipt of any comments from the Commission, (iii) any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or for additional information, or (iv) the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement, or of any order preventing or suspending the use of any preliminary prospectus or Prospectus, or of the initiation of any proceedings for that purpose. With respect to the Registration Statement, Global Funding will make every reasonable effort to prevent the issuance of any stop order and, if any stop order is issued, to obtain the lifting thereof at the earliest possible moment.

(b) FILING OR USE OF AMENDMENTS. Global Funding will give each Agent advance notice of its intention to file or prepare any additional registration statement with respect to the registration of additional Notes, any amendment to the Registration Statement (including any filing under Rule 462(b) of the 1933 Act Regulations) or any amendment or supplement to the prospectus included in the Registration Statement at the time it became effective or to the Prospectus (other than an amendment or supplement thereto providing solely for the determination of the variable terms of the Notes), whether pursuant to the 1933 Act, the 1934 Act or otherwise, will furnish to such Agents copies of any such document a reasonable amount of time prior to such proposed filing or use, as the case may be, and will not file any such document to which an Agent or counsel for the Agents shall object.

(c) DELIVERY OF THE REGISTRATION STATEMENT. Global Funding has furnished to the Agents and to counsel for the Agents, without charge, signed and conformed copies of the Registration Statement as originally filed and of each amendment thereto (including exhibits filed therewith or incorporated by reference therein and documents incorporated or deemed to be incorporated by reference therein) and signed and conformed copies of all consents and certificates of experts. The Registration Statement and each amendment thereto furnished to an Agent will be identical in all material respects to any electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

(d) DELIVERY OF THE PROSPECTUS. Global Funding will deliver to each Agent, without charge, as many copies of each preliminary prospectus as such Agent may reasonably request, and Global Funding hereby consents to the use of such copies for purposes permitted by the 1933 Act. Global Funding will furnish to each Agent, without charge, such number of copies of the Prospectus (as amended or supplemented) as such Agent may reasonably request. The Prospectus and any amendments or supplements thereto furnished to such Agent will be identical in all material respects to any electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

(e) PREPARATION OF PRICING SUPPLEMENTS. Global Funding will prepare, with respect to any Notes to be sold to or through one or more Agents pursuant to this Agreement, a Pricing Supplement with respect to such Notes in a form previously approved by the Agents. Global Funding will deliver such Pricing Supplement no later than 11:00 a.m., New York City time, on the business day following the date of the relevant Issuing Trust's acceptance of the offer for the

15

purchase of such Notes and will file such Pricing Supplement pursuant to Rule 424(b) under the 1933 Act.

(f) REVISIONS OF PROSPECTUS -- MATERIAL CHANGES. Except as otherwise provided in Section 4(m), if at any time during the term of this Agreement any event shall occur or condition shall exist as a result of which it is necessary, in the opinion of counsel for the Agents or counsel for Global Funding, to amend the Registration Statement in order that the Registration Statement will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading or to amend or supplement the Prospectus in order that the Prospectus will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading in the light of the circumstances existing at the time the Prospectus is delivered to a purchaser, or if it shall be necessary, in the opinion of any such counsel, to amend the Registration Statement or amend or supplement the Prospectus in order to comply with the requirements of the 1933 Act or the 1933 Act Regulations, as applicable, Global Funding shall give immediate notice, confirmed in writing, to the Agents to cease the solicitation of offers for the purchase of Notes in their capacity as agent and to cease sales of any Notes they may then own as principal, and Global Funding will promptly prepare and file with the Commission, subject to Section 4(b) hereof, such amendment or supplement as may be necessary to correct such statement or omission or to make the Registration Statement and Prospectus comply with such requirements, and Global Funding will furnish to the Agents, without charge, such number of copies of such amendment or supplement as the Agents may reasonably request. In addition, Global Funding will comply with the 1933 Act, the 1933 Act Regulations, the 1934 Act and the 1934 Act Regulations so as to permit the completion of the distribution of each offering of Notes.

(g) PERIODIC FINANCIAL INFORMATION. Except as otherwise provided in Section 4(m), on or prior to the date on which there shall be released to the general public interim financial statement information related to the Company or Global Funding with respect to each of the first three quarters of any fiscal year or preliminary financial statement information with respect to any fiscal year, Global Funding shall, and Global Funding agrees to cause the Company to, furnish such information to the Agents, confirmed in writing, and thereafter promptly shall cause the Prospectus to be amended or supplemented to include financial information with respect thereto and corresponding information for the comparable period of the preceding fiscal year, as well as such other information and explanations, to the extent required by the 1933 Act or the 1933 Act Regulations.

(h) AUDITED FINANCIAL INFORMATION. Except as otherwise provided in Section 4(m), on or prior to the date on which there shall be released to the general public financial information included in or derived from the audited consolidated financial statements of the Company or Global Funding for the preceding fiscal year, Global Funding shall, and Global Funding agrees to cause the Company to, as applicable, furnish such information to the Agent, confirmed in writing, and thereafter promptly shall cause the Prospectus to be amended or supplemented to include such audited consolidated financial statements and the report or reports, and consent or consents to such inclusion, of the independent accountants with respect thereto, as well as such other information and explanations, to the extent required by the 1933 Act or the 1933 Act Regulations.

16

(i) REPORTING REQUIREMENTS. Global Funding, during the period when the Prospectus is required to be delivered under the 1933 Act or the 1934 Act, will file, or cause to be filed, all documents required to be filed by it and each Issuing Trust with the Commission pursuant to the 1934 Act within the time periods prescribed by the 1934 Act and the 1934 Act Regulations.

(j) RESTRICTIONS ON THE OFFER AND SALE OF SECURITIES TO INSTITUTIONAL PURCHASERS. Unless otherwise agreed upon between one or more Agents, on one hand, and the Company and Global Funding, on the other hand, from the date of the agreement by such Agent(s) to purchase Notes from an Issuing Trust to and including the Settlement Date with respect thereto, Global Funding will not, and will cause all Issuing Trusts not to, without the prior written consent of such Agent(s), issue, sell, offer or contract to sell, grant any option for the sale of, or otherwise dispose of, any substantially similar debt securities of each such Issuing Trust to the same potential institutional investors (other than Notes to be offered and/or sold to or through such Agent(s)).

(k) RESTRICTIONS ON THE OFFER AND SALE OF SECURITIES TO RETAIL

PURCHASERS. Unless otherwise agreed upon between the Purchasing Agent, on the one hand, and the Company and Global Funding, on the other hand, from the date the retail pricing levels are posted out to the selling group members through and including the applicable Settlement Date with respect thereto, Global Funding will not, and will cause all Issuing Trust not to, without the prior written consent of the Purchasing Agent, issue, sell, offer or contract to sell, grant any option for the sale of, or otherwise dispose of, any substantially similar debt securities of each such Issuing Trust to the same potential retail investors (other than Notes to be offered and/or sold to or through the Purchasing Agent).

(l) USE OF PROCEEDS. Global Funding shall cause each Issuing Trust to use the net proceeds received by it from the issuance and sale of the Notes in the manner specified in the Prospectus.

(m) SUSPENSION OF CERTAIN OBLIGATIONS. Global Funding shall not be required to comply with the provisions of Sections 4(f), (g) or (h) during any period commencing from the time (i) the Agents shall have suspended solicitation of offers for the purchase of Notes in their capacity as agents pursuant to a request from Global Funding or any Issuing Trust and (ii) no Agent shall then hold any Notes purchased from any Issuing Trust as principal, and ending at the time Global Funding and/or applicable Issuing Trusts shall determine that solicitation of offers for the purchase of Notes should be resumed or an Agent shall subsequently purchase Notes from an Issuing Trust as principal.

(n) LISTING. Global Funding shall use reasonable efforts to obtain and maintain approval for the listing of at least one series of Notes of an Issuing Trust on a national securities exchange as defined in Section 18(a)(3)(B) of the 1933 Act as long as Notes of any Issuing Trust are outstanding.

(o) OUTSTANDING AGGREGATE PRINCIPAL AMOUNT OF NOTES. Global Funding will promptly, upon request by an Agent notify such Agent of the aggregate principal amount of Notes from time to time outstanding under the Programs in their currency of denomination and (if so requested) expressed in United States dollars. For the purpose of determining the aggregate

17

principal amount of Notes outstanding (i) the principal amount of Notes, denominated in a currency other than United States dollars shall be converted into United States dollars using the spot rate of exchange for the purchase of the relevant currency against payment of United States dollars being quoted by the Paying Agent or Calculation Agent, as applicable (each as defined in the Indenture), on the date on which the relevant Notes were initially offered, (ii) any Notes which provide for an amount less than the principal amount thereof to be due and payable upon redemption following an Event of Default as defined in the Indenture in respect of such Notes, shall have a principal amount equal to their redemption amount, (iii) any zero coupon (and any other Notes issued at a discount or premium) shall have a principal amount equal to their issue amount and (iv) the currency in which any Notes are payable, if different from the currency of their denomination, shall be disregarded.

(p) BLUE SKY QUALIFICATIONS. Global Funding shall endeavor, and shall cause the applicable Issuing Trust, to qualify the Notes for offer and sale under the securities or Blue Sky laws of such jurisdictions as the Agents shall reasonably request and to maintain such qualifications for as long as such Agents shall reasonably request.

(q) DEPOSITORY TRUST COMPANY. Global Funding shall endeavor to assist the Agents in arranging to cause the Notes to be eligible for settlement through the facilities of the Depository Trust Company ("DTC").

(r) NOTICE OF AMENDMENT TO GLOBAL FUNDING TRUST AGREEMENT. Global Funding will give the Agents at least three (3) business days' prior notice in writing of any proposed amendment to the Global Funding Trust Agreement and, except in accordance with the applicable provisions of the Global Funding Trust Agreement, not make or permit to become effective any amendment to Global Funding Trust Agreement which may adversely affect the interests of the Agents or any holder of any outstanding Notes without the consent of the affected party.

(s) AUTHORIZATION TO ACT ON BEHALF OF GLOBAL FUNDING. Global Funding will, from time to time, without request, deliver to the Agents a certificate as to the names and signatures of those persons authorized to act on behalf of Global Funding in relation to the Programs if such information has changed.

(t) NOTICE OF MEETING. Global Funding will furnish to the Agents, at the same time as it is dispatched, a copy of notice of any meeting of the holders of Notes which is called to consider any matter which is material in the context of Global Funding.

SECTION 5. COVENANTS OF THE ISSUING TRUSTS.

EACH ISSUING TRUST, ONLY WITH RESPECT TO ITSELF, COVENANTS AND AGREES WITH EACH AGENT AS FOLLOWS:

(a) USE OF PROCEEDS. Such Issuing Trust shall use the net proceeds

received by it from the issuance and sale of the Notes in the manner specified in the Prospectus.

(b) BLUE SKY QUALIFICATIONS. Such Issuing Trust shall endeavor to qualify the Notes for offer and sale under the securities or Blue Sky laws of such jurisdictions as the Agents shall

18

reasonably request and to maintain such qualifications for as long as such Agents shall reasonably request.

(c) DEPOSITORY TRUST COMPANY. Such Issuing Trust shall endeavor to assist the Agents in arranging to cause the Notes to be eligible for settlement through the facilities of the Depository Trust Company ("DTC").

(d) NOTICE OF AMENDMENT TO INDENTURE AND ISSUING TRUST AGREEMENT. Such Issuing Trust will give the Agents at least three (3) business days' prior notice in writing of any proposed amendment to the relevant Indenture and relevant Issuing Trust Agreement and, except in accordance with the applicable provisions of the relevant Indenture and relevant Issuing Trust Agreement, not make or permit to become effective any amendment to such Indenture or such Issuing Trust Agreement which may adversely affect the interests of the Agents or any holder of any outstanding Notes without the consent of the affected party.

(e) AUTHORIZATION TO ACT ON BEHALF OF THE ISSUING TRUST. Such Issuing Trust will, from time to time, without request, deliver to the Agents a certificate as to the names and signatures of those persons authorized to act on behalf of such Issuing Trust in relation to the Programs if such information has changed.

(f) NOTICE OF MEETING. Such Issuing Trust will furnish to the Agents, at the same time as it is dispatched, a copy of notice of any meeting of the holders of Notes which is called to consider any matter which is material in the context of such Issuing Trust.

SECTION 6. CONDITIONS OF AGENT'S OBLIGATIONS.

The obligations of one or more Agents to purchase Notes from an Issuing Trust as principal, the obligations of an Agent to solicit offers for the purchase of Notes as an agent of an Issuing Trust and the obligations of any purchasers of Notes sold through an Agent as an agent of an Issuing Trust, will be subject to the accuracy of the representations and warranties on the part of Global Funding and such Issuing Trust herein contained, and the accuracy of the representations and warranties on the part of the Company contained in the Representations and Indemnity Agreement entered into, as of even date herewith, by and among the Company and the Agents, as amended, restated or modified from time to time (the "REPRESENTATIONS AND INDEMNITY AGREEMENT") or contained in any certificate of an officer or trustee of Global Funding, Issuing Trust or the Company delivered pursuant to the provisions hereof and thereof, as applicable, to the performance and observance by Global Funding and such Issuing Trust of its covenants and other obligations hereunder or the performance and observance by the Company of its covenants and other obligations under the Representations and Indemnity Agreement, and to the following additional conditions precedent:

(a) EFFECTIVENESS OF THE REGISTRATION STATEMENT. The Registration Statement (including any Rule 462(b) Registration Statement) has become effective under the 1933 Act and the 1934 Act, as applicable, and no stop order suspending the effectiveness of the Registration Statement shall have been issued under the 1933 Act or the 1934 Act, as applicable, and no proceedings for that purpose shall have been instituted or shall be pending or threatened by the

19

Commission, and any request on the part of the Commission for additional information shall have been complied with to the reasonable satisfaction of counsel to the Agents.

(b) LEGAL OPINIONS, MEMORANDA AND NEGATIVE ASSURANCE LETTERS. On the date hereof, the Agents shall have received the following legal opinions, memoranda and negative assurance letters dated as of the date hereof and in form and substance satisfactory to the Agent:

(i) OPINION OF INTERNAL COUNSEL FOR THE COMPANY. The opinion of internal Counsel for the Company, to the effect set forth in EXHIBIT A hereto and to such further effect as the Agents may reasonably request;

(ii) NEGATIVE ASSURANCE LETTER OF COUNSEL FOR THE COMPANY. The negative assurance letter of LeBoeuf, Lamb, Greene & MacRae, L.L.P. or other legal counsel selected by the Company and reasonably satisfactory to the Agents ("Company Counsel") to the effect set forth in EXHIBIT B hereto and to such further effect as the Agents may reasonably request;

(iii) OPINION OF COUNSEL FOR THE COMPANY CONCERNING CERTAIN INSOLVENCY, FUNDING AGREEMENT AUTHORITY AND FUNDING AGREEMENT

ENFORCEABILITY MATTERS. The opinion of Lord, Bissell & Brook or other legal counsel selected by the Company and reasonably satisfactory to the Agents to the effect set forth in EXHIBIT C hereto and to such further effect as the Agents may reasonably request;

(iv) OPINION OF COUNSEL FOR THE COMPANY CONCERNING CERTAIN ILLINOIS SECURITY INTEREST MATTERS. The opinion of Lord, Bissell & Brook, counsel for the Company, to the effect set forth in EXHIBIT D hereto and to such further effect as the Agents may reasonably request;

(v) OPINION OF COUNSEL FOR THE COMPANY CONCERNING CERTAIN FEDERAL SECURITIES AND NEW YORK MATTERS. The opinion of Company Counsel to the effect set forth in EXHIBIT E hereto and to such further effect as the Agents may reasonably request;

(vi) OPINION OF COUNSEL FOR THE COMPANY CONCERNING CERTAIN TAX MATTERS. The opinion of Company Counsel to the effect set forth in EXHIBIT F hereto and to such further effect as the Agents may reasonably request;

(vii) MEMORANDUM OF COUNSEL FOR THE COMPANY CONCERNING CERTAIN INSURANCE MATTERS. The memorandum of Company Counsel to the effect set forth in EXHIBIT G hereto and to such further effect as the Agents may reasonably request;

(viii) NEGATIVE ASSURANCE LETTER OF COUNSEL FOR THE AGENTS. The negative assurance letter of Sidley Austin Brown & Wood LLP or other legal counsel selected by the Agents and reasonably satisfactory to Global Funding and the Company, with respect to the matters set forth in EXHIBIT H hereto;

(ix) OPINION OF COUNSEL FOR THE GLOBAL FUNDING DELAWARE TRUSTEE AND THE RELEVANT ISSUING TRUST TRUSTEE. The opinion of Richards, Layton & Finger, counsel for

20

the Global Funding Delaware Trustee, to the effect set forth in EXHIBIT I hereto and to such further effect as the Agents may reasonably request;

(x) OPINION OF COUNSEL FOR GLOBAL FUNDING ADMINISTRATOR AND ISSUING TRUST ADMINISTRATOR. The opinion of counsel for Global Funding Administrator, to the effect set forth in EXHIBIT J hereto and to such further effect as the Agents may reasonably request;

(xi) OPINION OF COUNSEL FOR THE INDENTURE TRUSTEE. The opinion of counsel for the Indenture Trustee to the effect set forth in EXHIBIT K hereto and to such further effect as the Agents may reasonably request;

(xii) OPINION OF COUNSEL FOR GLOBAL FUNDING AND RELEVANT ISSUING TRUST CONCERNING CERTAIN DELAWARE SECURITY INTEREST MATTERS. The opinion of Richards, Layton & Finger or other legal counsel selected by the Global Funding Delaware Trustee and reasonably satisfactory to the Agents, to the effect set forth in EXHIBIT L hereto and to such further effect as the Agents may reasonably request;

(xiii) OPINION OF COUNSEL FOR GLOBAL FUNDING. The opinion of Richards, Layton & Finger or other legal counsel selected by the Global Funding Delaware Trustee and reasonably satisfactory to the Agents, to the effect set forth in EXHIBIT M hereto and to such further effect as the Agents may reasonably request;

(xiv) OPINION OF COUNSEL FOR THE RELEVANT ISSUING TRUST. The opinion of Richards, Layton & Finger or other legal counsel selected by the Global Funding Delaware Trustee and reasonably satisfactory to the Agents, to the effect set forth in EXHIBIT N hereto and to such further effect as the Agents may reasonably request;

PROVIDED, HOWEVER, that unless otherwise agreed among the relevant Issuing Trust and the Agents, each of the opinions set forth in Section 6(b) above will be delivered as of each March -, commencing March -, 2004, modified as necessary to relate to such time of delivery.

(c) GLOBAL FUNDING CERTIFICATE. Global Funding shall have furnished to the Agents a certificate of Global Funding, signed by Global Funding Administrator of Global Funding, dated the date of such certificate, to the effect that:

(i) the representations and warranties of Global Funding and, if applicable, the relevant Issuing Trust in this Agreement are true and correct on and as of the date of such certificate with the same effect as if made on the date hereof and Global Funding and, if applicable, relevant Issuing Trust have complied with all agreements and satisfied all the conditions on its part to be performed or satisfied at or prior to the date of such certificate;

(ii) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose

have been instituted or, to Global Funding's knowledge, threatened; and

21

(iii) since the date of the Prospectus there has occurred no event required to be set forth in an amendment or supplement to the Registration Statement or Prospectus, and there has been no document required to be filed under the 1933 Act, the 1933 Act Regulations, the 1934 Act or the 1934 Act Regulations which, upon filing, would be deemed to be incorporated by reference in the Prospectus which has not been so filed.

(d) COMPANY OFFICER'S CERTIFICATE. The Company shall have furnished to the Agents a certificate of the Company, signed by either the Chairman of the Board, Chief Executive Officer, President, Chief Operating Officer, Chief Financial Officer, Secretary, General Counsel or Treasurer of the Company, dated the date of such certificate, to the effect that the signatory of such certificate has carefully examined the Registration Statement, the Prospectus and amendments and supplements thereto and this Agreement and that:

(i) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or, to the Company's knowledge, threatened;

(ii) since the date of the Prospectus there has occurred no event required to be set forth in an amendment or supplement to the Registration Statement or Prospectus, and there has been no document required to be filed under the 1933 Act, the 1933 Act Regulations, the 1934 Act or the 1934 Act Regulations which, upon filing, would be deemed to be incorporated by reference in the Prospectus which has not been so filed; and

(iii) nothing has come to the attention of the Company that would cause it to believe that the priority status of the Funding Agreements under Section 5/205 of the Illinois Insurance Code has been adversely modified since the date of the last delivery of the opinion issued by Lord, Bissell & Brook, substantially in the form of EXHIBIT C attached hereto.

(e) COMFORT LETTER OF ACCOUNTANTS TO THE COMPANY. On the date hereof, the Agents shall have received a letter from Deloitte & Touche LLP or its successor, as accountants to the Company (the "ACCOUNTANTS"), dated as of the date hereof, and in form and substance satisfactory to the Agent, to the effect set forth in EXHIBIT O hereto.

(f) ADDITIONAL DOCUMENTS. On the date hereof, counsel to the Agents shall have been furnished with such documents and opinions as such counsel may require for the purpose of enabling such counsel to pass upon the issuance and sale of Notes as herein contemplated and related proceedings, or in order to evidence the accuracy of any of the representations and warranties, or the fulfillment of any of the conditions, herein contained; and all proceedings taken by the Company and Global Funding in connection with the issuance and sale of the Notes as herein contemplated shall be satisfactory in form and substance to the Agents and to counsel to the Agents.

If any condition specified in this Section 6 shall not have been fulfilled when and as required to be fulfilled, this Agreement may be terminated by the applicable Agent(s) by notice to Global Funding or relevant Issuing Trust at any time and any such termination shall be

22

without liability of any party to any other party except as provided in Section 11 hereof and except that Sections 9, 10, 12, 15 and 16 hereof shall survive any such termination and remain in full force and effect.

SECTION 7. DELIVERY OF AND PAYMENT FOR NOTES SOLD THROUGH AN AGENT AS AGENT.

Delivery of Notes sold through an Agent as an agent of an Issuing Trust shall be made by the Issuing Trust to such Agent for the account of any purchaser only against payment therefor in immediately available funds. In the event that a purchaser shall fail either to accept delivery of or to make payment for a Note on the date fixed for settlement, such Agent shall promptly notify such Issuing Trust and deliver such Note to such Issuing Trust and, if such Agent has theretofore paid such Issuing Trust for such Note, such Issuing Trust will promptly return such funds to such Agent. If such failure has occurred for any reason other than default by such Agent in the performance of its obligations hereunder, such Issuing Trust will reimburse such Agent on an equitable basis for its loss of the use of the funds for the period such funds were credited to such Issuing Trust's account.

SECTION 8. ADDITIONAL COVENANTS OF GLOBAL FUNDING AND ISSUING TRUST.

Global Funding and each Issuing Trust (only with respect to itself) further covenants and agrees with each Agent as follows:

(a) REAFFIRMATION OF REPRESENTATIONS AND WARRANTIES. Each acceptance by an Issuing Trust of an offer for the purchase of Notes (whether to one or more Agents as principal or through one or more Agents as agent), and each delivery

of Notes (whether to one or more Agents as principal or through an Agent as agent) shall be deemed to be an affirmation that the representations and warranties of Global Funding and such Issuing Trust contained in any certificate theretofore delivered to such Agent pursuant hereto are true and correct at the time of such acceptance or sale, as the case may be, and an undertaking that such representations and warranties will be true and correct at the time of delivery to such Agent(s) or to the purchaser or its agent, as the case may be, of the Notes relating to such acceptance or sale, as the case may be, as though made at and as of each such time (it being understood that such representations and warranties shall relate to the Registration Statement and Prospectus as amended and supplemented to each such time).

(b) SUBSEQUENT DELIVERY OF CERTIFICATES. At (i) each time that the Registration Statement or Prospectus shall be amended or supplemented (other than by (A) an amendment or supplement providing solely for the determination of the variable terms of the Notes and (B) an amendment deemed to have occurred as a result of a periodic filing by the Company, Global Funding or any Issuing Trust under the 1934 Act or the 1934 Act Regulations, except any quarterly report of the Company on Form 10-Q or any annual report of the Company on Form 10-K (any such report, a "SEC PERIODIC REPORT")), (ii) each Settlement Date, Global Funding shall, and agrees to cause the Company to, furnish or cause to be furnished to the Agents, forthwith a certificate dated the date of filing with the Commission or the date of effectiveness of such amendment or supplement, as applicable, or the date of such sale, as the case may be, in form satisfactory to the Agents to the effect that the statements contained in the certificate referred to in Sections 6(c) and 6(d) hereof which were last furnished to the Agents are true and

23

correct at the time of the filing or effectiveness of such amendment or supplement, as applicable, or the time of such sale, as the case may be, as though made at and as of such time (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such time) or, in lieu of such certificate, a certificate of the same tenor as the certificate referred to in Sections 6(c) and 6(d) hereof, modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such certificate (it being understood that, in the case of clause (ii) above, any such certificate shall also include a certification that there has been no material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise or of Global Funding or any Issuing Trust since the date of the agreement by such Agent to purchase Notes from such Issuing Trust as principal); PROVIDED, HOWEVER, that any delivery of certificates as required by this Section 8(b) due to the filing of an SEC Periodic Report shall only be required to be delivered prior to the pricing date for such Issuing Trust's Notes issued immediately after such SEC Periodic Report.

(c) SUBSEQUENT DELIVERY OF LEGAL OPINIONS. In the event of an Agent request, Global Funding shall furnish or cause to be furnished to the Agents promptly upon such Agent request legal opinions of internal counsel for the Company, counsel for the Company, counsel for the Global Funding Delaware Trustee and the Relevant Issuing Trust Trustee, counsel for Global Funding and the relevant Issuing Trust, counsel for the Indenture Trustee and counsel for Global Funding Administrator and the Issuing Trust Administrator, as applicable, dated the date agreed to in connection with such Agent request, in form and substance reasonably satisfactory to the Agents, of substantially the same tenor as the legal opinions referred to in Section 6(b)(i), Section 6(b)(iii), Section 6(b)(iv), Section 6(b)(v), Section 6(b)(vi), Section 6(b)(viii), Section 6(b)(ix), Section 6(b)(x), Section 6(b)(xi), Section 6(b)(xii), Section 6(b)(xiii) and Section 6(b)(xiv) hereof, as applicable, modified as necessary to relate to any report filed by the Company under Section 13 or Section 15(d) of the 1934 Act, to the time of delivery of such legal opinions or, in lieu of such legal opinions, counsel last furnishing such legal opinions to the Agents shall furnish such Agents with a letter substantially to the effect that the Agents may rely on such last legal opinions to the same extent as though it was dated the date of such letter authorizing reliance (except that statements in such last legal opinions shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such letter authorizing reliance).

(d) SUBSEQUENT DELIVERY OF NEGATIVE ASSURANCE LETTER OF COUNSEL FOR THE COMPANY. Each time that (i) the Registration Statement or Prospectus shall be amended or supplemented (other than by (A) an amendment or supplement providing solely for the determination of the variable terms of the Notes and (B) an amendment deemed to have occurred as a result of a periodic filing by the Company, Global Funding or any Issuing Trust under the 1934 Act or the 1934 Act Regulations, except any SEC Periodic Report), (ii) (if required in connection with the purchase of Notes from an Issuing Trust by one or more Agents as principal) an Issuing Trust sells Notes to one or more Agents as principal or (iii) an Issuing Trust sells Notes in a form not previously certified to the Agents by such Issuing Trust, Global Funding agrees to cause the Company to furnish or cause to be furnished forthwith to the Agents and to counsel to the Agents, a negative assurance letter of counsel for the Company dated the date of filing with the Commission or the date of effectiveness of such amendment or supplement, as applicable, or the date of such sale, as the case may be, in form

same tenor as the negative assurance letter referred to in Section 6(b)(ii) hereof, but modified, as necessary, to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such negative assurance letter or, in lieu of such negative assurance letter, counsel last furnishing such negative assurance letter to the Agents shall furnish such Agents with a letter substantially to the effect that the Agents may rely on such last negative assurance letter to the same extent as though it was dated the date of such letter authorizing reliance (except that statements in such last negative assurance letter shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such letter authorizing reliance); PROVIDED, HOWEVER, that any delivery of a negative assurance letter as required by this Section 8(d) due to the filing of an SEC Periodic Report shall only be required to be delivered prior to the pricing date for an Issuing Trust's Notes to be issued immediately after such SEC Periodic Report. As of each -, Global Funding agrees to furnish or cause to be furnished forthwith to the Agents the negative assurance letter of Sidley Austin Brown & Wood LLP, counsel to the Agents, or such other counsel reasonably satisfactory to the Agents, dated as of the date of the filing of such Form 10-K with the Commission, of the same tenor as the opinion referred to in Section 6(b)(viii) hereof, but modified, as necessary, to relate to the Registration Statement and Prospectus as amended and supplemented to the time of delivery of such negative assurance letter.

(e) DELIVERY OF LEGAL OPINIONS OR RELIANCE LETTERS UPON ISSUANCE OF NOTES. Unless otherwise agreed to among the Company, Global Funding and the applicable Agent(s), Global Funding shall furnish or cause to be furnished to the applicable Agent(s) in connection with each issuance of Notes by an Issuing Trust (i) an opinion of internal counsel for the Company (or a reliance letter authorizing reliance by such Agent(s) on an opinion of like tenor) as to the validity and enforceability of the Funding Agreement(s) being issued in connection therewith and (ii) an opinion of counsel for the Company (or a reliance letter authorizing reliance by such Agent(s) on an opinion of like tenor) as to the validity and enforceability of the Funding Notes of Global Funding and of the Notes of the relevant Issuing Trust, in each case, dated the date of such issuance, and in form and substance reasonably satisfactory to the Agents.

(f) SUBSEQUENT DELIVERY OF COMFORT LETTERS. Each time that (i) the Registration Statement or the Prospectus shall be amended or supplemented to include additional financial information (other than by (A) an amendment or supplement providing solely for the determination of the variable terms of the Notes and (B) an amendment deemed to have occurred as a result of a periodic filing by the Company, Global Funding or any Issuing Trust under the 1934 Act or the 1934 Act Regulations, except any SEC Periodic Report) or (ii) (if required in connection with the purchase of Notes from an Issuing Trust by one or more Agents as principal) an Issuing Trust sells Notes to one or more Agents as principal, such Trust agrees to cause the Company to cause the Accountants forthwith to furnish to the Agents a letter, dated the date of filing with the Commission or the date of effectiveness of such amendment or supplement, as applicable, or the date of such sale, as the case may be, in form satisfactory to the Agents, of the same tenor as the letter referred to in Section 6(e) hereof but modified to relate to the Registration Statement and Prospectus as amended and supplemented to the date of such letter; PROVIDED, HOWEVER, that any delivery of any letter as required by this Section 8(f) due to the filing of an SEC Periodic Report shall only be required to be delivered prior to the pricing date for an Issuing Trust's Notes issued immediately after such SEC Periodic Report.

SECTION 9. INDEMNIFICATION.

(a) INDEMNIFICATION OF THE AGENT. Global Funding and the relevant Issuing Trust (only as to itself in connection with the issuance of its Notes and without respect to any other Issuing Trust) agree to indemnify and hold harmless each Agent, its directors and officers and each person, if any, who controls such Agent within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act as follows:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto) or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading, or arising out of an untrue statement or alleged untrue statement of a material fact included in any preliminary prospectus or the Prospectus (or any amendment or supplement thereto), or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and

expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, provided that (subject to Section 9(d) hereof) any such settlement is effected with the written consent of Global Funding and the relevant Issuing Trust; and

(iii) against any and all expense whatsoever, as incurred (including the fees and disbursements of counsel chosen by such Agent), reasonably incurred in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under subparagraph (i) or (ii) above;

PROVIDED, HOWEVER, that this indemnity does not apply to any loss, liability, claim, damage or expense to the extent arising out of (i) an untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information furnished to Global Funding by the Agents concerning the Agents expressly for use in the Registration Statement (or any amendment thereto) or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto), (ii) any use of the Prospectus by the Agents to sell Notes or solicit offers for the purchase of Notes (x) after such time as Global Funding shall have provided written notice pursuant to Section 4(f) hereunder or the Company shall have provided written notice pursuant to Section 2(f) of the Representations and Indemnity Agreement, to the Agents to cease the sale of Notes and solicitation of offers for the purchase of Notes and (y) before such time as Global Funding and the Company shall have furnished the Agents with copies of such amendment or supplement to the Prospectus pursuant to Section 4(f) hereunder or Section 2(f) of the Representations and Indemnity Agreement or (iii) a claim for

26

indemnity made under the Representations and Indemnity Agreement, only to the extent such claim has previously been satisfied by the Company pursuant to the terms of the Representations and Indemnity Agreement.

(b) INDEMNIFICATION OF GLOBAL FUNDING AND ISSUING TRUSTS. Each Agent agrees, severally but not jointly, to indemnify and hold harmless Global Funding and each Issuing Trust, their administrator, directors, officers and trustees (if applicable) who signed the Registration Statement and each person, if any, who controls Global Funding and any Issuing Trust within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act against any and all loss, liability, claim, damage and expense described in the indemnity contained in Section 9(a) hereof, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment thereto) or Registration Statement (or any amendment thereto) or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with written information furnished to Global Funding by such Agent concerning such Agent expressly for use in the Registration Statement (or any amendment thereto) or Registration Statement Amendment (or any amendment thereto) or such preliminary prospectus or the Prospectus (or any amendment or supplement thereto).

(c) ACTIONS AGAINST PARTIES; NOTIFICATION. Each indemnified party shall give notice as promptly as reasonably practicable to each indemnifying party of any action commenced against it in respect of which indemnity may be sought hereunder, but failure to so notify an indemnifying party shall not relieve such indemnifying party from any liability hereunder to the extent it is not materially prejudiced as a result thereof and in any event shall not relieve it from any liability which it may have otherwise than on account of this indemnity agreement. In the case of parties indemnified pursuant to Section 9(a) hereof or Section 5(a) of the Representations and Indemnity Agreement, counsel to the indemnified parties shall be selected by the applicable Agent(s) and, in the case of parties indemnified pursuant to Section 9(b) hereof or Section 5(b) of the Representations and Indemnity Agreement, counsel to the indemnified shall be selected by Global Funding, the relevant Issuing Trust and the Company. An indemnifying party may participate at its own expense in the defense of any such action; provided, however, that counsel to the indemnifying party shall not (except with the consent of the indemnified party) also be counsel to the indemnified party. In no event shall the indemnifying parties (collectively with any other indemnifying parties in connection with the Representations and Indemnity Agreement), whether such indemnity is claimed hereunder or under the Representations and Indemnity Agreement, be liable for fees and expenses of more than one counsel (in addition to any local counsel) separate from their own counsel for all indemnified parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances.

No indemnifying party under this Agreement or the Representations and Indemnity Agreement shall, without the prior written consent of the indemnified parties under this Agreement and the Representations and Indemnity Agreement, settle or compromise or consent to the entry of any judgment with respect to any litigation, or any investigation or proceeding by any governmental agency or

body, commenced or threatened, or any claim whatsoever in respect of which indemnification or contribution could be sought under this Section 9 or Section 10 hereof (whether or not the indemnified parties are actual or potential parties thereto), unless such

27

settlement, compromise or consent (i) includes an unconditional release of each indemnified party from all liability arising out of such litigation, investigation, proceeding or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party.

(d) SETTLEMENT WITHOUT CONSENT IF FAILURE TO REIMBURSE. If at any time an indemnified party shall have requested in writing an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by Section 9(a)(ii) effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by such indemnifying party of the aforesaid request, (ii) such indemnifying party shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into and (iii) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement.

SECTION 10. CONTRIBUTION.

If the indemnification provided for in Section 9 hereof is for any reason unavailable to or insufficient to hold harmless an indemnified party in respect of any losses, liabilities, claims, damages or expenses referred to therein, then each indemnifying party shall contribute to the aggregate amount of such losses, liabilities, claims, damages and expenses incurred by such indemnified party, as incurred, (i) in such proportion as is appropriate to reflect the relative benefits received by Global Funding and the relevant Issuing Trust, on one hand, and the applicable Agent(s), on the other hand, from the offering of the Notes that were the subject of the claim for indemnification or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of Global Funding and the relevant Issuing Trust, on one hand, and the applicable Agent(s), on the other hand, in connection with the statements or omissions which resulted in such losses, liabilities, claims, damages or expenses, as well as any other relevant equitable considerations.

The relative benefits received by Global Funding and the relevant Issuing Trust, on the one hand, and the applicable Agent(s), on the other hand, in connection with the offering of the Notes that were the subject of the claim for indemnification shall be deemed to be in the same respective proportions as the total net proceeds from the offering of such Notes (before deducting expenses) received by the relevant Issuing Trust and the total discount or commission received by the applicable Agent(s), as the case may be, bears to the aggregate initial offering price of such Notes.

The relative fault of Global Funding and the relevant Issuing Trust, on one hand, and the applicable Agent(s), on the other hand, shall be determined by reference to, among other things, whether any untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by Global Funding and the relevant Issuing Trust, on one hand, or by the applicable Agent(s), on the other hand, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

28

The parties agree that it would not be just and equitable if contribution pursuant to this Section 10 were determined by pro rata allocation (even if the Agents were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section 10. The aggregate amount of losses, liabilities, claims, damages and expenses incurred by an indemnified party and referred to above in this Section 10 shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any applicable untrue or alleged untrue statement or omission or alleged omission.

Notwithstanding the provisions of this Section 10, (i) no Agent shall be required to contribute any amount in excess of the amount by which the total discount or commission received by such Agent in connection with the offering of the Notes that were the subject of the claim for indemnification exceeds the amount of any damages which such Agent has otherwise been required to pay by reason of any applicable untrue or alleged untrue statement or omission or alleged omission and (ii) no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent

misrepresentation. In addition, in connection with an offering of Notes purchased from an Issuing Trust by two or more Agents as principal, the respective obligations of such Agents to contribute pursuant to this Section 10 are several, and not joint, in proportion to the aggregate principal amount of Notes that each such Agent has agreed to purchase from such Issuing Trust.

For purposes of this Section 10, each director, officer and person, if any, who controls an Agent within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act shall have the same rights to contribution as such Agent, and each director, officer and trustee (if applicable) of Global Funding and relevant Issuing Trust, and each person, if any, who controls Global Funding and the relevant Issuing Trust within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act shall have the same rights to contribution as Global Funding and relevant Issuing Trust.

SECTION 11. PAYMENT OF EXPENSES.

Global Funding will pay all expenses incident to the performance of the obligations of the Company, Global Funding and the relevant Issuing Trust under this Agreement, including:

(a) The preparation, filing, printing and delivery of the Registration Statement as originally filed and all amendments thereto and any preliminary prospectus, the Prospectus and any amendments or supplements thereto;

(b) The preparation, printing and delivery of Global Funding Program Documents and the Issuing Trust Program Documents;

(c) The preparation, issuance and delivery of the Notes, including any fees and expenses relating to the eligibility and issuance of Notes in book-entry form and the cost of obtaining CUSIP or other identification numbers for the Notes;

29

(d) The fees and disbursements of the Company's, Global Funding's and each Issuing Trust's accountants, counsel and other advisors or agents (including any calculation agent or exchange rate agent) and of the Global Funding Delaware Trustee, Relevant Issuing Trust Trustee, Global Funding Administrator, Issuing Trust Administrator, Indenture Trustee and Funding Note Indenture Trustee and their counsel;

(e) The reasonable fees and disbursements of counsel to the Agents incurred in connection with the maintenance of the Programs and, unless otherwise agreed, incurred from time to time in connection with the transactions contemplated hereby;

(f) The fees charged by the nationally recognized statistical rating organizations for the rating of the Programs and the Notes;

(g) The fees and expenses incurred in connection with any listing of Notes on a securities exchange;

(h) The filing fees incident to, and the reasonable fees and disbursements of counsel to the Agents in connection with, the review, if any, by the National Association of Securities Dealers, Inc. (the "NASD"); and

(i) Any reasonable advertising and other out-of-pocket expenses of the Agents incurred with the approval of the Company, Global Funding and the Issuing Trust.

SECTION 12. REPRESENTATIONS, WARRANTIES AND AGREEMENTS TO SURVIVE DELIVERY.

All representations, warranties and agreements contained in this Agreement, in certificates of the officers of Global Funding Administrator, the Issuing Trust Administrator, the Global Funding Delaware Trustee and the Relevant Issuing Trust Trustee submitted pursuant hereto or thereto shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Agents or any controlling person of the Agents, or by or on behalf of the Company, Global Funding or the Issuing Trust, and shall survive each delivery of and payment for the Notes.

SECTION 13. TERMINATION.

(a) **TERMINATION OF THIS AGREEMENT.** This Agreement (excluding any agreement by one or more Agents to purchase Notes from an Issuing Trust as principal) may be terminated for any reason, at any time by (i) Global Funding as to all the Agents or one or more but less than all the Agents, or (ii) an Agent as to itself, upon the giving of thirty (30) days' prior written notice of such termination to the other parties hereto.

(b) **TERMINATION OF AGREEMENT TO PURCHASE NOTES AS PRINCIPAL.** The applicable Agent(s) may terminate any agreement by such Agent(s) to purchase Notes from an Issuing Trust as principal, immediately upon notice to such Issuing Trust, at any time on or prior to the Settlement Date relating thereto, if (i) there has been, since the date of such agreement or since the respective dates as of which information is given in the Prospectus, any material adverse

change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, or of Global Funding

30

or such Issuing Trust, whether or not arising in the ordinary course of business, or (ii) there has occurred any material adverse change in the financial markets in the United States or any outbreak of hostilities or escalation thereof or other calamity or crisis or any change or development or event involving a prospective change in national or international political, financial or economic conditions, in each case the effect of which is such as to make it, in the judgment of such Agent(s), impracticable or inadvisable to market such Notes or enforce contracts for the sale of such Notes, (iii) trading in any securities of the The Allstate Corporation, a publicly owned holding company incorporated under the laws of the State of Delaware (the "CORPORATION"), Allstate Insurance Company, a stock property-liability insurance company incorporated under the laws of the State of Illinois ("AIC"), the Company, Global Funding or such Issuing Trust has been suspended or materially limited by the Commission or a national securities exchange, or if trading generally on the New York Stock Exchange or the American Stock Exchange or in the Nasdaq National Market has been suspended or materially limited, or minimum or maximum prices for trading have been fixed, or maximum ranges for prices have been required, by either of said exchanges or by such system or by order of the Commission, the NASD or any other governmental authority, or a material disruption has occurred in commercial banking or securities settlement or clearance services in the United States, (iv) a banking moratorium has been declared by either Federal or New York authorities or by the relevant authorities in the country or countries of origin of any foreign or composite currency in which such Notes are denominated or payable or (v) the rating assigned by any nationally recognized statistical rating organization to the Programs or any other debt securities (including the Notes) of any Issuing Trust or the financial strength of the Company as of the date of such agreement shall have been lowered or withdrawn since that date or if any such rating organization shall have publicly announced that it has under surveillance or review its rating, with possible negative implications, of the Programs or any such debt securities (including the Notes) of any Issuing Trust or the financial strength of the Company.

(c) GENERAL. In the event of any such termination, neither party will have any liability to the other party hereto, except that (i) the Agent(s) shall be entitled to any commissions earned in accordance with the third paragraph of Section 3(b) hereof, (ii) if at the time of termination (a) any Agent shall own any Notes purchased by it from an Issuing Trust as principal or (b) an offer to purchase any of the Notes has been accepted by an Issuing Trust but the time of delivery to the purchaser or his agent of such Notes relating thereto has not occurred, the covenants set forth in Sections 4, 5 and 8 hereof shall remain in effect until such Notes are so resold or delivered, as the case may be, and (iii) the provisions of Section 11 hereof, the indemnity and contribution agreements set forth in Sections 9 and 10 hereof, and the provisions of Sections 12, 15 and 16 hereof shall remain in effect.

SECTION 14. NOTICES.

Unless otherwise provided herein, all notices required under the terms and provisions hereof shall be in writing, either delivered by hand, by mail or by telex, telecopier or telegram, and any such notice shall be effective when received at the address specified below.

If to Global Funding or any Issuing Trust:

Allstate Life Global Funding

31

c/o AMACAR Pacific Corp.
6525 Morrison Boulevard
Suite 318
Charlotte, NC 28211
Attention: President
Telecopy No.: (704) 365-1632

With a copy to the Company at the address set forth below.

If to the Agents:

To each Agent at the address specified in SCHEDULE 1.

With a copy to the Company at the address set forth below.

Address of the Company:

Allstate Life Insurance Company
3100 Sanders Road
Northbrook, IL 60062
Attention: Assistant Vice President, Institutional Markets

or at such other address as such party or the Company may designate from time to time by notice duly given in accordance with the terms of this Section 13.

SECTION 15. PARTIES.

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, firm or corporation, other than the parties hereto and their respective successors and the controlling persons, officers and directors referred to in Sections 9 and 10 hereof and their heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. This Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the parties hereto and their respective successors, and said controlling persons, officers and directors and their heirs and legal representatives, and for the benefit of no other person, firm or corporation. No purchaser of Notes shall be deemed to be a successor by reason merely of such purchase.

SECTION 16. GOVERNING LAW; FORUM.

PURSUANT TO SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, THIS AGREEMENT AND ALL THE RIGHTS AND OBLIGATIONS OF THE PARTIES SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES. ANY SUIT, ACTION OR PROCEEDING BROUGHT BY THE TRUST AGAINST ANY AGENT IN CONNECTION WITH OR

32

ARISING UNDER THIS AGREEMENT SHALL BE BROUGHT SOLELY IN THE STATE OR FEDERAL COURT OF APPROPRIATE JURISDICTION LOCATED IN THE BOROUGH OF MANHATTAN, THE CITY OF NEW YORK.

SECTION 17. EFFECT OF HEADINGS.

The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 18. COUNTERPARTS.

This Agreement may be executed in one or more counterparts and, if executed in more than one counterpart, the executed counterparts hereof shall constitute a single instrument.

SECTION 19. AMENDMENTS.

(a) This Agreement may be amended or supplemented if, but only if, such amendment or supplement is in writing and is signed by Global Funding and the Agents. Global Funding and any Issuing Trust may from time to time nominate any institution as a new Agent hereunder either in respect of the Programs generally or in relation to a particular Issuing Trust's Notes only; in which event, upon confirmation by such institution of an initial purchaser accession letter (the "AGENT ACCESSION LETTER") in the terms or substantially in the form of EXHIBIT P, such institution shall become a party hereto, subject as provided below, with all the authority, rights, powers, duties and obligations of an Agent as if originally named as an Agent hereunder; provided further that, in the case of an institution which has become an Agent in relation to a particular Issuing Trust's Notes, following the issue of the relevant Notes, the relevant new Agent shall have no further authority rights, powers, duties or obligations except such as may have accrued or been incurred prior to, or in connection with, the issue of such Issuing Trust's Notes. Any Agent that executes a counterpart to this Agreement shall simultaneously execute a counterpart to the Representations and Indemnity Agreement.

(b) The parties hereto acknowledge and agree that a copy of each amendment to this Agreement effected pursuant to this Section 18 shall be provided promptly by Global Funding to the following Ratings Agencies at the following addresses:

Standard & Poor's Ratings Services,
a division of The McGraw-Hill Companies, Inc.
55 Water Street
New York, New York 10041
Attention: Capital Markets
Facsimile: (212) 438-5215

Moody's Investors Service, Inc.
99 Church Street
New York, New York 10007
Attention: Moody's Investors Service Life Insurance Group
Facsimile: (212) 553-4805

33

or such other addresses previously furnished in writing to Global Funding by any Rating Agency in the future; PROVIDED, HOWEVER, that any failure by the Trust to deliver copies of any amendment required to be delivered pursuant to this Section 19 shall not constitute a breach of or an event of default under this Agreement. The term "Rating Agency", for purposes of this Section 19, means any of Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., Moody's Investors Service, Inc. or any other "nationally recognized statistical rating organization" (as such term is defined in Rule 436(g)(2) of the 1933 Act).

SECTION 20. SEPARATE NATURE OF EACH ISSUING TRUST.

The Agents agree and acknowledge that, as a separate and distinct special purpose statutory trusts, the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to a particular Issuing Trust, including such Issuing Trust's obligations under this Agreement and the applicable Terms Agreement, will be enforceable only against such Issuing Trust and not against any other Issuing Trust.

SECTION 21. STABILIZATION.

The Agent(s) may, to the extent permitted by applicable laws, over-allot and effect transactions in any over-the-counter market or otherwise in connection with the distribution of the Notes with a view to supporting the market price of Notes at levels higher than those that might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. In such circumstances, as between an Issuing Trust, on one hand, and one or more Agents, on the other hand, such Agent(s) shall act as principal, and any loss resulting from stabilization shall be borne, and any profit arising therefrom and any sum received by such Agent(s) shall be beneficially retained by such Agent(s), as the case may be, for such Agents' own account.

SIGNATURE PAGES FOLLOW

If the foregoing is in accordance with the Agents' understanding of our agreement, please sign and return to Global Funding a counterpart hereof, whereupon this Agreement, along with all counterparts, will become a binding agreement by and between the Agents and Global Funding in accordance with its terms.

Very truly yours,

ALLSTATE LIFE GLOBAL FUNDING

By: _____
Name:
Title:

CONFIRMED AND ACCEPTED,
as of the date first above written:

MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED

By: _____
Authorized Signatory

A.G. EDWARDS & SONS, INC.

By: _____
Authorized Signatory

BANC OF AMERICA SECURITIES LLC

By: _____
Authorized Signatory

BANC ONE CAPITAL MARKETS, INC.

By: -----
Authorized Signatory

BARCLAYS CAPITAL INC.

By: -----
Authorized Signatory

CITIGROUP GLOBAL MARKETS INC.

By: -----
Authorized Signatory

CREDIT SUISSE FIRST BOSTON LLC

By: -----
Authorized Signatory

DEUTSCHE BANK SECURITIES INC.

By: -----
Authorized Signatory

GOLDMAN, SACHS & CO.

By: -----
Authorized Signatory

SIGNATURE PAGE TO DISTRIBUTION AGREEMENT, PART 2 OF 3

J.P. MORGAN SECURITIES INC.

By: -----
Authorized Signatory

LEHMAN BROTHERS INC.

By: -----
Authorized Signatory

MORGAN STANLEY & CO. INCORPORATED

By: -----
Authorized Signatory

UBS SECURITIES LLC

By: -----
Authorized Signatory

By: -----
Authorized Signatory

By:

Authorized Signatory

SIGNATURE PAGE TO DISTRIBUTION AGREEMENT, PART 3 OF 3

INDEX OF EXHIBITS AND SCHEDULES

EXHIBITS

- Exhibit A - Opinion of Internal Counsel for the Company
- Exhibit B - Negative Assurance Letter of Counsel for the Company
- Exhibit C - Opinion of Counsel for the Company Concerning Certain Insolvency, Funding Agreement Authority and Funding Agreement Enforceability Matters
- Exhibit D - Opinion of Counsel for the Company Concerning Certain Illinois Security Interest Matters
- Exhibit E - Opinion of Counsel for the Company Concerning Certain Federal Securities and New York Matters
- Exhibit F - Opinion of Counsel for the Company Concerning Certain Tax Matters
- Exhibit G- Memorandum of Counsel for the Company Concerning Certain Insurance Matters
- Exhibit H - Negative Assurance Letter of Counsel for the Agents
- Exhibit I - Opinion of Counsel for the Global Funding Delaware Trustee and the Relevant Issuing Trust Trustee
- Exhibit J - Opinion of Counsel for Global Funding Administrator and the Issuing Trust Administrator
- Exhibit K - Opinion of Counsel for the Indenture Trustee
- Exhibit L - Opinion of Counsel for Global Funding and the relevant Issuing Trust Concerning Certain Delaware Security Interest Matters
- Exhibit M - Opinion of Counsel for Global Funding
- Exhibit N - Opinion of Counsel for the relevant Issuing Trust
- Exhibit O - Form of Comfort Letter of Deloitte & Touche LLP, Accountants to the Company
- Exhibit P - Form of Agent Accession Letter

SCHEDULES

- Schedule 1 - List of Agents
- Schedule 2 - Commission/Discount Schedule for Retail Sales
- Schedule 3 - Commission/Discount Schedule for Institutional Sales

REPRESENTATIONS AND INDEMNITY AGREEMENT

, 2004

Merrill Lynch, Pierce, Fenner & Smith
 Incorporated
 A.G. Edwards & Sons, Inc.
 Banc of America Securities LLC
 Banc One Capital Markets, Inc.
 Barclays Capital Inc.
 Citigroup Global Markets Inc.
 Credit Suisse First Boston LLC
 Deutsche Bank Securities Inc.
 Goldman, Sachs & Co.
 J.P. Morgan Securities Inc.
 Lehman Brothers Inc.
 Morgan Stanley & Co. Incorporated
 UBS Securities LLC
 Wachovia Securities L.L.C.

Ladies and Gentlemen:

Allstate Life Insurance Company, an Illinois stock life insurance company (the "COMPANY"), in connection with the Allstate Life Global Funding Secured Medium Term Notes Program (the "INSTITUTIONAL Program") and the Allstate Life(SM) CoreNotes(SM) Program (the "RETAIL PROGRAM" and, together with the Institutional Program, the "PROGRAMS"), and in consideration of the Distribution Agreement dated March -, 2004, as amended, restated or modified from time to time (the "DISTRIBUTION AGREEMENT"), by and among Merrill Lynch, Pierce, Fenner & Smith Incorporated and each other institution named on SCHEDULE 1 thereto (each, an "AGENT" and, collectively the "AGENTS") on the one hand, and Allstate Life Global Funding, a Delaware statutory trust ("GLOBAL FUNDING") and any Delaware statutory trust formed, and beneficially owned, by Global Funding (each, an "ISSUING TRUST" and, collectively, the "ISSUING TRUSTS") that becomes a party to the Distribution Agreement pursuant to the terms thereof and the applicable terms agreement (each, a "TERMS AGREEMENT") set forth in Section - of the series instrument to be executed by each Issuing Trust, Global Funding and the applicable Agent or Agents, among others (the "SERIES INSTRUMENT"), confirms its agreement with the Agents with respect to the issue and sale, from time to time by the Issuing Trusts, of notes due between nine months and thirty years from the date of issuance (the "NOTES").

The Notes of each Issuing Trust will be issued pursuant to an indenture, as amended or modified from time to time, which will adopt and incorporate the standard indenture terms (each, an "INDENTURE" and, collectively, the "INDENTURES") between the relevant Issuing Trust and JPMorgan Chase Bank, as indenture trustee (the "INDENTURE TRUSTEE"). Each Issuing Trust shall issue only one series of Notes. As of the date of this Agreement, the Issuing Trusts are

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 Allstate Life(SM) is a service mark of Allstate Life Insurance Company.
 CoreNotes(R) is a service mark of Merrill Lynch & Co.

authorized to issue collectively up to U.S. \$4,000,000,000 aggregate initial offering price of Notes (or its equivalent as determined in Section 4(p) of the Distribution Agreement).

Each Issuing Trust will use the proceeds from the sale of its Notes immediately to purchase a funding note (each a "FUNDING NOTE") issued by Global Funding. Each Funding Note will be issued pursuant to a funding note indenture, as amended or modified from time to time, which will adopt and incorporate the standard funding note indenture terms (each, a "FUNDING NOTE INDENTURE") between Global Funding and J.P. Morgan Trust Company, National Association, as the funding note indenture trustee (the "FUNDING NOTE INDENTURE TRUSTEE"). Global Funding will immediately use the net proceeds received from the sale of the applicable Funding Note to purchase a funding agreement (each a "FUNDING AGREEMENT") issued by the Company. Global Funding will immediately assign absolutely to, and deposit into the relevant Issuing Trust, the relevant Funding Agreement(s) and the relevant Funding Note will be surrendered. In connection with the sale of its Notes, the Issuing Trust will prepare a Pricing Supplement (the "PRICING SUPPLEMENT") including or incorporating by reference a description of the terms of the Notes and the terms of the offering.

Capitalized terms used herein and not otherwise defined herein shall have the meaning ascribed to them in the Distribution Agreement.

The Agents include those institutions named from time to time in SCHEDULE 1 to the Distribution Agreement and pursuant to Section 14 of this Agreement. If any institution is appointed as an Agent only with respect to the Notes of a particular Issuing Trust, such institution shall only be an Agent with respect to the Notes of such Issuing Trust.

The Company has registered shares of its common stock with the Securities and Exchange Commission (the "COMMISSION") pursuant to Section 12(g) of the Securities Exchange Act of 1934, as amended (the "1934 Act") on Form 10 under the 1934 Act. The Company and Global Funding have filed with the Commission a registration statement on Form S-3 (No. 333--) and pre-effective amendment no. -thereto as amended, if applicable (the "REGISTRATION STATEMENT") under the Securities Act of 1933, as amended (the "1933 ACT") for the registration of the Funding Agreements, the Funding Notes, and the Notes, and the offering thereof in accordance with Rule 415 of the rules and regulations of the Commission under the 1933 Act (the "1933 ACT REGULATIONS"). The Registration Statement has been declared effective by the Commission, and the form of Indenture and the form of Funding Note Indenture have been duly qualified under the Trust Indenture Act of 1939, as amended (the "1939 ACT"), and the Company and Global Funding have filed such post-effective amendments thereto as may be required prior to the acceptance by Global Funding and any Issuing Trust of any offer for the purchase of Notes and each such post-effective amendment has been declared effective by the Commission. The final prospectus and all applicable amendments or supplements thereto (including the final prospectus supplement and Pricing Supplement relating to the offering of Notes), in the form first furnished to the applicable Agent for use in confirming sales of Notes, are collectively referred to herein as the "PROSPECTUS"; provided, however, that all references to the "Registration Statement" and the "Prospectus" shall also be deemed to include all documents incorporated therein by reference pursuant to the 1934 Act, prior to any acceptance by Global Funding and an Issuing Trust of an offer for the purchase of Notes; provided, further, that if the Company or Global Funding file a registration statement with the Commission pursuant to Rule

2

462(b) of the 1933 Act Regulations (the "RULE 462(b) REGISTRATION STATEMENT"), then, after such filing, all references to the "Registration Statement" shall also be deemed to include the Rule 462(b) Registration Statement. A "PRELIMINARY PROSPECTUS" shall be deemed to refer to any prospectus used before the Registration Statement became effective and any prospectus furnished by the Company or Global Funding after the Registration Statement became effective and before any acceptance by Global Funding and any Issuing Trust of an offer for the purchase of its Notes which omitted information to be included upon pricing in a form of prospectus filed with the Commission pursuant to Rule 424(b) of the 1933 Act Regulations. For purposes of this Agreement, all references to the Registration Statement, Prospectus or preliminary prospectus or to any amendment or supplement thereto shall be deemed to include any copy filed with the Commission pursuant to its Electronic Data Gathering, Analysis and Retrieval system ("EDGAR").

All references in this Agreement to financial statements and schedules and other information which is "disclosed", "contained", "included" or "stated" (or other references of like import) in the Registration Statement, Prospectus or preliminary prospectus shall be deemed to include all such financial statements and schedules and other information which is incorporated by reference in the Registration Statement, Prospectus or preliminary prospectus, as the case may be; and all references in this Agreement to amendments or supplements to the Registration Statement, Prospectus or preliminary prospectus shall be deemed to include the filing of any document under the 1934 Act which is incorporated by reference in the Registration Statement, Prospectus or preliminary prospectus, as the case may be.

SECTION 1. REPRESENTATIONS AND WARRANTIES.

(a) The Company represents and warrants to each Agent as of the date hereof, as of the date of each acceptance by Global Funding and an Issuing Trust of an offer for the purchase of Notes (whether to such Agent as principal or through such Agent as agent), as of the date of each delivery of Notes (whether to such Agent as principal or through such Agent as agent) (the date of each such delivery is referred to herein as a "SETTLEMENT DATE"), and as of any time that the Registration Statement or the Prospectus shall be amended or supplemented (each of the times referenced above is referred to herein as a "REPRESENTATION DATE"), as follows:

(i) DUE INCORPORATION, GOOD STANDING AND DUE QUALIFICATION OF THE COMPANY. The Company is validly existing as a stock life insurance company in good standing under the laws of the State of Illinois with corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Prospectus and to enter into this Agreement and consummate the transactions to be performed by the Company as contemplated in the Prospectus; the Company is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to comply with any of the foregoing would not result in a material adverse change in the condition (financial or otherwise) or in the earnings or business affairs of the Company and its subsidiaries considered as one enterprise or on the power or ability of the Company to perform its obligations under the Program Documents (as defined in the applicable Indenture or form of Indenture, as the case may be) to which the Company is a party or to consummate the transactions to be

3

performed by the Company as contemplated in the Prospectus (a "COMPANY MATERIAL ADVERSE EFFECT"); all of the issued and outstanding shares of capital stock of the Company have been duly authorized and are validly issued, fully paid and non-assessable; and none of the outstanding shares of capital stock of the Company were issued in violation of preemptive or other similar rights of any securityholder of the Company.

(ii) DUE INCORPORATION, GOOD STANDING AND DUE QUALIFICATION OF SIGNIFICANT Subsidiaries. Each significant subsidiary (as such term is defined in Rule 1-02 of Regulation S-X promulgated under the 1933 Act) of the Company, if any (each, a "SIGNIFICANT SUBSIDIARY") is validly existing as a corporation in good standing under the laws of the jurisdiction of its incorporation, has corporate power and authority to own, lease and operate its properties and conduct its business as described in the Prospectus and is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to comply with any of the foregoing would not result in a Company Material Adverse Effect; all of the issued and outstanding shares of capital stock of each Significant Subsidiary has been duly authorized and is validly issued, fully paid and non-assessable and is 100% owned by the Company, directly or through subsidiaries, free and clear of any security interest, mortgage, pledge, lien, encumbrance, claim or equity; and none of the outstanding shares of capital stock of any Significant Subsidiary was issued in violation of preemptive or other similar rights of any securityholder of such Significant Subsidiary.

(iii) REGISTRATION STATEMENT AND PROSPECTUS; FILING STATUS. Each of the Company and Global Funding meet the requirements for use of Form S-3 under the 1933 Act; the Registration Statement (or any Rule 462(b) Registration Statement) has become effective under the 1933 Act and no stop order suspending the effectiveness of the Registration Statement (or any Rule 462(b) Registration Statement) has been issued under the 1933 Act and no proceedings for that purpose have been instituted or are pending or, to the knowledge of the Company are contemplated by the Commission, and any request on the part of the Commission for additional information has been complied with; the form of Indenture has been duly qualified under the 1939 Act; the form of Funding Note Indenture has been duly qualified under the 1939 Act; at the respective times that the Registration Statement (including any Rule 462(b) Registration Statement) and any post-effective amendment thereto (including the filing of the Company's most recent Annual Report on Form 10-K with the Commission) became effective and at each Representation Date, the Registration Statement (including any Rule 462(b) Registration Statement) and any amendments thereto complied and will comply in all material respects with the applicable requirements of the 1933 Act and the 1933 Act Regulations, the 1934 Act and the 1934 Act Regulations and the 1939 Act and the 1939 Act Regulations and did not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; each preliminary prospectus and Prospectus filed as part of the Registration Statement as originally filed or as part of any amendment thereto, or filed pursuant to Rule 424 under the 1933 Act, complied when so filed in all material

4

respects with the 1933 Act and the 1933 Act Regulations; each preliminary prospectus and the Prospectus delivered to an Agent for use in connection with the offering of Notes are identical in all material respects to any electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T; and at the date hereof, at the date of the Prospectus and each amendment or supplement thereto and at each Representation Date, neither the Prospectus nor any amendment or supplement thereto included or will include an untrue statement of a material fact or omitted or will omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the representations and warranties in this subsection shall not apply to (i) statements in or omissions from the Registration Statement or the Prospectus made in reliance upon and in conformity with information furnished to the Company in writing by the applicable Agents concerning such Agents expressly for use in the Registration Statement or the Prospectus or (ii) the parts of the Registration Statement which constitute the Statement of Eligibility and Qualification (Form T-1) of the Indenture Trustee under the 1939 Act.

(iv) INCORPORATED DOCUMENTS. The documents incorporated or deemed to be incorporated by reference in the Prospectus, at the time they were or hereafter are filed with the Commission, complied and will comply in all material respects with the requirements of the 1934 Act and the 1934 Act Regulations and, when read together with the other information in the Prospectus, at the date hereof, at the date of the Prospectus and at each Representation Date, did not and will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they

were made, not misleading.

(v) INDEPENDENT ACCOUNTANTS. The accountants who certified the financial statements and any supporting schedules thereto included in the Registration Statement and the Prospectus are independent public accountants to the extent required by the 1933 Act and the 1933 Act Regulations.

(vi) COMPANY FINANCIAL STATEMENTS. The consolidated financial statements of the Company included in the Registration Statement and the Prospectus, together with the related schedules and notes, as well as those financial statements, schedules and notes of any entity included in the Registration Statement and the Prospectus, present fairly the consolidated financial position of the Company and its subsidiaries, or such other entity, as the case may be, at the dates indicated and the consolidated statement of operations, stockholders' equity and cash flows of the Company and its subsidiaries, or such other entity, as the case may be, for the periods specified; such financial statements have been prepared in conformity with GAAP applied on a consistent basis throughout the periods involved; the supporting schedules, if any, included in the Registration Statement and the Prospectus present fairly in accordance with GAAP the information required to be stated therein; the selected financial data and the summary financial information included in the Registration Statement and the Prospectus present fairly the information shown therein and have been compiled on a basis consistent with that of the audited financial statements included in the Registration Statement and the Prospectus; and any pro forma consolidated financial statements of the Company and its subsidiaries and the related

5

notes thereto included in the Registration Statement and the Prospectus present fairly the information shown therein, have been prepared in accordance with the Commission's rules and guidelines with respect to pro forma financial statements and have been properly compiled on the bases described therein, and the assumptions used in the preparation thereof are reasonable and the adjustments used therein are appropriate to give effect to the transactions and circumstances referred to therein.

(vii) NO MATERIAL CHANGES. Since the respective dates as of which information is given in the Registration Statement and the Prospectus, except as otherwise stated therein, (1) there has been no event or occurrence that would result in a Company Material Adverse Effect and (2) there have been no transactions entered into by the Company or any of its Significant Subsidiaries, other than those in the ordinary course of business, which are material with respect to the Company and its subsidiaries considered as one enterprise.

(viii) AUTHORIZATION OF THIS AGREEMENT AND EACH FUNDING AGREEMENT. This Agreement has been and each Funding Agreement when issued will be duly authorized, executed and delivered by the Company and will be a valid and legally binding agreement of the Company, enforceable against the Company in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally or by general equitable principles (regardless of whether enforcement is considered in a proceeding in equity or at law).

(ix) ABSENCE OF DEFAULTS AND CONFLICTS. Neither the Company nor any of its subsidiaries is in violation of the provisions of its charter or by-laws or in default in the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which it or any of them may be bound or to which any of the property or assets of the Company or any of its subsidiaries is subject (collectively, "COMPANY AGREEMENTS AND INSTRUMENTS"), except for such defaults that would not result in a Company Material Adverse Effect; the execution, delivery and performance of this Agreement, each Funding Agreement and any other agreement or instrument entered into or issued or to be entered into or issued by the Company in connection with the transactions contemplated in the Prospectus, the consummation of the transactions contemplated in the Prospectus (including the issuance and sale of the Notes and the use of the proceeds therefrom as described in the Prospectus) and the compliance by the Company with its obligations thereunder have been duly authorized by all necessary corporate action and do not and will not, whether with or without the giving of notice or passage of time or both, conflict with or constitute a breach of, or default or event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any of its Significant Subsidiaries under, or result in the creation or imposition of any lien, charge or encumbrance upon any assets, properties or operations of the Company or any of its subsidiaries pursuant to, any Company Agreements and Instruments, nor will such

action result in any violation of the provisions of the charter, articles or by-laws of the Company or any of its subsidiaries or any applicable law, statute, rule, regulation, judgment, order, writ or decree of any government, government instrumentality or court, domestic or foreign, having jurisdiction over the Company or any of its subsidiaries or any of their assets, properties or operations.

(x) ABSENCE OF PROCEEDINGS. There is no action, suit, proceeding, inquiry or investigation before or brought by any court or governmental agency or body, domestic or foreign, now pending, or to the knowledge of the Company threatened, against or affecting the Company which is required to be disclosed in the Registration Statement and the Prospectus (other than as stated therein), or which may reasonably be expected to result in a Company Material Adverse Effect, or which may reasonably be expected to materially and adversely affect the assets, properties or operations thereof, the performance by the Company of its obligations under this Agreement and the other Program Documents or the consummation of the transactions contemplated in the Prospectus; and the aggregate of all pending legal or governmental proceedings to which the Company is a party or of which any of its assets, properties or operations is the subject which are not described in the Registration Statement and the Prospectus, including ordinary routine litigation incidental to the business, may not reasonably be expected to result in a Company Material Adverse Effect.

(xi) POSSESSION OF LICENSES AND PERMITS. The Company and its subsidiaries possess such permits, licenses, approvals, consents and other authorizations (collectively, "COMPANY GOVERNMENTAL LICENSES") issued by the appropriate federal, state, local or foreign regulatory agencies or bodies necessary to conduct the business now operated by them; the Company and its subsidiaries are in compliance with the terms and conditions of all such Company Governmental Licenses, except where the failure so to comply would not, singly or in the aggregate, result in a Company Material Adverse Effect; all of the Company Governmental Licenses are valid and in full force and effect, except where the invalidity of such Company Governmental Licenses or the failure of such Company Governmental Licenses to be in full force and effect would not result in a Company Material Adverse Effect; and neither the Company nor any of its subsidiaries has received any notice of proceedings relating to the revocation or modification of any such Company Governmental Licenses which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would result in a Company Material Adverse Effect.

(xii) NO FILINGS, REGULATORY APPROVALS ETC. Other than the filing of the applicable financing statements, if any, no filing with, or approval, authorization, consent, license, registration, qualification, order or decree of, any court or governmental authority or agency, domestic or foreign, is necessary or required for the due authorization, execution and delivery by the Company of this Agreement, each Funding Agreement or the Program Documents or for the performance by the Company of the transactions contemplated in this Agreement, each Funding Agreement, the Program Documents or the Prospectus, except such as have been previously made, obtained or rendered, as applicable.

(xiii) INVESTMENT COMPANY ACT. None of the Company, Global Funding and the relevant Issuing Trust is, and upon the sale of the Funding Agreements, the Funding Notes and Notes as contemplated by the Programs and the application of the net proceeds therefrom as described in the Prospectus, will be, an "investment company" within the meaning of the Investment Company Act of 1940, as amended (the "1940 ACT").

(xiv) ABSENCE OF DEFAULT UNDER EACH FUNDING AGREEMENT. There exists no event or circumstance which does or may (with the passing of time, the giving of notice, the making of any determination, or any combination thereof) be reasonably expected to constitute an event of default under any outstanding Funding Agreement.

(xv) FUNDING AGREEMENT LISTED ON ANY STOCK EXCHANGE. If specified in a Pricing Supplement, the Funding Agreement described in such Pricing Supplement shall be listed on the securities exchange designated in such Pricing Supplement.

(b) ADDITIONAL CERTIFICATIONS. Any certificate signed by any officer of the Company and delivered to one or more Agents or to counsel for the Agents in connection with an offering of Notes by an Issuing Trust to one or more Agents as principal or through an Agent as agent shall be deemed a representation and warranty by the Company to such Agent(s) as to the matters covered thereby on the date of such certificate and, unless subsequently amended or supplemented, at each Representation Date subsequent thereto.

SECTION 2. COVENANTS OF THE COMPANY.

The Company covenants and agrees with each Agent as follows:

(a) NOTICE OF CERTAIN EVENTS. The Company with respect to the Registration Statement and Prospectus will notify the Agents immediately, and confirm such notice in writing of (i) the effectiveness of any post-effective amendment to the Registration Statement or the filing of any amendment or supplement to the Prospectus (other than any amendment or supplement thereto providing solely for the determination of the variable terms of the Notes), (ii) the receipt of any comments from the Commission, (iii) any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or for additional information, or (iv) the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or Form 10, or of any order preventing or suspending the use of any preliminary prospectus or Prospectus, or of the initiation of any proceedings for that purpose. With respect to the Registration Statement, the Company will make every reasonable effort to prevent the issuance of any stop order and, if any stop order is issued, to obtain the lifting thereof at the earliest possible moment.

(b) FILING OR USE OF AMENDMENTS. The Company will give each Agent advance notice of its intention to file or prepare any additional registration statement with respect to the registration of additional Funding Agreements, any amendment to the Registration Statement (including any filing under Rule 462(b) of the 1933 Act Regulations) or any amendment or supplement to the prospectus included in the Registration Statement at the time it became effective or to the Prospectus (other than an amendment or supplement thereto providing solely for the determination of the variable terms of the Notes), whether pursuant to the 1933 Act, the

8

1934 Act or otherwise, will furnish to such Agents copies of any such document a reasonable amount of time prior to such proposed filing or use, as the case may be, and will not file any such document to which an Agent or counsel for the Agents shall object.

(c) DELIVERY OF THE REGISTRATION STATEMENT. The Company has furnished to the Agents and to counsel for the Agents, without charge, signed and conformed copies of the Registration Statement as originally filed and of each amendment thereto (including exhibits filed therewith or incorporated by reference therein and documents incorporated or deemed to be incorporated by reference therein) and signed and conformed copies of all consents and certificates of experts. The Registration Statement and each amendment thereto furnished to an Agent will be identical in all material respects to any electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

(d) DELIVERY OF THE PROSPECTUS. Pursuant to the Distribution Agreement, Global Funding will deliver to each Agent, without charge, as many copies of each preliminary prospectus as such Agent may reasonably request; the Company hereby consents to the use of such copies for purposes permitted by the 1933 Act.

(e) REVISIONS OF PROSPECTUS -- MATERIAL CHANGES. Except as otherwise provided in Section 2(i), if at any time during the term of this Agreement any event shall occur or condition shall exist as a result of which it is necessary, in the opinion of counsel for the Agents or counsel for the Company to amend the Registration Statement in order that the Registration Statement will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading or to amend or supplement the Prospectus in order that the Prospectus will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading in the light of the circumstances existing at the time the Prospectus is delivered to a purchaser, or if it shall be necessary, in the opinion of any such counsel, to amend the Registration Statement or amend or supplement the Prospectus in order to comply with the requirements of the 1933 Act or the 1933 Act Regulations, as applicable, the Company shall give immediate notice, confirmed in writing, to the Agents to cease the solicitation of offers for the purchase of Notes in their capacity as agent and to cease sales of any Notes they may then own as principal, and the Company will promptly prepare and file with the Commission, subject to Section 2(b) hereof, such amendment or supplement as may be necessary to correct such statement or omission or to make the Registration Statement and Prospectus comply with such requirements, and the Company will furnish to the Agents, without charge, such number of copies of such amendment or supplement as the Agents may reasonably request. In addition, the Company will comply with the 1933 Act, the 1933 Act Regulations, the 1934 Act and the 1934 Act Regulations so as to permit the completion of the distribution of each offering of Notes.

(f) PERIODIC FINANCIAL INFORMATION. Except as otherwise provided in Section 2(i), on or prior to the date on which there shall be released to the general public interim financial statement information related to the Company with respect to each of the first three quarters of any fiscal year or preliminary financial statement information with respect to any fiscal year, the Company shall furnish such information to the Agents, confirmed in writing.

9

(g) AUDITED FINANCIAL INFORMATION. Except as otherwise provided in Section 2(i), on or prior to the date on which there shall be released to the general public financial information included in or derived from the audited consolidated financial statements of the Company for the preceding fiscal year, the Company shall furnish such information to the Agents, confirmed in writing.

(h) REPORTING REQUIREMENTS. The Company, during the period when the Prospectus is required to be delivered under the 1933 Act or the 1934 Act, will file, and will cause to be filed, all documents required to be filed with the Commission pursuant to the 1934 Act within the time periods prescribed by the 1934 Act and the 1934 Act Regulations.

(i) SUSPENSION OF CERTAIN OBLIGATIONS. The Company shall not be required to comply with the provisions of Sections 2(e), 2(f) or 2(g) during any period commencing from the time (i) the Agents shall have suspended solicitation of offers for the purchase of Notes in their capacity as agents pursuant to a request from Global Funding or any Issuing Trust pursuant to the Distribution Agreement and (ii) no Agent shall then hold any Notes purchased from any Issuing Trust as principal, and ending at the time Global Funding and the applicable Issuing Trust shall determine that solicitation of offers for the purchase of Notes should be resumed or an Agent shall subsequently purchase Notes from an Issuing Trust as principal.

(j) EARNINGS STATEMENTS. The Company will timely file such reports pursuant to the 1934 Act and the 1934 Act Regulations, as are necessary in order to make generally available to its securityholders as soon as practicable an earnings statement for the purposes of, and to provide the benefits contemplated by, the last paragraph of Section 11(a) of the 1933 Act.

(k) USE OF PROCEEDS. The Company will use the net proceeds received by it from the issuance and sale of the Funding Agreements in the manner specified in the Prospectus.

(l) AUTHORIZATION TO ACT ON BEHALF OF THE COMPANY. The Company will, from time to time, without request, deliver to the Agents a certificate as to the names and signatures of those persons authorized to act on behalf of the Company in relation to the Programs if such information has changed.

(m) RESTRICTIONS ON THE OFFER AND SALE OF FUNDING AGREEMENTS. Except in connection with the Retail Program and as otherwise agreed, the Company shall not issue or agree to issue, during the period commencing on the date of the agreement of an Agent(s) to purchase Notes as principal or solicit offers for the purchase of Notes as agent and continuing to and including the Settlement Date with respect to such Notes, any Funding Agreement or similar agreement for the purpose of supporting the issuance by a special purpose entity of securities substantially similar to such Notes to the same potential investors (other than any Funding Agreement issued or to be issued to the relevant Issuing Trust in connection with the Notes to be offered and/or sold to or through such Agents), in each case without prior notice to the applicable Agent(s). Notwithstanding the foregoing, the Company shall be permitted to issue or agree to issue, during the aforementioned time period, Funding Agreements or similar agreements to Allstate Life Funding, LLC.

(n) BLUE SKY QUALIFICATIONS. The Company shall endeavor to qualify the Funding Agreements for offer and sale under the securities or blue sky laws of such jurisdictions as the

10

Agents shall reasonably request and to maintain such qualifications for as long as such Agents shall reasonably request.

SECTION 3. COVENANTS OF THE AGENTS.

(a) The Agents shall comply with all of their obligations under the Distribution Agreement.

(b) The Agents shall not agree to any amendment or modification of the Distribution Agreement without the prior written consent of the Company.

SECTION 4. ADDITIONAL COVENANTS OF THE COMPANY.

The Company further covenants and agrees with each Agent as follows:

(a) REAFFIRMATION OF REPRESENTATIONS AND WARRANTIES. Each acceptance by Global Funding and an Issuing Trust of an offer for the purchase of Notes (whether to one or more Agents as principal or through one or more Agents as agent), and each delivery of its Notes (whether to one or more Agents as principal or through an Agent as agent) shall be deemed to be an affirmation that the representations and warranties of the Company contained in any certificate theretofore delivered to such Agent pursuant hereto are true and correct at the time of such acceptance or sale, as the case may be, and an undertaking that such representations and warranties will be true and correct at the time of delivery to such Agent(s) or to the purchaser or its agent, as the case may be, of the Notes relating to such acceptance or sale, as the case may be, as though made at and as of each such time (it being understood that such

representations and warranties shall relate to the Registration Statement and Prospectus as amended and supplemented to each such time).

(b) SUBSEQUENT DELIVERY OF CERTIFICATES. Each time that (i) the Registration Statement or Prospectus shall be amended or supplemented (other than by (A) an amendment or supplement providing solely for the determination of the variable terms of the Notes and (B) an amendment deemed to have occurred as a result of a periodic filing by the Company, Global Funding or any Issuing Trust under the 1934 Act or the 1934 Act Regulations, except any quarterly report of the Company on Form 10-Q or any annual report of the Company on Form 10-K (any such report, an "SEC PERIODIC REPORT")), (ii) (if required in connection with the purchase of Notes from an Issuing Trust by one or more Agents as principal) an Issuing Trust sells Notes to one or more Agents as principal or (iii) an Issuing Trust sells Notes in a form not previously certified to the Agents by such Issuing Trust, the Company shall furnish or cause to be furnished to the Agents, forthwith a certificate dated the date of filing with the Commission or the date of effectiveness of such amendment or supplement, as applicable, or the date of such sale, as the case may be, in form satisfactory to the Agents to the effect that the statements contained in the certificate referred to in Section 6(d) of the Distribution Agreement which were last furnished to the Agents are true and correct at the time of the filing or effectiveness of such amendment or supplement, as applicable, or the time of such sale, as the case may be, as though made at and as of such time (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such time) or, in lieu

11

of such certificate, a certificate of the same tenor as the certificate referred to in Section 6(d) of the Distribution Agreement, modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such certificate (it being understood that, in the case of clause (ii) above, any such certificate shall also include a certification that there has been no material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise since the date of the agreement by such Agent to purchase Notes from the relevant Issuing Trust as principal); PROVIDED, HOWEVER, that any delivery of certificates as required by this Section 4(b) due to the filing of an SEC Periodic Report shall only be required to be delivered prior to the pricing date for Notes issued immediately after such SEC Periodic Report.

SECTION 5. INDEMNIFICATION.

(a) INDEMNIFICATION OF THE AGENT. The Company agrees to indemnify and hold harmless each Agent, its directors and officers and each person, if any, who controls such Agent within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act as follows:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto) or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading, or arising out of an untrue statement or alleged untrue statement of a material fact included in any preliminary prospectus or the Prospectus (or any amendment or supplement thereto), or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, provided that (subject to Section 5(d) hereof) any such settlement is effected with the written consent of the Company; and

(iii) against any and all expense whatsoever, as incurred (including the fees and disbursements of counsel chosen by such Agent), reasonably incurred in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under subparagraph (i) or (ii) above;

PROVIDED, HOWEVER, that this indemnity does not apply to any loss, liability, claim, damage or expense to the extent arising out of (i) an untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information furnished to the Company by the Agents concerning the Agents expressly for use in the

12

Registration Statement (or any amendment thereto) or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto), (ii) any use of the Prospectus by the Agents to sell Notes or solicit offers for the purchase of Notes (x) after such time as the Company shall have provided written notice pursuant to Section 2(e) hereunder or Global Funding shall have provided written notice pursuant to Section 4(g) under the Distribution Agreement to the Agents to cease the sale of Notes and solicitation of offers for the purchase of Notes and (y) before such time as Global Funding and the Company shall have furnished the Agents with copies of such amendment or supplement to the Prospectus pursuant to Section 2(e) hereunder or Section 4(g) of the Distribution Agreement or (iii) a claim for indemnity made under the Distribution Agreement, only to the extent such claim has previously been satisfied by the Company pursuant to the terms of the Distribution Agreement.

(b) INDEMNIFICATION OF THE COMPANY. Each Agent agrees, severally but not jointly, to indemnify and hold harmless the Company, its directors, officers and trustees (if applicable) who signed the Registration Statement and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act against any and all loss, liability, claim, damage and expense described in the indemnity contained in Section 5(a) hereof, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment thereto) or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with written information furnished to the Company by such Agent concerning such Agent expressly for use in the Registration Statement (or any amendment thereto) or such preliminary prospectus or the Prospectus (or any amendment or supplement thereto).

(c) ACTIONS AGAINST PARTIES; NOTIFICATION. Each indemnified party shall give notice as promptly as reasonably practicable to each indemnifying party of any action commenced against it in respect of which indemnity may be sought hereunder, but failure to so notify an indemnifying party shall not relieve such indemnifying party from any liability hereunder to the extent it is not materially prejudiced as a result thereof and in any event shall not relieve it from any liability which it may have otherwise than on account of this indemnity agreement. In the case of parties indemnified pursuant to Section 5(a) hereof or Section 9(a) of the Distribution Agreement, counsel to the indemnified parties shall be selected by the applicable Agent(s) and, in the case of parties indemnified pursuant to Section 5(b) hereof or Section 9(b) of the Distribution Agreement, counsel to the indemnified shall be selected by the Company and Global Funding. An indemnifying party may participate at its own expense in the defense of any such action; provided, however, that counsel to the indemnifying party shall not (except with the consent of the indemnified party) also be counsel to the indemnified party. In no event shall the indemnifying parties (collectively with any other indemnifying parties in connection with the Distribution Agreement), whether such indemnity is claimed hereunder or under the Distribution Agreement, be liable for fees and expenses of more than one counsel (in addition to any local counsel) separate from their own counsel for all indemnified parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances.

No indemnifying party under this Agreement or the Distribution Agreement, shall, without the prior written consent of the indemnified parties under this Agreement and the Distribution Agreement, settle or compromise or consent to the entry of any judgment with

13

respect to any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever in respect of which indemnification or contribution could be sought under this Section 5 or Section 6 hereof (whether or not the indemnified parties are actual or potential parties thereto), unless such settlement, compromise or consent (i) includes an unconditional release of each indemnified party from all liability arising out of such litigation, investigation, proceeding or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party.

(d) SETTLEMENT WITHOUT CONSENT IF FAILURE TO REIMBURSE. If at any time an indemnified party shall have requested in writing an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by Section 5(a)(ii) effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by such indemnifying party of the aforesaid request, (ii) such indemnifying party shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into and (iii) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement.

SECTION 6. CONTRIBUTION.

If the indemnification provided for in Section 5 hereof is for any reason unavailable to or insufficient to hold harmless an indemnified party in respect

of any losses, liabilities, claims, damages or expenses referred to therein, then each indemnifying party shall contribute to the aggregate amount of such losses, liabilities, claims, damages and expenses incurred by such indemnified party, as incurred, (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on one hand, and the applicable Agent(s), on the other hand, from the offering of the Notes that were the subject of the claim for indemnification or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company, on one hand, and the applicable Agent(s), on the other hand, in connection with the statements or omissions which resulted in such losses, liabilities, claims, damages or expenses, as well as any other relevant equitable considerations.

The relative benefits received by the Company, on the one hand, and the applicable Agent(s), on the other hand, in connection with the offering of the Notes that were the subject of the claim for indemnification shall be deemed to be in the same respective proportions as the total net proceeds from the offering of such Notes (before deducting expenses) received by the Company and the total discount or commission received by the applicable Agent(s), as the case may be, bears to the aggregate initial offering price of such Notes.

The relative fault of the Company, on one hand, and the applicable Agent(s), on the other hand, shall be determined by reference to, among other things, whether any untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company, on one hand, or by the applicable Agent(s), on the other hand, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

14

The parties agree that it would not be just and equitable if contribution pursuant to this Section 6 were determined by pro rata allocation (even if the Agents were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section 6. The aggregate amount of losses, liabilities, claims, damages and expenses incurred by an indemnified party and referred to above in this Section 6 shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any applicable untrue or alleged untrue statement or omission or alleged omission.

Notwithstanding the provisions of this Section 6, (i) no Agent shall be required to contribute any amount in excess of the amount by which the total discount or commission received by such Agent in connection with the offering of the Notes that were the subject of the claim for indemnification exceeds the amount of any damages which such Agent has otherwise been required to pay by reason of any applicable untrue or alleged untrue statement or omission or alleged omission and (ii) no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. In addition, in connection with an offering of Notes purchased from an Issuing Trust by two or more Agents as principal, the respective obligations of such Agents to contribute pursuant to this Section 6 are several, and not joint, in proportion to the aggregate principal amount of Notes that each such Agent has agreed to purchase from such Issuing Trust.

For purposes of this Section 6, each director, officer and person, if any, who controls an Agent within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act shall have the same rights to contribution as such Agent, and each director, officer and trustee (if applicable) of the Company, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act shall have the same rights to contribution as the Company.

SECTION 7. REPRESENTATIONS, WARRANTIES AND AGREEMENTS TO SURVIVE DELIVERY.

All representations, warranties and agreements contained in this Agreement, in certificates submitted pursuant hereto shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Agents or any controlling person of the Agents, or by or on behalf of the Company, and shall survive each delivery of and payment for the Notes.

SECTION 8. TERMINATION.

(a) TERMINATION OF THIS AGREEMENT. This Agreement shall terminate as follows:

(i) With respect to all Agents, automatically and simultaneously with the termination of the Distribution Agreement with respect to all Agent(s) (such termination shall be effective immediately);

15

(ii) With respect to all Agents, at any time at the option of the Company, if the Distribution Agreement is amended or supplemented without the Company's prior written consent (such termination shall be effective immediately upon exercise of such option);

(iii) With respect to the applicable Agent(s), at any time at the option of the Company, if any use of the Prospectus by the applicable Agent(s) to sell Notes or solicit offers for the purchase of Notes occurs (x) after such time as the Company shall have provided written notice pursuant to Section 2(e) hereunder or Global Funding shall have provided written notice pursuant to Section 4(g) of the Distribution Agreement to the applicable Agent(s) to cease the sale of Notes and solicitation of offers for the purchase of Notes and (y) before such time as the Company shall have furnished the applicable Agent(s) with copies of such amendment or supplement to the Prospectus pursuant to Section 2(e) hereunder or Section 4(g) of the Distribution Agreement (such termination shall be effective immediately upon exercise of such option); or

(iv) With respect to the applicable Agent(s), at any time at the option of the Company, if the applicable Agent(s) is added or deleted as a party to this Agreement without the prior written consent of the Company (such termination shall be effective immediately upon exercise of such option).

(b) GENERAL. In the event of any such termination, neither party will have any liability to the other party hereto, except that (i) the applicable Agent(s) shall be entitled to any commissions earned in accordance with the Distribution Agreement, (ii) if at the time of termination (a) any applicable Agent shall own any Notes purchased by it from an Issuing Trust as principal or (b) an offer to purchase any of the Notes has been accepted by an Issuing Trust but the time of delivery to the purchaser or his agent of such Notes relating thereto has not occurred, the covenants set forth in Sections 2 and 4 hereof shall remain in effect until such Notes are so resold or delivered, as the case may be, and (iii) the covenant set forth in Section 2(j) hereof, the indemnity and contribution agreements set forth in Sections 5 and 6 hereof, and the provisions of Sections 7, 10 and 11 hereof shall remain in effect.

SECTION 9. NOTICES.

Unless otherwise provided herein, all notices required under the terms and provisions hereof shall be in writing, either delivered by hand, by mail or by telex, telecopier or telegram, and any such notice shall be effective when received at the address specified below.

If to the Company:

Allstate Life Insurance Company
3100 Sanders Road, Suite M3A
Northbrook, Illinois 60062
Attention: Assistant Vice President, Institutional Markets
Telecopy No.: (847) 402-5000

If to the Agents:

16

To each Agent at the address specified in SCHEDULE 1 to the Distribution Agreement.

or at such other address as such party may designate from time to time by notice duly given in accordance with the terms of this Section 9.

SECTION 10. PARTIES.

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, firm or corporation, other than the parties hereto and their respective successors and the controlling persons, officers and directors referred to in Sections 5 and 6 hereof and their heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. This Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the parties hereto and their respective successors, and said controlling persons, officers and directors and their heirs and legal representatives, and for the benefit of no other person, firm or corporation. No purchaser of Notes shall be deemed to be a successor by reason merely of such purchase.

SECTION 11. GOVERNING LAW; FORUM.

PURSUANT TO SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, THIS AGREEMENT AND ALL THE RIGHTS AND OBLIGATIONS OF THE PARTIES SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES. ANY SUIT, ACTION OR PROCEEDING BROUGHT BY THE COMPANY AGAINST ANY AGENT IN CONNECTION WITH OR ARISING UNDER THIS AGREEMENT SHALL BE BROUGHT SOLELY IN THE STATE OR FEDERAL COURT OF APPROPRIATE JURISDICTION LOCATED IN THE BOROUGH OF MANHATTAN, THE CITY

SECTION 12. EFFECT OF HEADINGS.

The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 13. Counterparts.

This Agreement may be executed in one or more counterparts and, if executed in more than one counterpart, the executed counterparts hereof shall constitute a single instrument.

SECTION 14. AMENDMENTS.

This Agreement may be amended or supplemented if, but only if, such amendment or supplement is in writing and is signed by the Company and the Agents. In accordance with the Distribution Agreement, Global Funding may from time to time nominate any institution as a

new Agent under the Distribution Agreement either in respect of the Programs generally or in relation only to the Notes of a particular Issuing Trust, and upon such nomination, if not already executed, such Agent(s) will execute a counterpart of this Agreement.

SECTION 15. SEPARATE NATURE OF EACH ISSUING TRUST.

The Agents agree and acknowledge that, as a separate and distinct special purpose statutory trusts, the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to a particular Issuing Trust, including such Issuing Trust's obligations under this Agreement and the applicable Terms Agreement, will be enforceable only against such Issuing Trust and not against any other Issuing Trust.

*** SIGNATURE PAGES FOLLOW ***

If the foregoing is in accordance with the Agents' understanding of our agreement, please sign and return to the Company a counterpart hereof, whereupon this Agreement, along with all counterparts, will become a binding agreement by and between the Agents and the Company in accordance with its terms.

Very truly yours,

ALLSTATE LIFE INSURANCE COMPANY

By: _____
Name:
Title:

CONFIRMED AND ACCEPTED,
as of the date first above written:

MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED

By: _____
Authorized Signatory

A.G. EDWARDS & SONS, INC.

By: _____
Authorized Signatory

BANC OF AMERICA SECURITIES LLC

By: _____
Authorized Signatory

BANC ONE CAPITAL MARKETS, INC.

By: _____
Authorized Signatory

BARCLAYS CAPITAL INC.

By: _____
Authorized Signatory

CITIGROUP GLOBAL MARKETS INC.

By: _____
Authorized Signatory

CREDIT SUISSE FIRST BOSTON LLC

By: _____
Authorized Signatory

DEUTSCHE BANK SECURITIES INC.

By: _____
Authorized Signatory

GOLDMAN, SACHS & CO.

By: _____
Authorized Signatory

SIGNATURE PAGE TO REPRESENTATIONS AND INDEMNITY AGREEMENT, PART 3 OF 3

J.P. MORGAN SECURITIES INC.

By: _____
Authorized Signatory

LEHMAN BROTHERS INC.

By: _____
Authorized Signatory

MORGAN STANLEY & CO. INCORPORATED

By: _____
Authorized Signatory

UBS SECURITIES LLC

By: _____
Authorized Signatory

By: _____
Authorized Signatory

By: -----
Authorized Signatory

SIGNATURE PAGE TO REPRESENTATIONS AND INDEMNITY AGREEMENT, PART 3 OF 3

AMENDED AND RESTATED CERTIFICATE OF TRUST OF
ALLSTATE LIFE GLOBAL FUNDING

THIS Amended and Restated Certificate of Trust, dated as of [] of Allstate Life Global Funding (the "Amended and Restated Certificate of Trust") amends and restates in its entirety the Certificate of Trust of Allstate Life Global Funding, dated as of June 24, 2002.

1. Name. The name of the statutory trust is Allstate Life Global Funding (the "Trust").

2. Delaware Trustee. The name and business address of the trustee of the Trust with its principal place of business in the State of Delaware is Wilmington Trust Company, Rodney Square North, 1100 North Market Street, Wilmington, Delaware, 19890-0001, Attention: Corporate Trust Administration.

3. Effective Time. This Amended and Restated Certificate of Trust will be effective upon its filing with the Secretary of State of the State of Delaware.

IN WITNESS WHEREOF, the undersigned, being the Delaware Trustee of the Trust as of the date of filing of this Amended and Restated Certificate of Trust, has executed this Amended and Restated Certificate of Trust as of the date first above written in accordance with Section 3811(a) of the Delaware Statutory Trust Act (12 Del. Code, Section 3801 et seq.).

Wilmington Trust Company, not in its
individual capacity but solely as Delaware Trustee

By: _____
Name:
Title:

CERTIFICATE OF TRUST OF
ALLSTATE LIFE GLOBAL FUNDING TRUST [] - []

THIS Certificate of Trust of Allstate Life Global Funding Trust [] - [] (the "Trust"), is being duly executed and filed by the undersigned trustees to form a statutory trust under the Delaware Statutory Trust Act (12 Del. Code, Section 3801 et seq.) (the "Act").

1. Name. The name of the statutory trust formed hereby is Allstate Life Global Funding Trust [] - [].

2. Delaware Trustee. The name and business address of the trustee of the Trust with its principal place of business in the State of Delaware is Wilmington Trust Company, Rodney Square North, 1100 North Market Street, Wilmington, Delaware, 19890-0001, Attention: Corporate Trust Administration.

3. Effective Time. This Certificate of Trust will be effective upon its filing with the Secretary of State of the State of Delaware.

IN WITNESS WHEREOF, the undersigned, being all of the trustees of the Trust as of the date of filing of this Certificate of Trust, have executed this Certificate of Trust in accordance with Section 3811(a)(1) of the Act.

Wilmington Trust Company, not in its
individual capacity but solely as Delaware Trustee

By: _____
Name:
Title:

THIS AMENDED AND RESTATED TRUST AGREEMENT (this "AMENDED AND RESTATED TRUST AGREEMENT") dated and effective as of -, 2004, is entered into among the undersigned Delaware Trustee (as defined below), the Administrator (as defined below) and the Trust Beneficial Owner (as defined below):

WHEREAS, the Delaware Trustee and the Trust Beneficial Owner have entered into that certain Trust Agreement, dated as of June 24, 2002 (the "BASE TRUST AGREEMENT"), and the parties hereto desire to amend and restate the Base Trust Agreement in its entirety.

NOW, THEREFORE, in consideration of the premises and the covenants set forth in this Amended and Restated Trust Agreement, the parties agree as follows:

ARTICLE 1
DEFINITIONS

SECTION 1.1 DEFINITIONS. The following terms have the meanings set forth below:

"ADMINISTRATOR" means AMACAR Pacific Corp., a Delaware corporation in its capacity as the sole administrator of the Trust, and its successors and assigns.

"AFFILIATE" means, as applied to any Person, any other Person directly or indirectly controlling, controlled by or under common control with, that Person and, in the case of an individual, any spouse or other member of that individual's immediate family. For the purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities, by contract or otherwise.

"AGENTS" has the meaning set forth in the Distribution Agreement.

"ALLSTATE LIFE" means Allstate Life Insurance Company, a stock insurance company organized and licensed under the laws of the State of Illinois, and any successor.

"AMENDED AND RESTATED ADMINISTRATIVE SERVICES AGREEMENT" means that certain Amended and Restated Administrative Services Agreement dated as of -, 2004, between the Administrator and the Trust, as the same may be amended, restated, modified, supplemented or replaced from time to time.

"AMENDED AND RESTATED CERTIFICATE OF TRUST" means the Amended and Restated Certificate of Trust of the Trust as filed with the Secretary of State.

"AMENDED AND RESTATED SUPPORT AGREEMENT" means that certain Amended and Restated Support and Expenses Agreement dated as of -, 2004, between Allstate Life and the Trust, as the same may be amended, restated, modified, supplemented or replaced from time to time.

"BUSINESS DAY" means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which commercial banks are authorized or required by law, regulation or executive order to close in The City of New York.

"CLOSING INSTRUMENT" means the closing instrument of the Trust, pursuant to which the Indenture is entered into, and certain other documents are executed, in connection with the issuance of the Notes by the Trust.

"CODE" means the Internal Revenue Code of 1986, as amended, including any successor or amendatory statutes and any applicable rules, regulations, notices or orders promulgated thereunder.

"COMMISSION" means the Securities and Exchange Commission or any successor body.

"CORPORATE TRUST OFFICE" means the principal office of the Delaware Trustee located at Rodney Square North, 1100 North Market Street, Wilmington, Delaware 19890-0001.

"DEBT" of any Person means, at any date, without duplication, (i) all obligations of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business, all obligations of such Person as lessee which are capitalized in accordance with generally accepted accounting principles, (iv) all contingent and non-contingent obligations of such Person to reimburse any bank or other

Person in respect of amounts paid under a letter of credit or similar instrument, (v) all Debt secured by a Lien on any asset of such Person, whether or not such Debt is otherwise an obligation of such Person, and (vi) all Guarantees by such Person of Debt of another Person (each such Guarantee to constitute Debt in an amount equal to the amount of such other Person's Debt Guaranteed thereby).

"DELAWARE STATUTORY TRUST ACT" means Chapter 38 of Title 12 of the Delaware Code, 12 Del. C. Section 3801, et seq., as amended from time to time.

"DELAWARE TRUSTEE" means Wilmington Trust Company, a Delaware banking corporation, in its capacity as the sole Delaware trustee of the Trust, and its successors. If there shall be at any time more than one Delaware Trustee under this Amended and Restated Trust Agreement, "DELAWARE TRUSTEE" shall mean each such Delaware Trustee.

"DISTRIBUTION AGREEMENT" means that certain Distribution Agreement dated as of -, 2004, by and among the Trust and the Agents named therein, as the same may be amended, restated, modified, supplemented or replaced from time to time.

"FUNDING AGREEMENT(S)" means the funding agreement(s) issued by Allstate Life to the Trust, which are sold to, and deposited into, each Issuing Trust by the Trust, and immediately pledged and collaterally assigned by such Issuing Trust to the Indenture Trustee, as the same may be amended, restated, modified, supplemented or replaced from time to time in accordance with the terms thereof.

2

"FUNDING AGREEMENT EVENT OF DEFAULT" means an "Event of Default" as defined in the Funding Agreement(s).

"FUNDING NOTE" means each funding note issued by the Trust and sold to an Issuing Trust in connection with the Trust's Program.

"GUARANTEE" by any Person means any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing any Debt of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt (whether arising by virtue of partnership arrangements, by virtue of an agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise), (ii) to reimburse a bank for amounts drawn under a letter of credit for the purpose of paying such Debt or (iii) entered into for the purpose of assuring in any other manner the holder of such Debt of the payment thereof or to protect such holder against loss in respect thereof (in whole or in part); PROVIDED that the term "GUARANTEE" shall not include endorsements for collection or deposit in the ordinary course of business.

"HOLDER" means, with respect to any Funding Note, the relevant Issuing Trust.

"INDENTURE" means an Indenture included in Part A of the relevant Closing Instrument, between the Issuing Trust and the Indenture Trustee, as the same may be amended, modified or supplemented from time to time.

"INDENTURE TRUSTEE" means the party named as such in the preamble to each Indenture, and, subject to the applicable provisions of such Indenture, its successors.

"INVESTMENT COMPANY ACT" means the Investment Company Act of 1940, as amended, as it may be amended or supplemented from time to time, and any successor statute thereto, and the rules, regulations and published interpretations of the Commission promulgated thereunder from time to time.

"ISSUING TRUST" means each Allstate Life Global Funding Trust, together with its permitted successors and assigns, that issues medium term notes under the Program.

"LIEN" means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including without limitation any conditional sale or other title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing, and the filing of any financing statement under the UCC or comparable law of any jurisdiction).

"MOODY'S" means Moody's Investors Services, Inc.

"NOTE" means each medium term note issued by the Issuing Trusts in connection with the Program.

3

"PAYMENT ACCOUNT" means the segregated non-interest-bearing corporate trust account for the Trust maintained by the Delaware Trustee in its trust department

in which all amounts paid to the Delaware Trustee will be held and from which the Delaware Trustee shall make any payments pursuant to Section 3.1(b) and Article 7 of this Amended and Restated Trust Agreement, to the extent such amounts are paid to the Delaware Trustee and deposited in the Payment Account.

"PERSON" means any natural person, corporation, limited partnership, general partnership, joint stock company, joint venture, association, company, limited liability company, trust (including any beneficiary thereof), bank, trust company, land trust, business trust, statutory trust or other organization, whether or not a legal entity, and governments and agencies and political subdivisions thereof.

"PROGRAM" means the Trust's program for the issuance, from time to time, of secured medium term notes through the Issuing Trusts.

"PROGRAM DOCUMENTS" means documents contained in each Series Instrument, this Amended and Restated Trust Agreement, the Amended and Restated Administrative Services Agreement, the Amended and Restated Support Agreement, the Name Licensing Agreement, the Distribution Agreement, the Funding Note and any other documents or instruments entered into by, or with respect to, or on behalf of, the Trust.

"RATING AGENCY" means each of Moody's Investors Services, Inc., Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, Inc., and any other rating agency which provides a rating of the Notes.

"RESPONSIBLE OFFICER" means any vice president, assistant vice president, any assistant secretary, any assistant treasurer, any trust officer or assistant trust officer, or any other officer of the Delaware Trustee, as the case may be, customarily performing functions similar to those performed by any of the above designated officers and also, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his or her knowledge of and familiarity with the particular subject.

"SECRETARY OF STATE" means the Secretary of State of the State of Delaware.

"SECURITIES ACT" means the Securities Act of 1933, as it may be amended or supplemented from time to time, and any successor statute thereto, and the rules, regulations and published interpretations of the Commission promulgated thereunder from time to time.

"SERIES INSTRUMENT" means the series instrument of each Issuing Trust, pursuant to which certain documents are executed in connection with the issuance of Notes by the relevant Issuing Trust.

"STANDARD AND POOR'S" means Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, Inc.

"TRUST" means Allstate Life Global Funding, a statutory trust organized under the laws of the State of Delaware.

4

"TRUST BENEFICIAL OWNER" means AMACAR Pacific Corp., in its capacity as the sole beneficial owner of the Trust, and its successors.

"TRUST INDENTURE ACT" means the Trust Indenture Act of 1939, as it may be amended or supplemented from time to time, and any successor statute thereto, and the rules, regulations and published interpretations of the Commission promulgated thereunder from time to time.

"UCC" means the Uniform Commercial Code, as from time to time in effect in the State of New York.

SECTION 1.2 OTHER DEFINITIONAL PROVISIONS. For all purposes of this Amended and Restated Trust Agreement except as otherwise expressly provided or unless the context otherwise requires:

- (a) the terms defined in this Article shall have the meanings ascribed to them in this Article and shall include the plural as well as the singular;
- (b) all accounting terms not otherwise defined in this Amended and Restated Trust Agreement have the meanings assigned to them in accordance with generally accepted accounting principles in the United States and, except as otherwise expressly provided in this Amended and Restated Trust Agreement, the term "generally accepted accounting principles" with respect to any computation required or permitted under this Amended and Restated Trust Agreement shall mean such accounting principles as are generally accepted at the date of such computation in the United States;
- (c) the words "include", "includes" and "including" shall be construed to be followed by the words "without limitation"; and
- (d) Article and Section headings are for the convenience of the reader and shall not be considered in interpreting this Amended and Restated

ARTICLE 2
CREATION OF TRUST

SECTION 2.1 NAME; AMENDMENT AND RESTATEMENT OF BASE TRUST AGREEMENT. The Trust shall be known as "Allstate Life Global Funding." The Trust's activities may be conducted under the name of the Trust by the Delaware Trustee or by the Administrator on behalf of the Trust. This Amended and Restated Trust Agreement amends and restates the Base Trust Agreement in its entirety.

SECTION 2.2 OFFICE OF THE DELAWARE TRUSTEE; PRINCIPAL PLACE OF BUSINESS. The principal office of the Trust shall be in care of the Delaware Trustee at the Corporate Trust Office, or such other address in the State of Delaware as the Delaware Trustee may designate by written notice to the Trust Beneficial Owner, the Administrator and the Rating Agencies. The Trust shall also maintain an office in care of the Administrator at:

c/o AMACAR Pacific Corp.
6525 Morrison Boulevard, Suite 318
Charlotte, North Carolina 28211
Attention: President

SECTION 2.3 STATUTORY TRUST. It is the intention of the parties that the Trust constitute a statutory trust organized under the Delaware Statutory Trust Act and that this Amended and Restated Trust Agreement constitute the governing instrument of the Trust. The Delaware Trustee shall file an Amended and Restated Certificate of Trust with the Secretary of State.

SECTION 2.4 TRUST BENEFICIAL OWNER. Concurrently with the execution of this Amended and Restated Agreement, the Trust Beneficial Owner will make a cash contribution to the Trust in the amount of \$1,000 in exchange for its beneficial interest in the Trust. The beneficial interest of the Trust Beneficial Owner in the Trust will not be represented by any certificate or other instrument. The Trust Beneficial Owner shall be the beneficial owner of the Trust and shall have an undivided beneficial ownership interest in the property related to the Trust. To the fullest extent permitted by law, any attempted transfer of the Trust Beneficial Owner's interest in the Trust shall be void.

SECTION 2.5 PURPOSES OF THE TRUST. The exclusive purposes and functions of the Trust are, and the Trust shall have the power and authority, to:

- (a) beneficially own each Issuing Trust;
- (b) issue a Funding Note to each Issuing Trust in connection with the Program;
- (c) use the net proceeds from the sale of each Funding Note to acquire Funding Agreement(s) from Allstate Life;
- (d) assign absolutely the Funding Agreement(s) to, and deposit such Funding Agreement(s) into, the relevant Issuing;
- (e) file with the Commission and execute (a) a registration statement on Form S-3 or other appropriate form, including the prospectus, prospectus supplements and the

exhibits thereto, any pre-effective or post-effective amendments thereto and any registration statements filed subsequent thereto under rules promulgated under the Securities Act, relating to the registration of the Notes and the Funding Notes under the Securities Act, (b) any preliminary prospectus or prospectus or supplement thereto relating to any Notes and the Funding Notes required to be filed pursuant to the Securities Act, and (c) registration statements and such other documents, forms or filings as may be required by the Securities Act, the Securities Exchange Act of 1934, as amended, or the Trust Indenture Act of 1939, as amended, or other securities laws in each case relating to any Notes and the Funding Notes;

- (f) file and execute such filings, applications, reports, surety bonds, irrevocable consents, appointments of attorney for service of process and other papers and documents as may be necessary or desirable to register, or establish the exemption from registration of, the Notes or the Funding Notes under the securities or "Blue Sky" laws of any relevant jurisdictions; and
- (g) engage in other activities and enter into other agreements, in each case that are necessary, suitable or convenient to accomplish the foregoing or are incidental to or connected with those activities, including the execution, delivery and performance of the Series Instrument, the Closing Instrument and the Program Documents to

which it is a signatory.

SECTION 2.6 ALLOCATION OF TRUST EXPENSES. Any costs and expenses of the Trust shall be paid by Allstate Life pursuant to the Amended and Restated Support Agreement to the extent provided therein.

SECTION 2.7 LIABILITY. None of the Delaware Trustee, the Administrator, the Trust Beneficial Owner or any Holder shall have any personal liability for any liability or obligation of the Trust.

SECTION 2.8 SITUS OF TRUST. The Trust shall be located in the State of Delaware. The Trust shall have the right to change its domicile from Delaware to any other jurisdiction. All bank accounts maintained by the Delaware Trustee on behalf of the Trust shall be located in the State of Delaware. The Trust shall not have any employees in any state other than in the State of Delaware.

ARTICLE 3 PAYMENT ACCOUNT

- (a) The Delaware Trustee shall establish the Payment Account. The Delaware Trustee and any agent of the Delaware Trustee shall have exclusive control and sole right of withdrawal with respect to the Payment Account for the purpose of making deposits in and withdrawals from the Payment Account in accordance with this Amended and Restated Trust Agreement. All funds and other property deposited or held from time to time in the Payment Account shall be held by the Delaware Trustee in the Payment Account for the exclusive benefit of the Trust Beneficial Owner, and for distribution by the Delaware Trustee as provided in this

7

Amended and Restated Trust Agreement, including (and subject to) any priority of payments provided for in this Amended and Restated Trust Agreement.

- (b) All funds and other property deposited into the Payment Account shall be distributed by the Trust as follows:

FIRST, for the payment of all amounts then due and unpaid upon any Funding Note and any other amounts due and payable; and

SECOND, any remaining funds and other property deposited into the Payment Account shall be distributed to the Trust Beneficial Owner.

- (c) The Delaware Trustee shall deposit in the Payment Account, promptly upon receipt, any assets received. Amounts held in the Payment Account shall not be invested by the Delaware Trustee pending the distribution of such amounts to cover any obligations of the Trust on the Funding Notes.

ARTICLE 4 FUNDING NOTE

SECTION 4.1 ISSUANCE OF FUNDING NOTE. The Trust shall, issue and deliver or cause to be issued and delivered Funding Notes from time to time in connection with the Program.

SECTION 4.2 ACQUISITION OF FUNDING AGREEMENT(S) AND CANCELLATION OF INDEBTEDNESS REPRESENTED BY FUNDING NOTE. In connection with the issuance and sale of each Funding Note: (i) the Trust will use the proceeds received from the offering of such Funding Note to purchase Funding Agreement(s); and (ii) the Trust will immediately assign absolutely to, and deposit into, the relevant Issuing Trust the Funding Agreement(s), and the Funding Note will be surrendered.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES BY THE DELAWARE TRUSTEE

The Delaware Trustee represents and warrants for the benefit of each Holder and the Trust Beneficial Owner as follows:

- (a) it is a banking corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and it is a "bank" within the meaning of Section 581 of the Code;
- (b) it is a "United States person" within the meaning of Section 7701(a)(30) of the Code;
- (c) it has full corporate or other power, authority and legal right to execute, deliver and perform its obligations under this Amended and Restated Trust Agreement and has taken all necessary action to authorize the execution, delivery and performance by it of this Amended and Restated Trust Agreement;

8

- (d) this Amended and Restated Trust Agreement has been duly authorized, executed and delivered by it and constitutes the valid and legally binding agreement of it enforceable against it in accordance with its terms;
- (e) neither the execution or delivery by it of this Amended and Restated Trust Agreement, nor the performance by it of its obligations under this Amended and Restated Trust Agreement, will (i) violate its organizational documents, (ii) violate any provision of, or constitute, with or without notice or lapse of time, a default under, or result in the creation or imposition of any Lien on any properties or assets held in the Trust pursuant to the provisions of, any indenture, mortgage, credit agreement, license or other contract, agreement, judgment, order or instrument to which it is a party or by which it is bound, or (iii) violate any law, governmental rule or regulation of the State of Delaware or the United States governing the banking, trust or general powers of it or any order, judgment or decree applicable to it;
- (f) the authorization, execution or delivery by it of this Amended and Restated Trust Agreement and the consummation of any of the transactions by it contemplated by this Amended and Restated Trust Agreement do not require the consent or approval of, the giving of notice to, the registration with or the taking of any other action with respect to any governmental authority or agency (other than the filing of the Certificate of Trust with the Secretary of State); and
- (g) there are no proceedings pending or, to the best of its knowledge, threatened against or affecting it in any court or before any governmental authority, agency or arbitration board or tribunal which, individually or in the aggregate, would materially and adversely affect the Trust or would question the right, power and authority of it to enter into or perform its obligations under this Amended and Restated Trust Agreement.

ARTICLE 6
DELAWARE TRUSTEE

SECTION 6.1 GENERAL AUTHORITY.

- (a) The Delaware Trustee is authorized and empowered, among other things, to (i) execute and deliver on behalf of the Trust the Program Documents and each certificate or other document attached as an exhibit to, or contemplated by, the Program Documents and any amendment or other agreement to any of the Program Documents, (ii) take all actions required of the Trust pursuant to the Program Documents including, but not limited to (A) paying, or causing to be paid, on behalf of the Trust any amounts due and owing by the Trust under the Program Documents or any other documents or instruments to which the Trust is a party, (B) providing certificates required under the Program Documents or other documents or instruments to which the Trust is a party and (C) preparing for execution or executing amendments to and waivers under the Program Documents or any other documents or instruments deliverable by the Trust thereunder or in

9

connection therewith or with this Amended and Restated Trust Agreement, (iii) cause the Trust to perform under the Program Documents and (iv) engage in those activities, including entering into agreements, that are necessary, suitable or convenient to accomplish the foregoing or any other of the purposes of the Trust or are incidental thereto or connected therewith including, from time to time, taking such action on behalf of the Trust as is permitted by the Program Documents. In addition to any other duties under this Amended and Restated Trust Agreement, the Delaware Trustee shall be the trustee of the Trust for the purpose of fulfilling the requirements of Section 3807 of the Delaware Statutory Trust Act. Subject to the limitations set forth in Section 6.1(b), the Delaware Trustee shall have the power and authority to act on behalf of the Trust, with respect to the following matters:

- (i) to execute and deliver on behalf of the Trust the Funding Notes and the Amended and Restated Certificate of Trust in accordance with this Amended and Restated Trust Agreement;
- (ii) to cause the Trust to perform this Amended and Restated Trust Agreement and to enter into, and to execute, deliver and perform, the Funding Notes, the relevant documents contained in each Series Instrument, the Distribution Agreement, the Name Licensing Agreement, the Amended and Restated Support Agreement, the Amended and Restated Administrative Services Agreement and such other certificates, other documents or agreements as may be necessary, contemplated by or desirable in connection with the purposes and function of the Trust or any of the above-referenced documents;

- (iii) to receive custody of Funding Agreements and to exercise all of the rights, powers and privileges of an owner or policyholder of the Funding Agreements;
- (iv) to cause the Trust to immediately assign absolutely to, and deposit into, the Issuing Trust the relevant Funding Agreement(s);
- (v) to establish the Payment Account;
- (vi) to send any notices regarding any Funding Note to Allstate Life, the Rating Agencies, the Trust Beneficial Owner and the applicable Agents under the relevant Terms Agreement in accordance with the terms of the relevant Funding Note and this Amended and Restated Trust Agreement;
- (vii) after the occurrence of a Funding Agreement Event of Default actually known to a Responsible Officer, to take any action as it may from time to time determine (based solely upon the advice of counsel) is necessary or advisable to give effect to the terms of this Amended and Restated Trust Agreement (without consideration of the effect of any such action on any particular Holder) and, within five Business Days after the occurrence of a

10

Funding Agreement Event of Default actually known to a Responsible Officer, to give notice thereof to the Administrator and the Trust Beneficial Owner;

- (viii) to the extent permitted by this Amended and Restated Trust Agreement, to participate in the winding up of the affairs of and liquidation of the Trust and assist with the preparation, execution and filing of a certificate of cancellation with the Secretary of State;
- (ix) to take any action and to execute any documents on behalf of the Trust, incidental to the foregoing as the Delaware Trustee may from time to time determine (based on the advice of counsel) is necessary or advisable to give effect to the terms of this Amended and Restated Trust Agreement;
- (x) to execute and file documents with the Secretary of State; and
- (xi) to accept service of process on behalf of the Trust in the State of Delaware.

It is expressly understood and agreed that the Delaware Trustee shall be entitled to engage outside counsel, independent accountants and other experts appointed with due care to assist the Delaware Trustee in connection with the performance of its duties and powers set forth in this Section 6.1(a), including, without limitation, certificates, reports, opinions, notices or any other documents. The Delaware Trustee shall be entitled to rely conclusively on the advice of such counsel, accountants and other experts in the performance of all its duties under this Amended and Restated Trust Agreement and shall have no liability for any documents prepared by such counsel, accountants or experts or any action or inaction taken pursuant to the advice of such counsel, accountants or experts. Any expenses of such counsel, accountants and experts shall be paid by the Trust.

- (b) So long as this Amended and Restated Trust Agreement remains in effect, the Trust (and the Delaware Trustee and the Administrator acting on behalf of the Trust) shall not undertake any business, activity or transaction except as expressly provided for or contemplated by this Amended and Restated Trust Agreement. In particular, the Trust shall not:
 - (i) sell, transfer, exchange, assign, lease, convey or otherwise dispose of any assets held in the Trust, except for Funding Agreements (as of the date of this Amended and Restated Trust Agreement or thereafter acquired);
 - (ii) engage in any business or activity other than in connection with, or relating to, (A) the performance of this Amended and Restated Trust Agreement and the execution, delivery and performance of any documents, including the Program Documents (other than this Amended and Restated Trust Agreement as set forth above), relating to the Funding Notes and the transactions contemplated thereby and (B) any activities, including entering into agreements that are necessary, suitable or

11

convenient to accomplish the purposes of the Trust specified in Section 2.5;

- (iii) incur, directly or indirectly, any Debt except for the Funding Note;
 - (iv) create, incur, assume or permit any Lien or other encumbrance on any of its properties or assets owned or thereafter acquired, or any interest therein or the proceeds thereof;
 - (v) amend, modify or fail to comply with any material provision of this Amended and Restated Trust Agreement, except for any amendment or modification of this Amended and Restated Trust Agreement expressly permitted under this Amended and Restated Trust Agreement;
 - (vi) own any subsidiary, except for the Issuing Trusts, or lend or advance any funds to, or make any investment in, any Person, except in connection with the Funding Agreements, the Funding Notes, the Amended and Restated Support Agreement and any Funding Agreement;
 - (vii) directly or indirectly declare or make any distribution or other payment to, or redeem or otherwise acquire or retire for value the interests of, the Trust Beneficial Owner if any amount under the Funding Notes or the Notes is due and unpaid, or directly or indirectly redeem or otherwise acquire or retire for value any Debt other than any Funding Note if any Funding Note remains outstanding;
 - (viii) become required to register as an "investment company" under and as such term is defined in the Investment Company Act of 1940, as amended;
 - (ix) enter into any transaction of merger or consolidation or liquidate or dissolve itself (or, to the fullest extent permitted by law, suffer any liquidation or dissolution), or acquire by purchase or otherwise all or substantially all the business or assets of, or any stock or other evidence of beneficial ownership of, any Person, except for the Issuing Trusts;
 - (x) take any action that would cause the Trust not to be either ignored or treated as a grantor trust for United States Federal income tax purposes;
 - (xi) have any employees other than the Delaware Trustee, the Administrator or any other persons necessary to conduct its business and enter into transactions contemplated under the Program Documents;
 - (xii) have an interest in any bank account other than those accounts required under the Program Documents;
 - (xiii) permit any Affiliate, employee or officer of Allstate Life or any agent of Allstate Life or Agent to be a trustee of the Trust;
- 12
- (xiv) issue any Funding Note unless (A) the Trust has purchased or will simultaneously purchase the relevant Funding Agreement(s) from Allstate Life and (B) the Trust will immediately thereafter assign absolutely the relevant Funding Agreement(s) to the relevant Issuing Trust, and the relevant Funding Note will be surrendered; or
 - (xv) commingle any of its assets with assets of any of the Trust's Affiliates, or guarantee any obligation of any of the Trust's Affiliates.
- (c) Notwithstanding any other provision of this Amended and Restated Trust Agreement, the Delaware Trustee and the Administrator, acting on behalf of the Trust, shall not take any action that would cause the Trust not to be either ignored or treated as a "grantor trust" for United States Federal income tax purposes.
 - (d) The Delaware Trustee shall, based on the advice of counsel, defend against all claims and demands of all Persons at any time claiming any Lien on any of the assets of the Trust adverse to the interest of the Trust or any Holder.
 - (e) The Delaware Trustee is authorized and directed to conduct the affairs of the Trust and to operate the Trust so that the Trust will not (i) become required to register as an "investment company" under the Investment Company Act or (ii) fail to be either ignored or treated as a grantor trust for United States Federal income tax purposes. In

connection with the preceding sentence, the Delaware Trustee shall have no duty to determine whether any action it takes complies with the preceding sentence and shall be entitled to rely conclusively on an opinion of counsel with respect to any such matters.

SECTION 6.2 GENERAL DUTIES. It shall be the duty of the Delaware Trustee to discharge, or cause to be discharged, all of its responsibilities pursuant to the terms of this Amended and Restated Trust Agreement, or any other documents or instruments to which it is a party, and to administer the Trust, in accordance with the provisions of this Amended and Restated Trust Agreement and the other Program Documents and any other documents or instruments to which the Trust is a party. Notwithstanding the foregoing, the Delaware Trustee shall be deemed to have discharged its duties and responsibilities under this Amended and Restated Trust Agreement and any other documents or instruments to which the Trust is a party to the extent (a) such duties and responsibilities shall have been performed by the Administrator and (b) the Administrator is required or permitted under this Amended and Restated Trust Agreement, under the Administrative Services Agreement or under any other documents or instruments to which the Trust is a party, to perform such act or discharge such duty of the Delaware Trustee or the Trust; PROVIDED, HOWEVER, that the Delaware Trustee shall not be held liable for the default or failure of the Administrator to carry out its required obligations under this Amended and Restated Trust Agreement or thereunder but only to the extent such obligations are not also required to be carried out by the Delaware Trustee.

SECTION 6.3 SPECIFIC DUTIES. The Delaware Trustee will manage the business and affairs of the Trust in accordance with the terms of the Delaware Statutory Trust Act; PROVIDED, HOWEVER, that the Delaware Trustee undertakes to perform only such duties as are specifically set

13

forth in this Amended and Restated Trust Agreement and as it may be directed from time to time by the Administrator or the Trust Beneficial Owner in accordance with the terms of this Amended and Restated Trust Agreement.

SECTION 6.4 ACCEPTANCE OF TRUST AND DUTIES; LIMITATION ON LIABILITY. The Delaware Trustee agrees to perform its duties under this Amended and Restated Trust Agreement with respect to the Trust, but only upon the terms of this Amended and Restated Trust Agreement. No implied covenants or obligations shall be read into this Amended and Restated Trust Agreement. The Delaware Trustee shall not be liable under this Amended and Restated Trust Agreement under any circumstances except for (i) its own willful misconduct, bad faith or gross negligence, (ii) its failure to use ordinary care to disburse funds, or (iii) the inaccuracy of any representation or warranty contained in this Amended and Restated Trust Agreement expressly made by the Delaware Trustee. In particular (but without limitation), subject to the exceptions set forth in the preceding sentence:

- (a) the Delaware Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless such error of judgment constitutes gross negligence;
- (b) the Delaware Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the written instructions of the Administrator or the Trust Beneficial Owner or pursuant to the advice of counsel, accountants or other experts selected by it in good faith, so long as such action or omission is consistent with the terms of this Amended and Restated Trust Agreement;
- (c) no provision of this Amended and Restated Trust Agreement shall require the Delaware Trustee to expend or risk personal funds or otherwise incur any financial liability in the performance of any of its rights or powers under this Amended and Restated Trust Agreement if the Delaware Trustee shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured or provided to it;
- (d) under no circumstances shall the Delaware Trustee be liable for indebtedness or other obligations evidenced by or arising under this Amended and Restated Trust Agreement, any Funding Agreement or any related document, including the principal of and interest on the Funding Note;
- (e) the Delaware Trustee shall not be responsible for, or in respect of, the validity or sufficiency of this Amended and Restated Trust Agreement or any related document or for the due execution of this Amended and Restated Trust Agreement or thereof by any party (except by the Delaware Trustee itself), other than, the signature and countersignature of the Delaware Trustee on any of the Program Documents and the execution of any certificate;
- (f) the Delaware Trustee shall (i) not be liable for any action, inaction, default or misconduct of the Administrator under the Funding Note or any related

- documents or otherwise, and (ii) not have any obligation or liability to perform the obligations of the Trust under this Amended and Restated Trust Agreement or any related document or under any Federal, state, foreign or local tax or securities law, in each case, that are required to be performed by other Persons, including the Administrator under the Amended and Restated Administrative Services Agreement;
- (g) the Delaware Trustee shall not be liable for any action, inaction, default or misconduct of Allstate Life, and the Delaware Trustee shall not have any obligation or liability to perform the obligations of Allstate Life under the Funding Agreements or any related documents;
- (h) the Delaware Trustee shall not be under any obligation to exercise any of the rights or powers vested in it by this Amended and Restated Trust Agreement, or to institute, conduct or defend any litigation under this Amended and Restated Trust Agreement or otherwise or in relation to this Amended and Restated Trust Agreement or any related document, at the request, order or direction of any Person unless such Person has offered to the Delaware Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities that may be incurred by the Delaware Trustee. The right of the Delaware Trustee to perform any discretionary act enumerated in this Amended and Restated Trust Agreement or in any related document shall not be construed as a duty, and the Delaware Trustee shall not be answerable in connection therewith other than for its gross negligence or willful misconduct in the performance of any such act;
- (i) except as expressly provided in this Amended and Restated Trust Agreement, in accepting the trusts created by this Amended and Restated Trust Agreement, the Delaware Trustee acts solely as trustee under this Amended and Restated Trust Agreement and not in its individual capacity, and all Persons having any claim against the Delaware Trustee by reason of the transactions contemplated by this Amended and Restated Trust Agreement shall look only to the Trust's property for payment or satisfaction thereof;
- (j) the Delaware Trustee shall in no event assume or incur any liability, duty or obligation to the Administrator, the Trust Beneficial Owner or any other Person other than as expressly provided for in this Amended and Restated Trust Agreement;
- (k) the Delaware Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note or other paper or document;
- (l) every provision of this Amended and Restated Trust Agreement relating to the Delaware Trustee shall be subject to the provisions of this Article 6;

- (m) except in accordance with the written instructions furnished by the Trust Beneficial Owner or as provided in this Amended and Restated Trust Agreement, the Delaware Trustee shall have no duty (i) to see to any recording or filing of any document, (ii) to confirm or verify any financial statements of the Administrator or the Trust Beneficial Owner, (iii) to inspect the Administrator's or the Trust Beneficial Owner's books and records at any time or (iv) to see to the payment or discharge of any tax, assessment or other governmental charge or any lien or encumbrance of any kind owing with respect to, assessed or levied against any part of the Trust, except to the extent the Delaware Trustee has received funds, on behalf of the Trust, pursuant to the Amended and Restated Support Agreement from Allstate Life in satisfaction of any such tax, assessment or other governmental charge or any lien or encumbrance of any kind and in accordance with payment or transfer instructions provided by Allstate Life;
- (n) the Delaware Trustee shall have no duty or obligation to manage, control, use, sell, dispose of or otherwise deal with the Trust or to otherwise take or refrain from taking any action under this Amended and Restated Trust Agreement, except as expressly required by the terms of this Amended and Restated Trust Agreement, or as expressly provided in written instructions from the Administrator, and in no event shall the Delaware Trustee have any implied duties or obligations under this Amended and Restated Trust Agreement; the Delaware Trustee nevertheless agrees that it will, at its own cost and expense, promptly take all action as may be necessary to discharge any liens on any part of the property of the Trust which result from claims against the Delaware Trustee personally that are not related to the ownership or the administration of the property of the Trust or the transactions contemplated by the Program Documents;
- (o) the Delaware Trustee shall not be required to take any action under

this Amended and Restated Trust Agreement unless the Delaware Trustee shall have been indemnified by the Trust, in manner and form satisfactory to the Delaware Trustee, against any liability, cost or expenses (including counsel fees and disbursements) which may be incurred in connection therewith, and, in addition, the Trust shall pay the reasonable compensation of the Delaware Trustee for the services performed; PROVIDED, THAT the Delaware Trustee shall not be indemnified by any Person for the Delaware Trustee's willful misconduct, bad faith or gross negligence, its failure to use ordinary care to disburse funds or the inaccuracy of its own representations or warranties, made in its individual capacity, contained in this Amended and Restated Trust Agreement;

- (p) the Delaware Trustee shall not be required to take any action under this Amended and Restated Trust Agreement if the Delaware Trustee shall reasonably determine or shall have been advised by counsel that such action is contrary to the terms of this Amended and Restated Trust Agreement or is otherwise contrary to law;
- (q) the Delaware Trustee may fully rely upon and shall have no liability in connection with calculations or instructions forwarded to the Delaware Trustee by the Administrator, nor shall the Delaware Trustee have any obligation to furnish

16

information to any Person if it has not received such information as it may need from the Administrator or any other Person;

- (r) the Delaware Trustee shall not be liable with respect to any act or omission in good faith in accordance with the advice or direction of the Administrator. Whenever the Delaware Trustee is unable to decide between alternative courses of action permitted or required by the terms of this Amended and Restated Trust Agreement, or is unsure as to the application, intent, interpretation or meaning of any provision of this Amended and Restated Trust Agreement, the Delaware Trustee may give notice (in such form as shall be appropriate under the circumstances) to the Administrator requesting instructions as to the course of action to be adopted, and, to the extent the Delaware Trustee acts in good faith in accordance with any such instruction received, the Delaware Trustee shall not be liable on account of such action to any Person. If the Delaware Trustee shall not have received appropriate instructions within ten days of such notice (or within such shorter period of time as reasonably may be specified in such notice or may be necessary under the circumstances), it may, but shall be under no duty to, take or refrain from taking such action which is consistent, in its view, with this Amended and Restated Trust Agreement and as it shall deem to be in the best interest of the Trust Beneficial Owner, and the Delaware Trustee shall have no liability to any Person for such action or inaction;
- (s) in no event whatsoever shall the Delaware Trustee be personally liable for any representation, warranty, covenant, agreement, indebtedness or other obligation of the Trust;
- (t) the Delaware Trustee shall incur no liability if, by reason of any provision of any present or future law or regulation thereunder, or by any force majeure event, including but not limited to natural disaster, war or other circumstances beyond its control, the Delaware Trustee shall be prevented or forbidden from doing or performing any act or thing which the terms of this Amended and Restated Trust Agreement provide shall or may be done or performed; and
- (u) notwithstanding anything contained herein to the contrary, the Delaware Trustee shall not be required to execute, deliver or certify on behalf of the Trust any filings, certificates, affidavits or other instruments required under the Sarbanes-Oxley Act of 2002.

SECTION 6.5 RELIANCE; ADVICE OF COUNSEL.

- (a) The Delaware Trustee shall incur no liability to anyone in acting upon any signature, instrument, notice, resolution, request, consent, order, certificate, report, opinion, bond or other document or paper reasonably believed by it in good faith to be genuine and signed by the proper party or parties. The Delaware Trustee may accept a certified copy of a resolution of the board of directors or other governing body of any corporate party as conclusive evidence that such resolution has been duly adopted by such body and that the same is in full force and effect. As to any fact or matter the manner of ascertainment of which is not specifically prescribed in this Amended and Restated Trust Agreement, the Delaware Trustee may for all purposes of this Amended and Restated Trust Agreement rely on a certificate, signed by the president or any vice president or by the treasurer or any assistant treasurer or the secretary or any assistant

17

secretary of the relevant party, as to such fact or matter, and such certificate shall constitute full protection to the Delaware Trustee for any action taken or omitted to be taken by it in good faith in reliance thereon.

- (b) In the exercise or administration of the Trust, the Delaware Trustee (i) may act directly or through its agents or attorneys pursuant to agreements entered into with any of them; PROVIDED THAT, the Delaware Trustee shall not be liable for the conduct or misconduct of such agents or attorneys if such agents or attorneys shall have been selected by the Delaware Trustee in good faith and with reasonable care, and (ii) may consult with counsel, accountants and other skilled persons to be selected in good faith and with reasonable care and employed by it, and it shall not be liable for anything done, suffered or omitted to be done in good faith by it in accordance with the written opinion or advice of any such counsel, accountants or other skilled persons.

SECTION 6.6 DELEGATION OF AUTHORITIES AND DUTIES. The Delaware Trustee delegates to the Administrator all duties required to be performed by the Administrator pursuant to the terms of this Amended and Restated Trust Agreement and the Administrative Services Agreement. The Delaware Trustee undertakes no responsibility for the performance, or non-performance, of any duties delegated to the Administrator under this Amended and Restated Trust Agreement or the Amended and Restated Administrative Services Agreement, as applicable.

ARTICLE 7 TERMINATION

SECTION 7.1 TERMINATION OF AGREEMENT. This Amended and Restated Trust Agreement and the Trust created by this Amended and Restated Trust Agreement shall dissolve, wind-up and terminate in accordance with Section 3808 of the Delaware Statutory Trust Act upon the latest to occur of:

- (a) the payment to the Holders of any outstanding Funding Notes, to the holders of all series of Notes and to the Trust Beneficial Owner of all amounts required to be paid pursuant to the Funding Notes, the Notes, any Indenture, this Amended and Restated Trust Agreement and the Program Documents;
- (b) the payment of, or reasonable provision for payment of, all expenses and other liabilities owed by the Trust; and
- (c) the performance of all administrative actions by the Delaware Trustee and the Administrator necessary to accomplish the purposes of the Trust, including the performance of any tax reporting obligations with respect to the Trust.

Any insolvency event, liquidation, dissolution, death or incapacity with respect to the Trust Beneficial Owner, the Delaware Trustee, the Administrator or any of the other Agents or any Holder shall neither (i) operate to terminate this Amended and Restated Trust Agreement, the Trust, (ii) entitle any of their legal representatives or heirs to claim an accounting or to take any action or proceeding in any court for a partition or winding up of all or any part of the Trust, (iii) otherwise affect the rights, obligations and liabilities of the Holders or the parties hereto or any other document or any instrument entered into by the Trust, nor (iv) dissolve the Trust.

18

The Trust shall dissolve only as provided in this Section 7.1, and otherwise no Person, including the Administrator and the Trust Beneficial Owner, shall be entitled to revoke or dissolve the Trust. The Administrator shall act as the liquidator of the Trust and shall be responsible for directing the Delaware Trustee to take all required actions in connection with winding up the Trust. The Delaware Trustee shall have no liability for following such direction to the extent it acts in good faith.

Upon the last event to occur as described above, the Delaware Trustee shall cause the Amended and Restated Certificate of Trust to be canceled by filing a certificate of cancellation with the Secretary of State in accordance with the provisions of Section 3810 of the Delaware Statutory Trust Act, at which time the Trust and this Amended and Restated Trust Agreement shall terminate.

ARTICLE 8 SUCCESSOR AND ADDITIONAL DELAWARE TRUSTEES

SECTION 8.1 ELIGIBILITY REQUIREMENTS FOR THE DELAWARE TRUSTEE. The Delaware Trustee shall at all times (a) be a Person satisfying the provisions of Section 3807(a) of the Delaware Statutory Trust Act, (b) be authorized to exercise corporate trust powers, (c) have a combined capital and surplus of at least \$50,000,000 and be subject to supervision or examination by Federal or State authorities, (d) have (or have a parent which has) a rating of at least Baa3 by Moody's or BBB- by Standard & Poor's, (e) be a "bank" within the meaning of Section 581 of the Code and (f) be a "United States person" within the meaning

of Section 7701(a)(30) of the Code. In addition, the Delaware Trustee shall be an entity with its Corporate Trust Office in the State of Delaware. If the Delaware Trustee shall publish reports of condition at least annually, pursuant to applicable law or to the requirements of the aforesaid supervising or examining authority, then for the purpose of this Section 8.1, the combined capital and surplus of the Delaware Trustee shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Delaware Trustee shall cease to be eligible in accordance with the provisions of this Section 8.1, the Delaware Trustee shall resign immediately in the manner and with the effect specified in Section 8.2.

SECTION 8.2 RESIGNATION OR REMOVAL OF THE DELAWARE TRUSTEE. The Delaware Trustee may resign as Delaware Trustee, or the Administrator, acting on behalf of the Trust, may, in its sole discretion, remove the Delaware Trustee, in each case with thirty (30) days' prior notice to the Delaware Trustee, the Indenture Trustee and each Rating Agency then rating the Program or the Notes. Upon any resignation or removal of the Delaware Trustee, the Administrator, acting on behalf of the Trust, shall appoint a successor Delaware Trustee whereupon such successor Delaware Trustee shall succeed to the rights, powers and duties of the Delaware Trustee, and the term "Delaware Trustee" shall thereupon mean such successor Delaware Trustee effective upon such appointment and approval, and the predecessor Delaware Trustee's powers and duties as Delaware Trustee shall be terminated, without any other or further act or deed on the part of such predecessor Delaware Trustee or any of the parties to this Amended and Restated Trust Agreement or any holders of the obligations owing hereunder; PROVIDED, that if at any time the Delaware Trustee shall cease to be eligible in accordance with Section 8.1 and shall have not resigned, or if at any time the Delaware Trustee, shall become incapable of acting or shall be adjudged bankrupt or insolvent, or a receiver for the Delaware Trustee or for its property shall be

19

appointed, or any public officer shall take charge or control of the Delaware Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then the Administrator may remove the Delaware Trustee. On and after the effective date of any resignation or removal of the Delaware Trustee hereunder, the provisions of this Article 8 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Delaware Trustee under this Amended and Restated Trust Agreement. Any such resignation or removal shall become effective following the appointment of a successor Delaware Trustee in accordance with the provisions of this Section 8.2.

If no successor Delaware Trustee shall be appointed and shall have accepted such appointment within thirty (30) days after the aforesaid notice of resignation or removal, the Trust (or the Administrator, acting on its behalf) or the resigning Delaware Trustee may apply to any court of competent jurisdiction to appoint a successor Delaware Trustee to act until such time, if any, as a successor Delaware Trustee shall have been appointed as provided in this Section 8.2. Any successor so appointed by such court shall immediately and without further act be superseded by any successor Delaware Trustee appointed pursuant to this Section 8.2.

Any resignation or removal of the Delaware Trustee and appointment of a successor Delaware Trustee pursuant to any of the provisions of this Section 8.2 shall not become effective until all fees and expenses, including any indemnity payments, due to the outgoing Delaware Trustee have been paid and until acceptance of appointment by the successor Delaware Trustee pursuant to Section 8.3.

If at any time the Delaware Trustee shall resign or be removed or otherwise become incapable of acting, or if at any time a vacancy shall occur in the office of the Delaware Trustee for any other cause, a successor Delaware Trustee shall be appointed as set forth in this Section 8.2. The powers, duties, authority and title of the predecessor Delaware Trustee shall be terminated and canceled without any formality (except as may be required by applicable law) other than appointment and designation of a successor Delaware Trustee in writing duly acknowledged and delivered to the predecessor Delaware Trustee and the Trust.

SECTION 8.3 SUCCESSOR DELAWARE TRUSTEE. Each successor Delaware Trustee appointed pursuant to Section 8.2 shall execute, acknowledge and deliver to the Administrator, the Trust Beneficial Owner and the predecessor Delaware Trustee an instrument accepting such appointment under this Amended and Restated Trust Agreement, and thereupon the resignation or removal of the predecessor Delaware Trustee shall become effective, the resigning Delaware Trustee shall be released of all duties and trusts under this Amended and Restated Trust Agreement and such successor Delaware Trustee, without any further act, deed or conveyance, shall become fully vested with all the rights, powers, duties, and obligations of its predecessor under this Amended and Restated Trust Agreement, with like effect as if originally named as Delaware Trustee. The predecessor Delaware Trustee shall deliver to the successor Delaware Trustee all documents and statements and funds held by it under this Amended and Restated Trust Agreement; and the Administrator and the predecessor Delaware Trustee shall execute and deliver such instruments and do such other things as may reasonably be required for fully and certainly vesting and confirming in the successor Delaware Trustee

Any successor Delaware Trustee appointed under this Amended and Restated Trust Agreement shall promptly file an amendment to the Amended and Restated Certificate of Trust with the Secretary of State identifying the name and principal place of business of such successor Delaware Trustee in the State of Delaware.

No successor Delaware Trustee shall accept appointment as provided in this Section 8.3 unless at the time of such acceptance such successor Delaware Trustee shall be eligible pursuant to Section 8.1.

Upon acceptance of appointment by a successor Delaware Trustee pursuant to this Section 8.3, the Administrator shall mail notice of such appointment to the Indenture Trustee and each Rating Agency then rating the Program or the Notes. If the Administrator shall fail to mail such notice within ten (10) days after acceptance of appointment by the successor Delaware Trustee, the successor Delaware Trustee shall cause such notice to be mailed in the manner aforesaid.

SECTION 8.4 MERGER OR CONSOLIDATION OF DELAWARE TRUSTEE. Any Person into which the Delaware Trustee may be merged or converted or with which it may be consolidated, or any Person resulting from any merger, conversion or consolidation to which the Delaware Trustee shall be a party, or any Person succeeding to all or substantially all of the corporate trust business of the Delaware Trustee, shall, without the execution or filing of any instrument or any further act on the part of any of the parties to this Amended and Restated Trust Agreement, anything in this Amended and Restated Trust Agreement to the contrary notwithstanding, be the successor of the Delaware Trustee under this Amended and Restated Trust Agreement; PROVIDED, such Person shall be eligible pursuant to Section 8.1.

ARTICLE 9
MISCELLANEOUS PROVISIONS

SECTION 9.1 LIMITATION ON RIGHTS OF OTHERS.

The death, bankruptcy, termination, dissolution or incapacity of any Person having an interest, beneficial or otherwise, in the Trust shall not operate to terminate this Amended and Restated Trust Agreement, nor to annul, dissolve or terminate the Trust, nor to entitle the legal successors, representatives or heirs of any such Person, to claim an accounting, take any action or bring any proceeding in any court for a partition or winding up of the arrangements contemplated by this Amended and Restated Trust Agreement, nor otherwise affect the rights, obligations and liabilities of the parties to this Amended and Restated Trust Agreement or any of them.

SECTION 9.2 AMENDMENTS.

- (a) This Amended and Restated Trust Agreement may be amended from time to time by the Delaware Trustee and the Administrator by a written instrument executed by the Delaware Trustee and the Administrator, in any way that is not inconsistent with the intent of this Amended and Restated Trust Agreement, including, without limitation to: (i) cure any ambiguity, (ii) correct, supplement or modify any provision of this Amended and Restated Trust Agreement that is inconsistent with

another provision of this Amended and Restated Trust Agreement or (iii) modify, eliminate or add to any provisions of this Amended and Restated Trust Agreement to the extent necessary to ensure that the Trust will, at all times, for United States Federal income tax purposes will be either ignored or treated as a grantor trust or to ensure that the Trust will not be required to register as an investment company under the Investment Company Act and no such amendment shall require the consent of any other Person, except to the extent specified in Sections 9.2(c) and 9.2(d).

- (b) So long as any Funding Note remains outstanding, except as provided in Sections 9.2(c) and 9.2(d), any amendment to this Amended and Restated Trust Agreement that would adversely affect, in any material respect, the terms of any Funding Note, other than any amendment of the type contemplated by clause (iii) of Section 9.2(a), shall require the prior consent of the Holders of a majority of the outstanding principal amount of the Funding Note.
- (c) So long as any Funding Note remains outstanding, this Amended and Restated Trust Agreement may not be amended to (i) change the amount or timing of any payment of any Funding Note or (ii) impair the right of any Holder to institute suit for the enforcement of any right for principal and interest or other distribution without the consent of each affected Holder.
- (d) The Delaware Trustee shall not be required to enter into any amendment

to this Amended and Restated Trust Agreement which adversely affects its own rights, duties or immunities under this Amended and Restated Trust Agreement.

- (e) Prior to the execution of any amendment to this Amended and Restated Trust Agreement, the Delaware Trustee shall be entitled to an opinion of counsel as to whether such amendment is permitted by the terms of this Amended and Restated Trust Agreement and whether all conditions precedent to such amendment have been met, in each case under the laws of the State of Delaware.
- (f) Promptly after the execution of any such amendment or consent, the Administrator shall furnish a copy of such amendment or consent (including those obtained or effected by this Amended and Restated Trust Agreement) to the Trust Beneficial Owner, the Agents and the Rating Agencies;
- (g) Contemporaneously with, or promptly after, the execution of any amendment to this Amended and Restated Trust Agreement requiring amendment to the Amended and Restated Certificate of Trust, the Delaware Trustee shall cause the filing of such amendment to the Amended and Restated Certificate of Trust with the Secretary of State.
- (h) Notwithstanding any other provision of this Amended and Restated Trust Agreement, no amendment to this Amended and Restated Trust Agreement may be made (i) if such amendment would cause (A) the Trust not to be either ignored or treated as a "grantor trust" for United States Federal income tax purposes or

22

(B) the Notes to be treated as other than indebtedness of Allstate Life and (ii) no amendment to this Amended and Restated Trust Agreement may be made without the prior consent of Allstate Life.

SECTION 9.3 NOTICES. All demands, notices, instructions and other communications shall be in writing (including telecopied or telegraphic communications) and shall be personally delivered, mailed or transmitted by telecopy or telegraph, respectively, addressed as set forth below (or, in the case of any other relevant party, addressed as set forth in a separate notice delivered to all relevant parties):

If to Delaware Trustee:

Wilmington Trust Company
Rodney Square North
1100 North Market Street
Wilmington, DE 19890-0001
Attention: Corporate Trust Administration
Facsimile: (302) 636-4140

If to the Trust Beneficial Owner or the Administrator:

AMACAR Pacific Corp.
6525 Morrison Blvd., Suite 318
Charlotte, North Carolina 28211
Attention: Douglas K. Johnson
Facsimile: (704) 365-1632

with a copy to:

Tannenbaum Helpert Syracuse & Hirschtritt LLP
900 3rd Avenue
New York, NY 10022
Attention: Stephen Rosenberg
Facsimile: -

or at such other address as shall be designated by any such party in a written notice to the other parties. Notwithstanding the foregoing, any notice required or permitted to be mailed to the Trust Beneficial Owner shall be given by first class mail, postage prepaid, at AMACAR Pacific Corp., 6525 Morrison Blvd., Suite 318, Charlotte, North Carolina 28211, and any notices mailed within the time prescribed in this Amended and Restated Trust Agreement shall be conclusively presumed to have been duly given, whether or not the Trust Beneficial Owner received such notice. Any notice required or permitted to be mailed to any Holder of a Funding Note shall be given as specified in the relevant Series Instrument.

SECTION 9.4 NO RECOURSE. The Trust Beneficial Owner acknowledges that its beneficial interest in the Trust, relating to any Funding Agreement does not represent an obligation of Allstate Life, the Delaware Trustee, the Administrator or any Affiliate of any of the

23

foregoing and no recourse may be had against such parties or their assets,

except as may be expressly set forth or contemplated in this Amended and Restated Trust Agreement.

SECTION 9.5 LIMITED RECOURSE. Notwithstanding anything to the contrary contained in this Amended and Restated Trust Agreement, the obligations of the Trust under this Amended and Restated Trust Agreement and all Program Documents and other documents or instruments entered into by the Trust, are solely the obligations of the Trust and shall be payable solely to the extent of funds received by and available to the Trust under the Amended and Restated Support Agreement. No recourse shall be had for the payment of any amount owing in respect of any obligation of, or claim against, the Trust arising out of or based upon this Amended and Restated Trust Agreement, the Funding Note or any other Program Document against any holder of a beneficial interest, employee, agent, officer or Affiliate of the Trust and, except as specifically provided in this Amended and Restated Trust Agreement and in the other Program Documents, no recourse shall be had for the payment of any amount owing in respect of any obligation of, or claim against, the Trust arising out of or based upon this Amended and Restated Trust Agreement, the Funding Notes or any other Program Documents against the Delaware Trustee, the Administrator, Allstate Life, or any of their respective holders of beneficial interests, employees, agents, officers, directors, incorporators or Affiliates.

SECTION 9.6 NO PETITION. To the extent permitted by applicable law, each of the Delaware Trustee and the Administrator covenants and agrees, and the Trust Beneficial Owner by its acceptance of a beneficial interest in the Trust will be deemed to have covenanted and agreed, that it will not institute against, or join with any other Person in instituting against, the Trust any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or other proceedings under any applicable bankruptcy or similar law. This Section 9.6 shall survive termination of this Amended and Restated Trust Agreement.

SECTION 9.7 GOVERNING LAW. This Amended and Restated Trust Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to its choice of law principles.

SECTION 9.8 SEVERABILITY. If any provision in this Amended and Restated Trust Agreement shall be invalid, illegal or unenforceable, such provisions shall be deemed severable from the remaining provisions of this Amended and Restated Trust Agreement and shall in no way affect the validity or enforceability of such other provisions of this Amended and Restated Trust Agreement.

SECTION 9.9 THIRD PARTY BENEFICIARIES. This Amended and Restated Trust Agreement shall inure to the benefit of and be binding upon the parties to this Amended and Restated Trust Agreement and their respective successors and permitted assigns. Except as otherwise provided in this Amended and Restated Trust Agreement, no other Person shall have any right or obligation under this Amended and Restated Trust Agreement.

SECTION 9.10 COUNTERPARTS. This Amended and Restated Trust Agreement and any amendments, modifications, restatements, supplements and/or replacements of this Amended and Restated Trust Agreement, or waivers or consents to this Amended and Restated Trust Agreement, may be executed in any number of counterparts, and by different parties to this

24

Amended and Restated Trust Agreement in separate counterparts, each of which, when so executed and delivered, shall be deemed to be an original and all of which counterparts, when taken together, shall constitute one and the same instrument. This Amended and Restated Trust Agreement shall become effective upon the execution of a counterpart to each of the parties to this Amended and Restated Trust Agreement.

25

IN WITNESS WHEREOF, the parties hereto have caused this Amended and Restated Trust Agreement to be duly executed by their respective officers hereunto duly authorized, as of the day and year first above written.

WILMINGTON TRUST COMPANY,
in its individual capacity

By: _____
Name:
Title:

AMACAR Pacific Corp.,
as Administrator

By:

Name: Douglas K. Johnson
Title: President

AMACAR Pacific Corp.,
as Trust Beneficial Owner

By:

Name: Douglas K. Johnson
Title: President

STANDARD TRUST AGREEMENT TERMS
 WITH RESPECT TO
 ALLSTATE LIFE GLOBAL FUNDING TRUSTS
 DATED AS OF -, 2004

TABLE OF CONTENTS

PAGE ---- ARTICLE 1

DEFINITIONS.....	1
SECTION 1.1	
DEFINITIONS.....	1
SECTION 1.2 OTHER DEFINITIONAL	
PROVISIONS.....	6
ARTICLE 2 CREATION OF TRUST.....	6
SECTION 2.1 NAME OF THE TRUST.....	6
SECTION 2.2 OFFICE OF THE DELAWARE TRUSTEE; PRINCIPAL PLACE OF BUSINESS.....	6
SECTION 2.3 STATUTORY TRUST.....	7
SECTION 2.4 TRUST BENEFICIAL OWNER.....	7
SECTION 2.5 PURPOSES OF THE TRUST.....	7
SECTION 2.6 ALLOCATION OF TRUST EXPENSES.....	8
SECTION 2.7 LIABILITY.....	8
SECTION 2.8 INCOME TAX TREATMENT.....	8
SECTION 2.9 SITUS OF TRUST.....	8
ARTICLE 3 PAYMENT ACCOUNT.....	8
ARTICLE 4 NOTES; COLLATERAL.....	9
SECTION 4.1 ISSUANCE OF NOTES.....	9
SECTION 4.2 ACQUISITION OF FUNDING NOTE AND FUNDING AGREEMENTS.....	9
SECTION 4.3 SECURITY INTEREST IN THE COLLATERAL.....	9
SECTION 4.4 TITLE TO COLLATERAL.....	10
ARTICLE 5 REPRESENTATIONS AND WARRANTIES BY THE DELAWARE TRUSTEE.....	10
ARTICLE 6 DELAWARE TRUSTEE.....	11
SECTION 6.1 GENERAL AUTHORITY.....	11
SECTION 6.2 GENERAL DUTIES.....	16
SECTION 6.3 SPECIFIC DUTIES.....	16
SECTION 6.4 ACCEPTANCE OF TRUST AND DUTIES; LIMITATION ON LIABILITY.....	17
SECTION 6.5 RELIANCE; ADVICE OF COUNSEL.....	20
SECTION 6.6 DELEGATION OF AUTHORITIES AND DUTIES.....	21
SECTION 6.7 INDEMNIFICATION.....	21
ARTICLE 7 DISSOLUTION, LIQUIDATION AND TERMINATION.....	21
SECTION 7.1 TERMINATION OF AGREEMENT.....	21
SECTION 7.2 LIQUIDATION; DISTRIBUTIONS.....	21
ARTICLE 8 SUCCESSOR AND ADDITIONAL DELAWARE TRUSTEES.....	22
SECTION 8.1 ELIGIBILITY REQUIREMENTS FOR THE DELAWARE TRUSTEE.....	22
SECTION 8.2 RESIGNATION OR REMOVAL OF THE DELAWARE TRUSTEE.....	22
SECTION 8.3 SUCCESSOR DELAWARE TRUSTEE.....	23
SECTION 8.4 MERGER OR CONSOLIDATION OF DELAWARE TRUSTEE.....	24
SECTION 8.5 APPOINTMENT OF CO-DELAWARE TRUSTEE OR SEPARATE DELAWARE TRUSTEE.....	24
SECTION 8.6 DELAWARE TRUSTEE MAY OWN NOTES.....	26
ARTICLE 9 MISCELLANEOUS PROVISIONS.....	26
SECTION 9.1 LIMITATION ON RIGHTS OF OTHERS.....	26
SECTION 9.2 AMENDMENTS.....	26

SECTION 9.3	NOTICES.....	27
SECTION 9.4	NO RECOURSE.....	29
SECTION 9.5	LIMITED RECOURSE.....	29
SECTION 9.6	NO PETITION.....	29
SECTION 9.7	GOVERNING LAW.....	30
SECTION 9.8	SEVERABILITY.....	30
SECTION 9.9	THIRD PARTY BENEFICIARIES.....	30
SECTION 9.10	COUNTERPARTS.....	30

This document constitutes the Standard Trust Agreement Terms, which will be incorporated by reference in, and form a part of, the Trust Agreement (as defined below) among Wilmington Trust Company, a Delaware banking corporation, as Delaware trustee, (the "DELAWARE TRUSTEE"), AMACAR Pacific Corp., a Delaware corporation, as the sole administrator of the Trust (as defined below) (the "ADMINISTRATOR") and Allstate Life Global Funding, a statutory trust formed under the laws of the State of Delaware, as the sole beneficial owner of the Trust (the "TRUST BENEFICIAL OWNER").

These Standard Trust Agreement Terms shall not in and of itself create a trust and shall be of no force and effect unless and until incorporated by reference in, and then only to the extent not modified by, the Trust Agreement.

The following terms and provisions shall govern the activities of the Trust, subject to contrary terms and provisions expressly adopted in the Trust Agreement, which contrary terms shall be controlling.

ARTICLE 1
DEFINITIONS

SECTION 1.1 DEFINITIONS. The following terms have the meanings set forth below:

"ADMINISTRATIVE SERVICES AGREEMENT" means that certain Administrative Services Agreement, included in Part B of the Series Instrument, between the Administrator and the Trust, as the same may be amended, restated, modified, supplemented or replaced from time to time.

"ADDITIONAL AMOUNTS" has the meaning set forth in the Indenture.

"ADMINISTRATOR" means the party named as such in the preamble, in its capacity as the sole administrator of the Trust pursuant to the Administrative Services Agreement, and its successors.

"AFFILIATE" means, as applied to any Person, any other Person directly or indirectly controlling, controlled by or under common control with, that Person and, in the case of an individual, any spouse or other member of that individual's immediate family. For the purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities, by contract or otherwise.

"AGENTS" has the meaning set forth in the Distribution Agreement.

"ALLSTATE LIFE" means Allstate Life Insurance Company, a stock life insurance company organized and licensed under the laws of the State of Illinois, and any successor.

"BUSINESS DAY" has the meaning set forth in the Indenture.

"CERTIFICATE OF TRUST" means the Certificate of Trust of the Trust as filed with the Secretary of State of the State of Delaware.

"CLOSING INSTRUMENT" means the closing instrument of the Trust, pursuant to which the Indenture is entered into, and certain other documents are executed, in connection with the issuance of the Notes by the Trust.

"CODE" means the Internal Revenue Code of 1986, as amended, including any successor or amendatory statutes and any applicable rules, regulations, notices or orders promulgated thereunder.

"COLLATERAL" has the meaning ascribed in the Indenture.

"COMMISSION" means the Securities and Exchange Commission or any successor body.

"COORDINATION AGREEMENT" means that certain Coordination Agreement included in Part F of the Series Instrument, among Allstate Life Insurance Company, the Trust and the Indenture Trustee, as the same may be amended, modified or supplemented from time to time.

"CORPORATE TRUST OFFICE" means the principal office of the Delaware Trustee located at Rodney Square North, 1100 North Market Street, Wilmington, Delaware 19890-0001.

"DEBT" of any Person means, at any date, without duplication, (i) all obligations of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business, all obligations of such Person as lessee which are capitalized in accordance with generally accepted accounting principles, (iv) all contingent and non-contingent obligations of such Person to reimburse any bank or other Person in respect of amounts paid under a letter of credit or similar instrument, (v) all Debt secured by a Lien on any asset of such Person, whether or not such Debt is otherwise an obligation of such Person, and (vi) all Guarantees by such Person of Debt of another Person (each such Guarantee to constitute Debt in an amount equal to the amount of such other Person's Debt Guaranteed thereby).

"DELAWARE STATUTORY TRUST ACT" means Chapter 38 of Title 12 of the Delaware Code, 12 Del. C. Section 3801, et seq., as amended from time to time.

"DELAWARE TRUSTEE" means the party named as such in the preamble, in its capacity as the sole Delaware trustee of the Trust, and its successors. If there shall be at any time more than one Delaware Trustee under the Trust Agreement, "DELAWARE TRUSTEE" shall mean each such Delaware Trustee.

"DISTRIBUTION AGREEMENT" means that certain Distribution Agreement dated as of -, 2004, by and among Global Funding and the Agents named therein, as the same may be amended, restated, modified, supplemented or replaced from time to time.

"DTC" means The Depository Trust Company and its successors and assigns.

2

"FUNDING AGREEMENT" means each funding agreement issued by Allstate Life to Global Funding, which is sold to, and deposited into, the Trust by Global Funding, and immediately pledged and collaterally assigned by the Trust to the Indenture Trustee, as the same may be amended, restated, modified, supplemented or replaced from time to time in accordance with the terms thereof.

"FUNDING AGREEMENT EVENT OF DEFAULT" means an "Event of Default" as defined in the Funding Agreement.

"FUNDING NOTE" has the meaning set forth in Part F of the Series Instrument.

"GLOBAL FUNDING" means Allstate Life Global Funding, a statutory trust formed under the laws of the State of Delaware.

"GUARANTEE" by any Person means any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing any Debt of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt (whether arising by virtue of partnership arrangements, by virtue of an agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise), (ii) to reimburse a bank for amounts drawn under a letter of credit for the purpose of paying such Debt or (iii) entered into for the purpose of assuring in any other manner the holder of such Debt of the payment thereof or to protect such holder against loss in respect thereof (in whole or in part); PROVIDED that the term "GUARANTEE" shall not include endorsements for collection or deposit in the ordinary course of business.

"HOLDER" has the meaning set forth in the Indenture.

"INDENTURE" means that certain Indenture included in Part A of the Closing Instrument, between the Trust and the Indenture Trustee, as the same may be amended, restated modified or supplemented from time to time.

"INDENTURE TRUSTEE" means the party named as such in the preamble to the Indenture, and, subject to the applicable provisions of the Indenture, its successors.

"INVESTMENT COMPANY ACT" means the Investment Company Act of 1940, as amended, as it may be amended or supplemented from time to time, and any successor statute thereto, and the rules, regulations and published interpretations of the Commission promulgated thereunder from time to time.

"LIEN" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind, or any other type of preferential arrangement that has substantially the same practical effect as a security interest, in respect of such asset. For purposes hereof, the Trust shall be deemed to own subject to a Lien any asset which it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale

agreement, capital lease or other title retention agreement relating to such asset.

3

"NAME LICENSING AGREEMENT" means that certain Name Licensing Agreement included in Part D of the Series Instrument, between Allstate Insurance Company and the Trust, as the same may be amended, restated, modified, supplemented or replaced from time to time.

"NOTE" has the meaning set forth in the Indenture.

"NOTE CERTIFICATE" has the meaning set forth in the Indenture.

"OBLIGATIONS" means the obligations of the Trust secured under the Notes and the Indenture, including (a) all principal of, any premium and interest (including, without limitation, any interest which accrues after the commencement of any case, proceeding or other action relating to the bankruptcy, insolvency or reorganization of the Trust, whether or not allowed or allowable as a claim in any such proceeding) on, and any Additional Amounts with respect to, the Notes or pursuant to the Indenture, (b) all other amounts payable by the Trust under the Indenture or under the Notes including all costs and expenses (including attorneys' fees) incurred by the Indenture Trustee or any Holder thereof in realizing on the Collateral to satisfy such obligations and (c) any renewals or extensions of the foregoing.

"ORIGINAL ISSUE DATE" has the meaning set forth in the Pricing Supplement.

"PAYING AGENT" has the meaning set forth in the Indenture.

"PAYMENT ACCOUNT" means the segregated non-interest-bearing corporate trust account for the Trust maintained by the Delaware Trustee in its trust department in which all amounts paid to the Delaware Trustee in respect of the Collateral will be held and from which the Delaware Trustee shall make payments pursuant to Section 3.1(b) and Article 7 of the Trust Agreement, to the extent such amounts are paid to the Trust and deposited in the Payment Account.

"PERSON" means any natural person, corporation, limited partnership, general partnership, joint stock company, joint venture, association, company, limited liability company, trust (including any beneficiary thereof), bank, trust company, land trust, business trust, statutory trust or other organization, whether or not a legal entity, and governments and agencies and political subdivisions thereof.

"PRICING SUPPLEMENT" means, the pricing supplement attached to the Series Instrument as Annex A, as prepared by the Trust in connection with the issuance of the Notes, as the same may be amended, restated, modified, supplemented or replaced from time to time.

"PROGRAM" has the meaning set forth in the Indenture.

"PROGRAM DOCUMENTS" means each Note, the Series Instrument, the Indenture, the Trust Agreement, the Administrative Services Agreement, the Support Agreement, the Name Licensing Agreement, the Distribution Agreement, the Terms Agreement, each Funding Agreement and any other documents, certificates, agreements or instruments entered into by, or with respect to, or on behalf of, the Trust.

4

"RATING AGENCY" means each of Moody's Investors Services, Inc., Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, Inc., and any other rating agency which provides a rating of the Notes.

"REGISTRAR" has the meaning set forth in the Indenture.

"RESPONSIBLE OFFICER" means any vice president, assistant vice president, any assistant secretary, any assistant treasurer, any trust officer or assistant trust officer, or any other officer of the Delaware Trustee, as the case may be, customarily performing functions similar to those performed by any of the above designated officers and also, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his or her knowledge of and familiarity with the particular subject.

"SECRETARY OF STATE" means the Secretary of State of the State of Delaware.

"SECURITIES ACT" means the Securities Act of 1933, as it may be amended or supplemented from time to time, and any successor statute thereto, and the rules, regulations and published interpretations of the Commission promulgated thereunder from time to time.

"SECURITY INTEREST" has the meaning set forth in the Indenture.

"SERIES INSTRUMENT" means the series instrument of the Trust, pursuant to which the Administrative Services Agreement, the Coordination Agreement, the Name Licensing Agreement, the Support Agreement, the Terms Agreement and the

Trust Agreement are entered into, and certain other documents are executed, in connection with the issuance of the Notes by the Trust.

"STANDARD TRUST AGREEMENT TERMS" means these Standard Trust Agreement Terms.

"STANDING ORDER" has the meaning set forth in Section 3.1(d).

"SUPPLEMENTAL INDENTURE" has the meaning set forth in the Indenture.

"SUPPORT AGREEMENT" means that certain Support and Expenses Agreement included in Part C of the Series Instrument, by and between Allstate Life and the Trust, as the same may be amended, restated, modified, supplemented or replaced from time to time.

"TERMS AGREEMENT" means that certain Terms Agreement included in Part E of the Series Instrument, by and among Global Funding, the Trust and each Agent named therein, which will incorporate by reference the terms of the Distribution Agreement.

"TRUST" means the Allstate Life Global Funding Trust specified in the Series Instrument, together with its permitted successors and assigns.

"TRUST AGREEMENT" means that certain Trust Agreement included in Part A of the Series Instrument, and which incorporates by reference these Standard Trust Agreement Terms, by and among the Delaware Trustee, the Administrator and the Trust Beneficial Owner, as the same may be amended, restated, modified, supplemented or replaced from time to time.

5

"TRUST BENEFICIAL OWNER" means the party named as such in the preamble, in its capacity as the sole beneficial owner of the Trust, and its successors.

"TRUST EXPIRATION DATE" means the date on which all of the outstanding Notes are redeemed in full by the Trust.

"TRUST INDENTURE ACT" means the Trust Indenture Act of 1939, as it may be amended.

"UCC" means the Uniform Commercial Code, as from time to time in effect in the State of New York; PROVIDED THAT, with respect to the perfection, effect of perfection or non-perfection, or priority of any security interest in the Collateral, "UCC" shall mean the applicable jurisdiction whose law governs such perfection, non-perfection or priority.

SECTION 1.2 OTHER DEFINITIONAL PROVISIONS. For all purposes of the Trust Agreement except as otherwise expressly provided or unless the context otherwise requires:

- (a) the terms defined in this Article shall have the meanings ascribed to them in this Article and shall include the plural as well as the singular;
- (b) all accounting terms not otherwise defined in the Trust Agreement have the meanings assigned to them in accordance with generally accepted accounting principles in the United States and, except as otherwise expressly provided in the Trust Agreement, the term "generally accepted accounting principles" with respect to any computation required or permitted under the Trust Agreement shall mean such accounting principles as are generally accepted at the date of such computation in the United States;
- (c) the words "include", "includes" and "including" shall be construed to be followed by the words "without limitation";
- (d) Article and Section headings are for the convenience of the reader and shall not be considered in interpreting the Trust Agreement or the intent of the parties to the Trust Agreement; and
- (e) capitalized terms not otherwise defined in the Trust Agreement will have the respective meanings set forth in the Indenture.

ARTICLE 2 CREATION OF TRUST

SECTION 2.1 NAME OF THE TRUST. The Trust created under the Trust Agreement shall have the name specified in the Series Instrument. The Trust's activities shall be conducted under the name of the Trust.

SECTION 2.2 OFFICE OF THE DELAWARE TRUSTEE; PRINCIPAL PLACE OF BUSINESS. The principal office of the Trust shall be in care of the Delaware Trustee at the Corporate Trust Office, or such other address in the State of Delaware as the Delaware Trustee may designate by

6

written notice to the Trust Beneficial Owner, the Indenture Trustee, the Administrator and the Rating Agencies. The Trust shall also maintain an office in care of the Administrator at:

c/o AMACAR Pacific Corp.
6525 Morrison Boulevard, Suite 318
Charlotte, North Carolina 28211
Attention: President

SECTION 2.3 STATUTORY TRUST. It is the intention of the parties that the Trust constitute a statutory trust organized under the Delaware Statutory Trust Act and that the Trust Agreement constitute the governing instrument of the Trust. Pursuant to Section 3810 of the Delaware Statutory Trust Act, on or before the date of the Trust Agreement, the Delaware Trustee shall file a Certificate of Trust with the Secretary of State to form the Trust. The parties to the Trust Agreement hereby appoint the Delaware Trustee as trustee of the Trust, to have all rights, powers and duties set forth in the Trust Agreement and in accordance with the applicable law, subject to modification by the Trust Agreement, with respect to accomplishing the purposes of the Trust.

SECTION 2.4 TRUST BENEFICIAL OWNER. The Trust Beneficial Owner shall not be required to make any deposit, perform any service or otherwise provide any consideration in exchange for its beneficial interest in the Trust. The beneficial interest of the Trust Beneficial Owner in the Trust will not be represented by any certificate or other instrument. Upon the creation of the Trust, the Trust Beneficial Owner shall be the beneficial owner of the Trust and shall have an undivided beneficial ownership interest in the property related to the Trust. To the fullest extent permitted by law, any attempted transfer of the Trust Beneficial Owner's interest in the Trust shall be void.

SECTION 2.5 PURPOSES OF THE TRUST. The exclusive purposes and functions of the Trust are, and the Trust shall have the power and authority, to:

- (a) issue and sell the Notes,
- (b) use the net proceeds from the sale of the Notes to acquire the Funding Note,
- (c) receive one or more Funding Agreements from Global Funding pursuant to the terms of the Funding Note,
- (d) grant a security interest in, and pledge and collaterally assign, the rights, title and interest of the Trust in the Collateral to the Indenture Trustee for the benefit of the Holders of the Notes and any other Person for whose benefit the Indenture Trustee is or will be holding the Collateral,
- (e) make, or cause to be made, all payments due in respect of the Notes, in accordance with the terms of the Indenture, and
- (f) engage in other activities and enter into other agreements, in each case that are necessary, suitable or convenient to accomplish the foregoing or are incidental to or connected with those activities, including the execution, delivery and performance of the Series Instrument, the Closing Instrument and the Program Documents to which it is a signatory.

7

SECTION 2.6 ALLOCATION OF TRUST EXPENSES. Any costs and expenses of the Trust shall be paid by Allstate Life pursuant to the Support Agreement to the extent provided therein.

SECTION 2.7 LIABILITY. None of the Delaware Trustee, the Administrator, the Trust Beneficial Owner or the Holders shall have any personal liability for any liability or obligation of the Trust.

SECTION 2.8 INCOME TAX TREATMENT. The parties agree, and each Holder and beneficial owner of Notes by purchasing the Notes agrees, for all United States Federal, state and local income and franchise tax purposes (i) to treat the Notes as indebtedness of Allstate Life, (ii) Global Funding and the Trust will be ignored and will not be treated as an association or a publicly traded partnership taxable as a corporation and (iii) to not take any action inconsistent with the treatment described in (i) and (ii) unless otherwise required by law.

SECTION 2.9 SITUS OF TRUST. The Trust shall be located in the State of Delaware. The Trust shall have the right, upon consent of the Indenture Trustee, and under certain circumstances set forth in the Indenture, to change its domicile from Delaware to any other jurisdiction. All bank accounts maintained by the Delaware Trustee on behalf of the Trust shall be located in the State of Delaware except that those accounts established under the Indenture shall be maintained with the Indenture Trustee in accordance with the Indenture. The Trust shall not have any employees in any state other than in the State of Delaware.

ARTICLE 3
PAYMENT ACCOUNT

SECTION 3.1 PAYMENT ACCOUNT.

- (a) On the Original Issue Date, the Delaware Trustee shall establish the Payment Account. The Delaware Trustee and any agent of the Delaware Trustee shall have exclusive control and sole right of withdrawal with respect to the Payment Account for the purpose of making deposits in and withdrawals from the Payment Account in accordance with the Trust Agreement and the Indenture. Subject to the Indenture, all funds or other property received by the Delaware Trustee on behalf of the Trust in respect of the Collateral will be deposited in the Payment Account. All funds and other property deposited or held from time to time in the Payment Account shall be held by the Delaware Trustee in the Payment Account for the exclusive benefit of the Trust Beneficial Owner, subject to the security interest in the Collateral in favor of the Indenture Trustee on behalf of the Holders of the Notes and any other Person for whose benefit the Indenture Trustee is or will be holding the Collateral, and for distribution by the Delaware Trustee as provided in the Trust Agreement, including (and subject to) any priority of payments provided for in the Trust Agreement.
- (b) Except for payments made on the Trust Expiration Date or otherwise pursuant to Section 7.3, all funds and other property deposited into the Payment Account shall be distributed by the Trust as follows:

8

FIRST, to the Indenture Trustee for the payment of all amounts then due and unpaid upon the Notes and any other amounts due and payable in accordance with the Indenture; and

SECOND, any remaining funds and other property deposited into the Payment Account shall be distributed to the Trust Beneficial Owner.

- (c) The Delaware Trustee shall deposit in the Payment Account, promptly upon receipt, any payments received with respect to the Collateral. Amounts held in the Payment Account shall not be invested by the Delaware Trustee.
- (d) Notwithstanding anything in the Trust Agreement to the contrary, the Delaware Trustee, on behalf of the Trust, shall execute a standing order (the "STANDING ORDER") to the Indenture Trustee pursuant to which the Indenture Trustee shall distribute all amounts due and unpaid under Section 3.1(b); PROVIDED, HOWEVER, that all payments to be made by the Trust to the Trust Beneficial Owner on the Trust Expiration Date or otherwise pursuant to Section 7.3 of the Trust Agreement shall be made by the Delaware Trustee on behalf of the Trust. For so long as (i) the Delaware Trustee, on behalf of the Trust, has not rescinded the Standing Order and (ii) the Indenture Trustee is able to, and does, comply with the Standing Order, the Delaware Trustee will not be required to establish a separate Payment Account in accordance with Section 3.1; PROVIDED, HOWEVER, that the Delaware Trustee shall establish a separate Payment Account to facilitate payments made on the Trust Expiration Date or otherwise pursuant to Section 7.3 of the Trust Agreement.

ARTICLE 4
NOTES; COLLATERAL

SECTION 4.1 ISSUANCE OF NOTES. The Trust shall, in accordance with the Indenture, issue and deliver or cause to be issued and delivered the aggregate principal amount of the Notes specified in the Pricing Supplement against payment therefor. The Holders of the Notes shall only have a right to receive payments from the Collateral as described in the Indenture and shall have no right to receive payments from the assets of Global Funding or the assets held in any other trust organized under the Program.

SECTION 4.2 ACQUISITION OF FUNDING NOTE AND FUNDING AGREEMENTS. In connection with the issuance and sale of the Notes, pursuant to Articles 2 and 3 of the Coordination Agreement: (i) the Trust will use the net proceeds received from the offering of Notes to purchase the Funding Note from Global Funding; (ii) Global Funding will use the net proceeds received from the sale of the Funding Note to purchase one or more Funding Agreements; and (iii) Global Funding will immediately assign absolutely to, and deposit into, the Trust each such Funding Agreement, and the relevant Funding Note will be surrendered pursuant to the terms of the Funding Note.

SECTION 4.3 SECURITY INTEREST IN THE COLLATERAL. Simultaneously with the issuance and sale of the Notes, pursuant to the Indenture, the Trust shall pledge and collaterally assign to the Indenture Trustee, and will grant to the Indenture Trustee, for the benefit of the Holders of

9

the Notes and any other Person for whose benefit the Indenture Trustee is or will be holding the Collateral, a security interest in and to the Collateral, including, without limitation, each Funding Agreement purchased by the Trust.

SECTION 4.4 TITLE TO COLLATERAL. Legal title to the Collateral shall be vested at all times in the Trust as a separate legal entity, except where applicable law in any jurisdiction requires title to any part of the Collateral to be vested in the Delaware Trustee or any co-Delaware Trustee, in which case legal title shall be deemed to be vested in the Delaware Trustee or any co-Delaware Trustee appointed under the Trust Agreement for such purpose, and shall be held and administered by the Delaware Trustee for the benefit of the Trust and each Holder, subject to the rights of the Indenture Trustee pursuant to the Indenture.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES BY THE DELAWARE TRUSTEE

The Delaware Trustee represents and warrants for the benefit of the Holders and the Trust Beneficial Owner as follows:

- (a) it is a banking corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and it is a "bank" within the meaning of Section 581 of the Code;
- (b) it is a "United States person" within the meaning of Section 7701(a)(30) of the Code;
- (c) it has full corporate or other power, authority and legal right to execute, deliver and perform its obligations under the Trust Agreement and has taken all necessary action to authorize the execution, delivery and performance by it of the Trust Agreement;
- (d) the Trust Agreement has been duly authorized, executed and delivered by it and constitutes the valid and legally binding agreement of it enforceable against it in accordance with its terms;
- (e) neither the execution or delivery by it of the Trust Agreement, nor the performance by it of its obligations under the Trust Agreement, will (i) violate its organizational documents, (ii) violate any provision of, or constitute, with or without notice or lapse of time, a default under, or result in the creation or imposition of any Lien on any properties or assets held in the Trust pursuant to the provisions of, any indenture, mortgage, credit agreement, license or other contract, agreement, judgment, order or instrument to which it is a party or by which it is bound, or (iii) violate any law, governmental rule or regulation of the State of Delaware or the United States governing the banking, trust or general powers of it or any order, judgment or decree applicable to it;
- (f) the authorization, execution or delivery by it of the Trust Agreement and the consummation of any of the transactions by it contemplated by the Trust Agreement do not require the consent or approval of, the giving of notice to, the registration with or the taking of any other action with respect to any governmental authority or agency (other than the filing of the Certificate of Trust with the Secretary of State); and
- (g) there are no proceedings pending or, to the best of its knowledge, threatened against or affecting it in any court or before any governmental authority, agency or arbitration board or tribunal which, individually or in the aggregate, would materially and adversely affect the Trust or would question the right, power and authority of it to enter into or perform its obligations under the Trust Agreement.

10

ARTICLE 6
DELAWARE TRUSTEE

SECTION 6.1 GENERAL AUTHORITY.

- (a) The Delaware Trustee is authorized and empowered, among other things, to (a) execute and deliver on behalf of the Trust the Program Documents and each certificate or other document attached as an exhibit to, or contemplated by, the Program Documents and any amendment or other agreement to any of the Program Documents, (b) take all actions required of the Trust pursuant to the Program Documents including, but not limited to (i) paying, or causing to be paid, on behalf of the Trust any amounts due and owing by the Trust under the Program Documents or any other documents or instruments to which the Trust is a party, (ii) providing certificates required under the Program Documents or other documents or instruments to which the Trust is a party and (iii) preparing for execution or executing amendments to and waivers under the Program Documents or any other documents or instruments deliverable by the Trust thereunder or in connection therewith or with the Trust Agreement, (c) cause the Trust to perform under the Program Documents and (d) engage in those activities,

including entering into agreements, that are necessary, suitable or convenient to accomplish the foregoing or any other of the purposes of the Trust or are incidental thereto or connected therewith including, from time to time, taking such action on behalf of the Trust as is permitted by the Program Documents. In addition to any other duties under the Trust Agreement, the Delaware Trustee shall be the trustee of the Trust for the purpose of fulfilling the requirements of Section 3807 of the Delaware Statutory Trust Act. Subject to the limitations set forth in Section 6.1(b), the Delaware Trustee shall have the power and authority to act on behalf of the Trust, with respect to the following matters:

- (i) to execute and deliver on behalf of the Trust the Notes in accordance with the Trust Agreement and the Indenture;
- (ii) to cause the Trust to perform the Trust Agreement and to enter into, and to execute, deliver and perform on behalf of the Trust, the documents

11

contained in the Series Instrument and the Closing Instrument, the Distribution Agreement, the Notes, the Funding Note, each Funding Agreement and such other certificates, other documents or agreements as may be necessary, contemplated by or desirable in connection with the purposes and function of the Trust or any of the above-referenced documents;

- (iii) subject to the applicable provisions of the Indenture, to receive and maintain custody of each Funding Agreement and to exercise all of the rights, powers and privileges of an owner or policyholder of each Funding Agreement;
- (iv) to grant to the Indenture Trustee a security interest in the Collateral for the Notes and to pledge and collaterally assign the rights, title and interest of the Trust in the Collateral to the Indenture Trustee for the benefit of the Holders of Notes and any other Person on whose behalf the Indenture Trustee is or will be holding the Collateral, and to seek release of such security interest upon payment in full of all amounts required to be paid with respect to the Notes pursuant to the terms and conditions of the Notes or the Indenture;
- (v) to establish the Payment Account;
- (vi) to send notices regarding the Notes and the Funding Agreements to Allstate Life, the Indenture Trustee, the Rating Agencies, the Trust Beneficial Owner and the applicable Agents under the Terms Agreement in accordance with the terms of the Notes, the Indenture, each Funding Agreement and the Trust Agreement;
- (vii) to take all actions necessary or appropriate to enable the Trust to comply with Section 2.8 of the Trust Agreement regarding income tax treatment;
- (viii) after the occurrence of a Funding Agreement Event of Default actually known to a Responsible Officer, subject to the applicable provisions of the Indenture, to take any action as it may from time to time determine (based solely upon the advice of counsel) is necessary or advisable to give effect to the terms of the Trust Agreement and to protect and conserve the Collateral for the benefit of each Holder (without consideration of the effect of any such action on any particular Holder) and, within five Business Days after the occurrence of a Funding Agreement Event of Default actually known to a Responsible Officer, to give notice thereof to the Administrator, the Trust Beneficial Owner and the Indenture Trustee;
- (ix) to the extent permitted by the Trust Agreement, to participate in the winding up of the affairs of and liquidation of the Trust and assist with the preparation, execution and filing of a certificate of cancellation with the Secretary of State;

12

- (x) subject to the Indenture, to take any action and to execute any documents on behalf of the Trust, incidental to the foregoing as the Delaware Trustee may from time to time determine (based on the advice of counsel) is necessary or advisable to give effect to the terms of the Trust Agreement;
- (xi) to execute and file documents with the Secretary of State; and
- (xii) to accept service of process on behalf of the Trust in the State of Delaware.

It is expressly understood and agreed that the Delaware Trustee shall be entitled to engage outside counsel, independent accountants and other experts appointed with due care to assist the Delaware Trustee in connection with the performance of its duties and powers set forth in this Section 6.1(a), including, without limitation, certificates, reports, opinions, notices or any other documents. The Delaware Trustee shall be entitled to rely conclusively on the advice of such counsel, accountants and other experts in the performance of all its duties under the Trust Agreement and shall have no liability for any documents prepared by such counsel, accountants or experts or any action or inaction taken pursuant to the advice of such counsel, accountants or experts. Any expenses of such counsel, accountants and experts shall be paid by the Trust.

- (b) So long as the Trust Agreement remains in effect, the Trust (and the Delaware Trustee and the Administrator acting on behalf of the Trust) shall not undertake any business, activity or transaction except as expressly provided for or contemplated by the Trust Agreement or the Indenture. In particular, the Trust shall not, except as otherwise contemplated by the Indenture:
- (i) sell, transfer, exchange, assign, lease, convey or otherwise dispose of any assets held in the Trust (as of the date of the Trust Agreement or thereafter acquired), including, without limitation, any portion of the Collateral, except as expressly permitted under the Indenture;
 - (ii) engage in any business or activity other than in connection with, or relating to, (A) the performance of the Trust Agreement and the execution, delivery and performance of any documents, including the Program Documents (other than the Trust Agreement as set forth above), relating to the Notes and the transactions contemplated thereby, (B) the issuance of the Notes pursuant to the Indenture and (C) any activities, including entering into agreements that are necessary, suitable or convenient to accomplish the purposes of the Trust specified in Section 2.5;
 - (iii) incur, directly or indirectly, any Debt except for the Notes or as otherwise contemplated under the Indenture or the Trust Agreement;
 - (iv) (A) permit the validity or effectiveness of the Indenture or the Security Interest securing the Notes to be impaired, or permit such Security Interest to be amended, hypothecated, subordinated, terminated or discharged, (B) permit any Person to be released from any covenants or obligations under

13

any Funding Agreement securing the Notes, except as expressly permitted thereunder, under the Indenture, the Trust Agreement, or each applicable Funding Agreement, (C) create, incur, assume, or permit any Lien or other encumbrance (other than the Security Interests securing the Notes) on any of its properties or assets, or any interest therein or the proceeds thereof, or (D) permit a Lien with respect to the Collateral not to constitute a valid first priority perfected security interest in the Collateral securing the Notes;

- (v) amend, modify or fail to comply with any material provision of the Trust Agreement, except for any amendment or modification of the Trust Agreement expressly permitted under the Trust Agreement or under the Indenture or the relevant Funding Agreement(s);
- (vi) own any subsidiary or lend or advance any funds to, or make any investment in, any Person, except for an investment in the Funding Agreements, the Funding Note or the investment of any funds of the Trust held by the Indenture Trustee, Paying Agent, Registrar, Delaware Trustee or Administrator as provided in (or in the documents or agreements contained in) the Series Instrument or the Closing Instrument, or in any Funding Agreement;
- (vii) directly or indirectly declare or pay a distribution or make any distribution or other payment, or redeem or otherwise acquire or retire for value any securities other than the Notes, PROVIDED that the Trust may declare or pay a distribution or make any distribution or other payment to the Trust Beneficial Owner in compliance with the Trust Agreement if the Trust has paid or made provision for the payment of all amounts due to be paid on the Notes, and pay all of its debt, liabilities, obligations and expenses, the payment of which is provided for under the Support Agreement;
- (viii) become required to register as an "investment company" under

and as such term is defined in the Investment Company Act of 1940, as amended;

- (ix) except as permitted under the Indenture, enter into any transaction of merger or consolidation or liquidate or dissolve itself (or, to the fullest extent permitted by law, suffer any liquidation or dissolution), or acquire by purchase or otherwise all or substantially all the business or assets of, or any stock or other evidence of beneficial ownership of, any Person;
- (x) take any action that would cause the Trust not to be either ignored or treated as a grantor trust for United States Federal income tax purposes;
- (xi) issue any Notes unless Allstate Life has affirmed in writing to the Trust that it has made changes to its books and records to reflect the grant of a security interest in, and the making of an assignment for collateral purposes of, the relevant Funding Agreement(s) by the Trust to the

14

Indenture Trustee in accordance with the terms of such Funding Agreement and the Trust has taken such other steps as may be necessary to cause the Security Interest in or assignment for all collateral purposes of, the Collateral to be perfected for purposes of the UCC or effective against its creditors and subsequent purchasers of the Collateral pursuant to insurance or other state laws;

- (xii) make any deduction or withholding from any payment of principal of or interest on the Notes (other than amounts that may be required to be withheld or deducted from such payments under the Code or any other applicable tax law) by reason of the payment of any taxes levied or assessed upon any portion of the Collateral except to the extent specified in the Indenture or a Note Certificate or Supplemental Indenture;
 - (xiii) have any employees other than the Delaware Trustee, the Administrator or any other Persons necessary to conduct its business and enter into transactions contemplated under the Program Documents;
 - (xiv) have an interest in any bank account other than (A) those accounts contemplated by the Program Documents, and (B) those accounts expressly permitted by the Indenture Trustee; PROVIDED that any such further account or such interest of the Trust therein shall be charged or otherwise secured in favor of the Indenture Trustee on terms acceptable to the Indenture Trustee;
 - (xv) permit any Affiliate, employee or officer of Allstate Life or any agent of Allstate Life or Agent to be a trustee of the Trust; or
 - (xvi) commingle any of its assets with assets of any of the Trust's Affiliates, or guarantee any obligation of any of the Trust's Affiliates.
- (c) Notwithstanding any other provision of the Trust Agreement, the Delaware Trustee and the Administrator, acting on behalf of the Trust, shall not take any action that would cause the Trust not to be either ignored or treated as a "grantor trust" for United States Federal income tax purposes.
 - (d) The Delaware Trustee shall, based on the advice of counsel, defend against all claims and demands of all Persons at any time claiming any Lien on any of the assets of the Trust adverse to the interest of the Trust or any Holder, other than the security interest in the Collateral granted in favor of the Indenture Trustee for the benefit of each Holder of the Notes and any other Person for whose benefit the Indenture Trustee is or will be holding the Collateral.
 - (e) If and for so long as any Funding Agreement is held by the Delaware Trustee for the benefit of the Trust, the Delaware Trustee shall not (i) waive any default under the Funding Agreement or (ii) consent to any amendment, modification or termination of the Funding Agreement, without, in each case, obtaining the prior approval of the Indenture Trustee in accordance with the Indenture and an opinion

15

of counsel experienced in such matters to the effect that any such action shall not cause the Trust not to be either ignored or treated as a grantor trust for United States Federal income tax purposes. The

Delaware Trustee, upon a Responsible Officer obtaining actual knowledge of the occurrence of a Funding Agreement Event of Default, will notify the Indenture Trustee of any such Funding Agreement Event of Default.

- (f) The Delaware Trustee is authorized and directed to conduct the affairs of the Trust and to operate the Trust so that the Trust will not (i) become required to register as an "investment company" under the Investment Company Act or (ii) fail to be either ignored or treated as a grantor trust for United States Federal income tax purposes. In connection with the preceding sentence, the Delaware Trustee shall have no duty to determine whether any action it takes complies with the preceding sentence and shall be entitled to rely conclusively on an opinion of counsel with respect to any such matters.

SECTION 6.2 GENERAL DUTIES. It shall be the duty of the Delaware Trustee to discharge, or cause to be discharged, all of its responsibilities pursuant to the terms of the Trust Agreement, or any other documents or instruments to which it is a party, and to administer the Trust, in accordance with the provisions of the Trust Agreement and the other Program Documents and any other documents or instruments to which the Trust is a party. Notwithstanding the foregoing, the Delaware Trustee shall be deemed to have discharged its duties and responsibilities under the Trust Agreement and any other documents or instruments to which the Trust is a party to the extent (a) such duties and responsibilities shall have been performed by the Administrator and (b) the Administrator is required or permitted under the Trust Agreement, under the Administrative Services Agreement or under any other documents or instruments to which the Trust is a party, to perform such act or discharge such duty of the Delaware Trustee or the Trust; PROVIDED, HOWEVER, that the Delaware Trustee shall not be held liable for the default or failure of the Administrator to carry out its required obligations under the Trust Agreement or thereunder but only to the extent such obligations are not also required to be carried out by the Delaware Trustee.

SECTION 6.3 SPECIFIC DUTIES.

- (a) The Delaware Trustee will manage the business and affairs of the Trust in accordance with the terms of the Delaware Statutory Trust Act; PROVIDED, HOWEVER, that the Delaware Trustee undertakes to perform only such duties as are specifically set forth in the Trust Agreement and as it may be directed from time to time by the Administrator, the Trust Beneficial Owner and the Indenture Trustee in accordance with the terms of the Trust Agreement and the Indenture.
- (b) The Delaware Trustee agrees that it will not manage, control, use, sell, dispose of or otherwise deal with the Collateral except as expressly required or permitted by the terms of the Trust Agreement and the Indenture.
- (c) The Delaware Trustee shall not take any action, or direct the Administrator to take any action, which would be inconsistent with Section 2.8 of the Trust Agreement.

16

SECTION 6.4 ACCEPTANCE OF TRUST AND DUTIES; LIMITATION ON LIABILITY. The Delaware Trustee accepts the trust created by the Trust Agreement and agrees to perform its duties under the Trust Agreement with respect to the same, but only upon the terms of the Trust Agreement. No implied covenants or obligations shall be read into the Trust Agreement. The Delaware Trustee shall not be liable under the Trust Agreement under any circumstances except for (i) its own willful misconduct, bad faith or gross negligence, (ii) its failure to use ordinary care to disburse funds, or (iii) the inaccuracy of any representation or warranty contained in the Trust Agreement expressly made by the Delaware Trustee. In particular (but without limitation), subject to the exceptions set forth in the preceding sentence:

- (a) the Delaware Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless such error of judgment constitutes gross negligence;
- (b) the Delaware Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the written instructions of the Administrator, the Trust Beneficial Owner or the Indenture Trustee or pursuant to the advice of counsel, accountants or other experts selected by it in good faith, so long as such action or omission is consistent with the terms of the Trust Agreement and the Indenture;
- (c) no provision of the Trust Agreement shall require the Delaware Trustee to expend or risk personal funds or otherwise incur any financial liability in the performance of any of its rights or powers under the Trust Agreement if the Delaware Trustee shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured or provided to it;

- (d) under no circumstances shall the Delaware Trustee be liable for indebtedness or other obligations evidenced by or arising under the Trust Agreement, any Funding Agreement or any related document, including the principal of and interest on the Notes;
- (e) the Delaware Trustee shall not be responsible for, or in respect of, the validity or sufficiency of the Trust Agreement or any related document or for the due execution of the Trust Agreement or thereof by any party (except by the Delaware Trustee itself) or for the form, character, genuineness, sufficiency, value or validity of any of the Collateral, other than, the signature and countersignature of the Delaware Trustee on any of the Program Documents and the execution of any certificate;
- (f) the Delaware Trustee shall (i) not be liable for any action, inaction, default or misconduct of the Administrator, the Indenture Trustee or any Paying Agent under the Indenture, the Notes or any related documents or otherwise, and (ii) not have any obligation or liability to perform the obligations of the Trust under the Trust Agreement or any related document or under any Federal, state, foreign or local tax or securities law, in each case, that are required to be performed by other

17

Persons, including the Administrator under the Trust or under the Administrative Services Agreement or the Indenture Trustee under the Indenture;

- (g) the Delaware Trustee shall not be liable for any action, inaction, default or misconduct of Allstate Life, and the Delaware Trustee shall not have any obligation or liability to perform the obligations of Allstate Life under the Funding Agreements or any related documents;
- (h) the Delaware Trustee shall not be under any obligation to exercise any of the rights or powers vested in it by the Trust Agreement, or to institute, conduct or defend any litigation under the Trust Agreement or otherwise or in relation to the Trust Agreement or any related document, at the request, order or direction of any Person unless such Person has offered to the Delaware Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities that may be incurred by the Delaware Trustee. The right of the Delaware Trustee to perform any discretionary act enumerated in the Trust Agreement or in any related document shall not be construed as a duty, and the Delaware Trustee shall not be answerable in connection therewith other than for its gross negligence or willful misconduct in the performance of any such act;
- (i) except as expressly provided in the Trust Agreement, in accepting the trusts created by the Trust Agreement, the Delaware Trustee acts solely as trustee under the Trust Agreement and not in its individual capacity, and all Persons having any claim against the Delaware Trustee by reason of the transactions contemplated by the Trust Agreement shall look only to the Trust's property for payment or satisfaction thereof;
- (j) the Delaware Trustee shall not have any responsibility or liability for or with respect to the genuineness, value, sufficiency or validity of any Collateral, and the Delaware Trustee shall in no event assume or incur any liability, duty or obligation to the Administrator, the Trust Beneficial Owner or any other Person other than as expressly provided for in the Trust Agreement;
- (k) the Delaware Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note or other paper or document;
- (l) every provision of the Trust Agreement relating to the Delaware Trustee shall be subject to the provisions of this Article 6;
- (m) except in accordance with the written instructions furnished by the Trust Beneficial Owner or as provided in the Trust Agreement, the Delaware Trustee shall have no duty (i) to see to any recording or filing of any document, (ii) to confirm or verify any financial statements of the Administrator, the Trust Beneficial Owner or the Indenture Trustee, (iii) to inspect the Administrator's, the Trust Beneficial Owner's or the Indenture Trustee's books and records at any time

18

or (iv) to see to the payment or discharge of any tax, assessment or other governmental charge or any lien or encumbrance of any kind owing with respect to, assessed or levied against any part of the Trust, except to the extent the Delaware Trustee has received funds, on

behalf of the Trust, pursuant to the Support Agreement from Allstate Life in satisfaction of any such tax, assessment or other governmental charge or any lien or encumbrance of any kind and in accordance with payment or transfer instructions provided by Allstate Life;

- (n) the Delaware Trustee shall have no duty or obligation to manage, control, use, sell, dispose of or otherwise deal with the Trust or to otherwise take or refrain from taking any action under the Trust Agreement, except as expressly required by the terms of the Trust Agreement, or as expressly provided in written instructions from the Administrator, and in no event shall the Delaware Trustee have any implied duties or obligations under the Trust Agreement; the Delaware Trustee nevertheless agrees that it will, at its own cost and expense, promptly take all action as may be necessary to discharge any liens on any part of the property of the Trust which result from claims against the Delaware Trustee personally that are not related to the ownership or the administration of the property of the Trust or the transactions contemplated by the Program Documents;
- (o) the Delaware Trustee shall not be required to take any action under the Trust Agreement unless the Delaware Trustee shall have been indemnified by the Trust, in manner and form satisfactory to the Delaware Trustee, against any liability, cost or expenses (including counsel fees and disbursements) which may be incurred in connection therewith, and, in addition, the Trust shall pay the reasonable compensation of the Delaware Trustee for the services performed; PROVIDED, THAT the Delaware Trustee shall not be indemnified by any Person for the Delaware Trustee's willful misconduct, bad faith or gross negligence, its failure to use ordinary care to disburse funds or the inaccuracy of its own representations or warranties, made in its individual capacity, contained in the Trust Agreement;
- (p) the Delaware Trustee shall not be required to take any action under the Trust Agreement if the Delaware Trustee shall reasonably determine or shall have been advised by counsel that such action is contrary to the terms of the Trust Agreement or is otherwise contrary to law;
- (q) the Delaware Trustee may fully rely upon and shall have no liability in connection with calculations or instructions forwarded to the Delaware Trustee by the Administrator or the Indenture Trustee, nor shall the Delaware Trustee have any obligation to furnish information to any Person if it has not received such information as it may need from the Administrator, the Indenture Trustee or any other Person;
- (r) the Delaware Trustee shall not be liable with respect to any act or omission in good faith in accordance with the advice or direction of the Administrator or the Indenture Trustee. Whenever the Delaware Trustee is unable to decide between alternative courses of action permitted or required by the terms of the Trust

19

Agreement, or is unsure as to the application, intent, interpretation or meaning of any provision of the Trust Agreement, the Delaware Trustee may give notice (in such form as shall be appropriate under the circumstances) to the Administrator requesting instructions as to the course of action to be adopted, and, to the extent the Delaware Trustee acts in good faith in accordance with any such instruction received, the Delaware Trustee shall not be liable on account of such action to any Person. If the Delaware Trustee shall not have received appropriate instructions within ten days of such notice (or within such shorter period of time as reasonably may be specified in such notice or may be necessary under the circumstances), it may, but shall be under no duty to, take or refrain from taking such action which is consistent, in its view, with the Trust Agreement and as it shall deem to be in the best interest of the Trust Beneficial Owner, and the Delaware Trustee shall have no liability to any Person for such action or inaction;

- (s) in no event whatsoever shall the Delaware Trustee be personally liable for any representation, warranty, covenant, agreement, indebtedness or other obligation of the Trust;
- (t) the Delaware Trustee shall incur no liability if, by reason of any provision of any present or future law or regulation thereunder, or by any force majeure event, including but not limited to natural disaster, war or other circumstances beyond its control, the Delaware Trustee shall be prevented or forbidden from doing or performing any act or thing which the terms of the Trust Agreement provide shall or may be done or performed; and
- (u) notwithstanding anything contained herein to the contrary, the Delaware Trustee shall not be required to execute, deliver or certify on behalf of the Trust any filings, certificates, affidavits or other instruments required under the Sarbanes-Oxley Act of 2002.

SECTION 6.5 RELIANCE; ADVICE OF COUNSEL.

- (a) The Delaware Trustee shall incur no liability to anyone in acting upon any signature, instrument, notice, resolution, request, consent, order, certificate, report, opinion, bond or other document or paper reasonably believed by it in good faith to be genuine and signed by the proper party or parties. The Delaware Trustee may accept a certified copy of a resolution of the board of directors or other governing body of any corporate party as conclusive evidence that such resolution has been duly adopted by such body and that the same is in full force and effect. As to any fact or matter the manner of ascertainment of which is not specifically prescribed in the Trust Agreement, the Delaware Trustee may for all purposes of the Trust Agreement rely on a certificate, signed by the president or any vice president or by the treasurer or any assistant treasurer or the secretary or any assistant secretary of the relevant party, as to such fact or matter, and such certificate shall constitute full protection to the Delaware Trustee for any action taken or omitted to be taken by it in good faith in reliance thereon.
- (b) In the exercise or administration of the Trust, the Delaware Trustee (i) may act directly or through its agents or attorneys pursuant to agreements entered into with any of them; PROVIDED THAT, the Delaware Trustee shall not be liable for the conduct or misconduct of such agents or attorneys if such agents or attorneys shall have been selected by the Delaware Trustee in good faith and with reasonable

20

care, and (ii) may consult with counsel, accountants and other skilled Persons to be selected in good faith and with reasonable care and employed by it, and it shall not be liable for anything done, suffered or omitted to be done in good faith by it in accordance with the written opinion or advice of any such counsel, accountants or other skilled Persons.

SECTION 6.6 DELEGATION OF AUTHORITIES AND DUTIES. The Delaware Trustee delegates to the Administrator all duties required to be performed by the Administrator pursuant to the terms of the Trust Agreement and the Administrative Services Agreement. The Delaware Trustee undertakes no responsibility for the performance, or non-performance, of any duties delegated to the Administrator under the Trust Agreement, the Administrative Services Agreement or the Indenture, as applicable.

SECTION 6.7 INDEMNIFICATION. The Trust hereby agrees, whether or not any of the transactions contemplated by the Trust Agreement shall be consummated, to assume liability for, and hereby indemnifies, protects, saves and keeps harmless the Delaware Trustee, and its officers, directors, successors, assigns, legal representatives, agents and servants (each an "Indemnified Person"), from and against any and all liabilities, obligations, losses, damages, penalties, taxes (excluding any taxes payable by the Delaware Trustee on or measured by any compensation received by the Delaware Trustee, claims, actions, investigations, proceedings, costs, expenses or disbursements (including, without limitation, reasonable legal fees and expenses, subject to the limitations contained in the preceding paragraphs) of any kind and nature whatsoever which may be imposed on, incurred by or asserted at any time against an Indemnified Person (whether or not also indemnified against by any other person but in all cases subject to the following two paragraphs) in any way relating to or arising out of (i) the Trust Agreement or any of the other agreements to which the Trust is or becomes a party or the enforcement of any of the terms of any thereof or the administration of the assets of the Trust or the action or inaction of the Delaware Trustee under the Trust Agreement, except where any such claim for indemnification has arisen as a result of the willful misconduct or gross negligence on the part of the Delaware Trustee, or the Delaware Trustee's failure to use ordinary care to disburse funds or the performance or nonperformance of its duties under the Trust Agreement or any of the other agreements to which the Trust becomes a party.

ARTICLE 7
DISSOLUTION, LIQUIDATION AND TERMINATION

SECTION 7.1 DISSOLUTION UPON TRUST EXPIRATION DATE. Unless earlier dissolved, the Trust shall automatically dissolve on the Trust Expiration Date.

SECTION 7.2 TERMINATION OF AGREEMENT. The Trust Agreement and the Trust created by the Trust Agreement shall dissolve, wind-up and terminate in accordance with Section 3808 of the Delaware Statutory Trust Act upon the latest to occur of:

- (a) a distribution by the Delaware Trustee of all funds and other property of the Trust upon the liquidation of the Trust pursuant to Section 7.3 of the Trust Agreement;
- (b) the payment of, or reasonable provision for payment of, all expenses and other liabilities owed by the Trust; and

(c) the performance of all administrative actions by the Delaware Trustee and the Administrator necessary to accomplish the purposes of the Trust, including the performance of any tax reporting obligations with respect to the Trust or the Holders.

The Trust shall dissolve only as provided in this Article 7, and otherwise no Person, including the Indenture Trustee, the Administrator and the Trust Beneficial Owner, shall be entitled to revoke or dissolve the Trust. The Administrator shall act as the liquidator of the Trust and shall be responsible for directing the Delaware Trustee to take all required actions in connection with 'winding up the Trust. The Delaware Trustee shall have no liability for following such direction to the extent it acts in good faith.

Upon the last event to occur as described above, the Delaware Trustee shall cause the Certificate of Trust to be canceled by filing a certificate of cancellation with the Secretary of State in accordance with the provisions of Section 3810 of the Delaware Statutory Trust Act, at which time the Trust and the Trust Agreement shall terminate.

SECTION 7.3 LIQUIDATION; DISTRIBUTIONS. On the Trust Expiration Date, the Trust shall be wound-up by the Delaware Trustee pursuant to Section 7.2 and in accordance with Section 3808(d) and (e) of the

21

Delaware Statutory Trust Act, and the remaining Collateral and any other assets held in the Trust shall be liquidated, and distributed in the following order of priority:

FIRST, to pay all amounts due and unpaid on the Notes and any other amounts due and payable in accordance with the Indenture and

SECOND, any remaining funds and other property shall be paid to the Trust Beneficial Owner.

ARTICLE 8 SUCCESSOR AND ADDITIONAL DELAWARE TRUSTEES

SECTION 8.1 ELIGIBILITY REQUIREMENTS FOR THE DELAWARE TRUSTEE. The Delaware Trustee shall at all times (a) be a Person satisfying the provisions of Section 3807(a) of the Delaware Statutory Trust Act, (b) be authorized to exercise corporate trust powers, (c) have a combined capital and surplus of at least \$50,000,000 and be subject to supervision or examination by Federal or State authorities, (d) have (or have a parent which has) a rating of at least Baa3 by Moody's or BBB- by Standard & Poor's, (e) be a "bank" within the meaning of Section 581 of the Code and (f) be a "United States person" within the meaning of Section 7701(a)(30) of the Code. In addition, the Delaware Trustee shall be an entity with its Corporate Trust Office in the State of Delaware. If the Delaware Trustee shall publish reports of condition at least annually, pursuant to applicable law or to the requirements of the aforesaid supervising or examining authority, then for the purpose of this Section 8.1, the combined capital and surplus of the Delaware Trustee shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Delaware Trustee shall cease to be eligible in accordance with the provisions of this Section 8.1, the Delaware Trustee shall resign immediately in the manner and with the effect specified in Section 8.2.

SECTION 8.2 RESIGNATION OR REMOVAL OF THE DELAWARE TRUSTEE. The Delaware Trustee may resign as Delaware Trustee, or the Administrator, acting on behalf of the Trust, may, in its sole discretion, remove the Delaware Trustee, in each case with thirty (30) days' prior notice to the Delaware Trustee, the Indenture Trustee and each Rating Agency then rating the Program or the Notes. Upon any resignation or removal of the Delaware Trustee, the Administrator, acting on behalf of the Trust, shall appoint a successor Delaware Trustee whereupon such successor Delaware Trustee shall succeed to the rights, powers and duties of the Delaware Trustee, and the term "Delaware Trustee" shall thereupon mean such successor Delaware Trustee effective upon such appointment and approval, and the predecessor Delaware Trustee's powers and duties as Delaware Trustee shall be terminated, without any other or further act or deed on the part of such predecessor Delaware Trustee or any of the parties to the Trust Agreement or any holders of the obligations owing hereunder; PROVIDED, that if at any time the Delaware Trustee shall cease to be eligible in accordance with Section 8.1 and shall have not resigned, or if at any time the Delaware Trustee, shall become incapable of acting or shall be adjudged bankrupt or insolvent, or a receiver for the Delaware Trustee or for its property shall be appointed, or any public officer shall take charge or control of the Delaware Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then the Administrator may remove the Delaware Trustee. On and after the effective date of any resignation or removal of the Delaware Trustee hereunder, the provisions of this Article 8 shall inure to its benefit as to any actions taken or

22

omitted to be taken by it while it was Delaware Trustee under the Trust Agreement. Any such resignation or removal shall become effective following the

appointment of a successor Delaware Trustee in accordance with the provisions of this Section 8.2.

If no successor Delaware Trustee shall be appointed and shall have accepted such appointment within thirty (30) days after the aforesaid notice of resignation or removal, the Trust (or the Administrator, acting on its behalf) or the resigning Delaware Trustee may apply to any court of competent jurisdiction to appoint a successor Delaware Trustee to act until such time, if any, as a successor Delaware Trustee shall have been appointed as provided in this Section 8.2. Any successor so appointed by such court shall immediately and without further act be superseded by any successor Delaware Trustee appointed pursuant to this Section 8.2.

Any resignation or removal of the Delaware Trustee and appointment of a successor Delaware Trustee pursuant to any of the provisions of this Section 8.2 shall not become effective until all fees and expenses, including any indemnity payments, due to the outgoing Delaware Trustee have been paid and until acceptance of appointment by the successor Delaware Trustee pursuant to Section 8.3.

If at any time the Delaware Trustee shall resign or be removed or otherwise become incapable of acting, or if at any time a vacancy shall occur in the office of the Delaware Trustee for any other cause, a successor Delaware Trustee shall be appointed as set forth in this Section 8.2. The powers, duties, authority and title of the predecessor Delaware Trustee shall be terminated and canceled without any formality (except as may be required by applicable law) other than appointment and designation of a successor Delaware Trustee in writing duly acknowledged and delivered to the predecessor Delaware Trustee and the Trust.

SECTION 8.3 SUCCESSOR DELAWARE TRUSTEE. Each successor Delaware Trustee appointed pursuant to Section 8.2 shall execute, acknowledge and deliver to the Administrator, the Trust Beneficial Owner and the predecessor Delaware Trustee an instrument accepting such appointment under the Trust Agreement, and thereupon the resignation or removal of the predecessor Delaware Trustee shall become effective, the resigning Delaware Trustee shall be released of all duties and trusts under the Trust Agreement and such successor Delaware Trustee, without any further act, deed or conveyance, shall become fully vested with all the rights, powers, duties, and obligations of its predecessor under the Trust Agreement, with like effect as if originally named as Delaware Trustee. The predecessor Delaware Trustee shall deliver to the successor Delaware Trustee all documents and statements and funds held by it under the Trust Agreement; and the Administrator and the predecessor Delaware Trustee shall execute and deliver such instruments and do such other things as may reasonably be required for fully and certainly vesting and confirming in the successor Delaware Trustee all such rights, powers, duties and obligations.

Any successor Delaware Trustee appointed under the Trust Agreement shall promptly file an amendment to the Certificate of Trust with the Secretary of State identifying the name and principal place of business of such successor Delaware Trustee in the State of Delaware.

23

No successor Delaware Trustee shall accept appointment as provided in this Section 8.3 unless at the time of such acceptance such successor Delaware Trustee shall be eligible pursuant to Section 8.1.

Upon acceptance of appointment by a successor Delaware Trustee pursuant to this Section 8.3, the Administrator shall mail notice of such appointment to the Indenture Trustee and each Rating Agency then rating the Program or the Notes. If the Administrator shall fail to mail such notice within ten (10) days after acceptance of appointment by the successor Delaware Trustee, the successor Delaware Trustee shall cause such notice to be mailed in the manner aforesaid.

SECTION 8.4 MERGER OR CONSOLIDATION OF DELAWARE TRUSTEE. Any Person into which the Delaware Trustee may be merged or converted or with which it may be consolidated, or any Person resulting from any merger, conversion or consolidation to which the Delaware Trustee shall be a party, or any Person succeeding to all or substantially all of the corporate trust business of the Delaware Trustee, shall, without the execution or filing of any instrument or any further act on the part of any of the parties to the Trust Agreement, anything in the Trust Agreement to the contrary notwithstanding, be the successor of the Delaware Trustee under the Trust Agreement; PROVIDED, such Person shall be eligible pursuant to Section 8.1.

SECTION 8.5 APPOINTMENT OF CO-DELAWARE TRUSTEE OR SEPARATE DELAWARE TRUSTEE.

- (a) Notwithstanding any other provisions of the Trust Agreement, at any time, for the purpose of meeting any legal requirements of any jurisdiction in which any part of any Collateral may at the time be located, the Administrator and the Delaware Trustee shall at any time have the power and shall execute and deliver all instruments necessary to appoint one or more Persons approved by the Delaware Trustee to act as co-Delaware Trustee, jointly with it, or as separate Delaware Trustee or separate Delaware Trustees, of all or any part of any

Collateral and, subject to Section 4.4 of the Trust Agreement, to vest in such Person, in such capacity, such title to any Collateral, or any part thereof, and, subject to the other provisions of this Section 8.5, such powers, duties, obligations, rights and trusts as the Administrator and the Delaware Trustee may deem necessary or desirable. If the Administrator shall not have joined in such appointment within 15 days after the receipt by it of a request so to do, the Delaware Trustee alone shall have the power to make such appointment. No co-Delaware Trustee or separate Delaware Trustee under the Trust Agreement shall be required to meet the terms of eligibility as a successor Delaware Trustee pursuant to Section 8.1 and no notice of the appointment of any co-Delaware Trustee or separate Delaware Trustee shall be required; PROVIDED, HOWEVER, that any co-Delaware Trustee or separate Delaware Trustee must be a "United States person" within the meaning of Section 7701(a)(30) of the Code and a "bank" within the meaning of Section 581 of the Code.

24

- (b) Each separate Delaware Trustee and co-Delaware Trustee shall, to the extent permitted by law, be appointed and act subject to the following provisions and conditions:
- (i) all rights, powers, duties, and obligations conferred or imposed upon the Delaware Trustee shall be conferred or imposed upon and exercised or performed by the Delaware Trustee and such separate Delaware Trustee or co-Delaware Trustee jointly (it being understood that such separate Delaware Trustee or co-Delaware Trustee is not authorized to act separately without the Delaware Trustee joining in such act), except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed, the Delaware Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations (including the holding of title to the Trust or any portion thereof in any such jurisdiction) shall be exercised and performed by such separate Delaware Trustee or co-Delaware Trustee, but solely at the discretion of the Delaware Trustee;
 - (ii) the Administrator and the Delaware Trustee acting jointly may at any time accept the resignation of or remove any separate Delaware Trustee or co-Delaware Trustee; and
 - (iii) no Delaware Trustee shall be personally liable by reason of the act or omission of any other Delaware Trustee under the Trust Agreement.
- (c) Any notice, request or other writing given to the Delaware Trustee shall be deemed to have been given to each of the then separate Delaware Trustee and co-Delaware Trustee, as effectively as if given to each of them. Every instrument appointing any separate Delaware Trustee or co-Delaware Trustee shall refer to this Section 8.5 and the conditions of this Article 8. Each separate Delaware Trustee and co-Delaware Trustee, upon its acceptance of the trusts conferred, shall be vested with the estates or property specified in its instruments of appointment, either jointly with the Delaware Trustee or separately, as may be provided therein, subject to all the provisions of the Trust Agreement, specifically including every provision of the Trust Agreement relating to the conduct of, affecting the liability of, or affording protection to, the Delaware Trustee. Each such instrument shall be filed with the Delaware Trustee and a copy thereof given to the Administrator.
- (d) Any separate Delaware Trustee or co-Delaware Trustee may at any time appoint the Delaware Trustee as its agent or attorney-in-fact with full power and authority, to the extent not prohibited by law, to do any lawful act under or in respect of the Trust Agreement on its behalf and in its name. If any separate Delaware Trustee or co-Delaware Trustee shall become incapable of acting, resign or be removed, all of its estates, properties, rights, remedies and trusts shall vest in and be exercised by the Delaware Trustee, to the extent permitted by law, without the appointment of a new or successor Delaware Trustee.

25

SECTION 8.6 DELAWARE TRUSTEE MAY OWN NOTES. Except to the extent prohibited under the terms of the Notes, the Delaware Trustee, in its individual or any other capacity, may become the beneficial owner or pledgee of Notes, to the extent that such ownership does not inhibit the Trust from relying on the applicable exemption from registration as an "investment company" under the Investment Company Act, with the same rights as it would have if it were not the Delaware Trustee; PROVIDED, THAT any Notes so owned or pledged shall not be entitled to participate in any decisions made or instructions given to the Delaware Trustee or the Indenture Trustee by the Holders as a group. Except as

provided in this Section 8.6, the Delaware Trustee may deal with the Trust and the Trust Beneficial Owner in banking and trustee transactions with the same rights as it would have if it were not the Delaware Trustee.

ARTICLE 9
MISCELLANEOUS PROVISIONS

SECTION 9.1 LIMITATION ON RIGHTS OF OTHERS.

The death, bankruptcy, termination, dissolution or incapacity of any Person having an interest, beneficial or otherwise, in the Trust shall not operate to terminate the Trust Agreement, nor to annul, dissolve or terminate the Trust, nor to entitle the legal successors, representatives or heirs of any such Person, to claim an accounting, take any action or bring any proceeding in any court for a partition or winding up of the arrangements contemplated by the Trust Agreement, nor otherwise affect the rights, obligations and liabilities of the parties to the Trust Agreement or any of them.

SECTION 9.2 AMENDMENTS.

- (a) The Trust Agreement may be amended from time to time by the Delaware Trustee and the Administrator by a written instrument executed by the Delaware Trustee and the Administrator, in any way that is not inconsistent with the intent of the Trust Agreement, including, without limitation to: (i) cure any ambiguity, (ii) correct, supplement or modify any provision of the Trust Agreement that is inconsistent with another provision of the Trust Agreement or (iii) modify, eliminate or add to any provisions of the Trust Agreement to the extent necessary to ensure that the Trust will, at all times, for United States Federal income tax purposes will be either ignored or treated as a grantor trust or to ensure that the Trust will not be required to register as an investment company under the Investment Company Act and no such amendment shall require the consent of any other Person, except to the extent specified in Sections 9.2(c) and 9.2(d).
- (b) So long as any Notes remain outstanding, except as provided in Sections 9.2(c) and 9.2(d), any amendment to the Trust Agreement that would adversely affect, in any material respect, the terms of any Notes, other than any amendment of the type contemplated by clause (iii) of Section 9.2(a), shall require the prior consent of the Holders of a majority of the outstanding principal amount of the Notes.
- (c) So long as any Notes remain outstanding, the Trust Agreement may not be amended to (i) change the amount or timing of any payment of any Notes or (ii)

26

impair the right of any Holder to institute suit for the enforcement of any right for principal and interest or other distribution without the consent of each affected Holder.

- (d) The Delaware Trustee shall not be required to enter into any amendment to the Trust Agreement which adversely affects its own rights, duties or immunities under the Trust Agreement.
- (e) Prior to the execution of any amendment to the Trust Agreement, the Delaware Trustee shall be entitled to an opinion of counsel as to whether such amendment is permitted by the terms of the Trust Agreement and whether all conditions precedent to such amendment have been met, in each case under the laws of the State of Delaware.
- (f) Promptly after the execution of any such amendment or consent, the Administrator shall furnish a copy of such amendment or consent (including those obtained or effected by the Trust Agreement) to the Indenture Trustee, the Trust Beneficial Owner, the Agents and the Rating Agencies.
- (g) Contemporaneously with, or promptly after, the execution of any amendment to the Trust Agreement requiring amendment to the Certificate of Trust, the Delaware Trustee shall cause the filing of such amendment to the Certificate of Trust with the Secretary of State.
- (h) Notwithstanding any other provision of the Trust Agreement, no amendment to the Trust Agreement may be made (i) if such amendment would cause (A) the Trust not to be either ignored or treated as a "grantor trust" for United States Federal income tax purposes or (B) the Notes to be treated as other than indebtedness of Allstate Life and (ii) no amendment to the Trust Agreement may be made without the prior consent of Allstate Life.

SECTION 9.3 NOTICES. All demands, notices, instructions and other communications shall be in writing (including telecopied or telegraphic communications) and shall be personally delivered, mailed or transmitted by

telecopy or telegraph, respectively, addressed as set forth below (or, in the case of any other relevant party, addressed as set forth in a separate notice delivered to all relevant parties):

If to Delaware Trustee:

Wilmington Trust Company
Rodney Square North
1100 North Market Street
Wilmington, DE 19890-0001
Attention: Corporate Trust Administration
Facsimile: (302) 636-4140

27

If to the Trust Beneficial Owner:

Allstate Life Global Funding
c/o AMACAR Pacific Corp.
6525 Morrison Boulevard, Suite 318
Charlotte, North Carolina 28211
Attention: President
Facsimile: (704) 365-1632

If to the Administrator:

AMACAR Pacific Corp.
6525 Morrison Blvd., Suite 318
Charlotte, North Carolina 28211
Attention: Douglas K. Johnson
Facsimile: (704) 365-1632

with a copy to:

Tannenbaum Helpert Syracuse & Hirschtritt LLP
900 3rd Avenue
New York, NY 10022
Attention: Stephen Rosenberg
Facsimile: -

If to the Indenture Trustee:

J.P. Morgan Trust Company, National Association
201 North Central Avenue
Phoenix, AZ 85004
Attention: -
Facsimile: -

If to the Rating Agencies:

Standard & Poor's Ratings Services,
a division of The McGraw-Hill Companies, Inc.
55 Water Street
New York, NY 10041
Attention: Capital Markets
Facsimile: (212) 438-5215

28

Moody's Investors Service Inc.
99 Church Street
New York, NY 10007
Attention: Life Insurance Group
Facsimile: (212) 553-4805

or at such other address as shall be designated by any such party in a written notice to the other parties. Notwithstanding the foregoing, any notice required or permitted to be mailed to the Trust Beneficial Owner shall be given by first class mail, postage prepaid, at Allstate Life Global Funding, c/o AMACAR Pacific Corp., 6525 Morrison Blvd., Suite 318, Charlotte, North Carolina 28211, and any notices mailed within the time prescribed in the Trust Agreement shall be conclusively presumed to have been duly given, whether or not the Trust Beneficial Owner received such notice. Any notice required or permitted to be mailed to any Holder of a Note shall be given as specified in the Indenture.

SECTION 9.4 NO RECOURSE. The Trust Beneficial Owner acknowledges that its beneficial interest in the Trust does not represent an obligation of Allstate Life, the Delaware Trustee, the Administrator, the Indenture Trustee or any Affiliate of any of the foregoing and no recourse may be had against such parties or their assets, except as may be expressly set forth or contemplated in the Trust Agreement or the Indenture.

SECTION 9.5 LIMITED RECOURSE. Notwithstanding anything to the contrary contained in the Trust Agreement, the obligations of the Trust under the Trust Agreement and all Program Documents and other documents or instruments entered into by the Trust, are solely the obligations of the Trust and shall be payable

solely to the extent of funds received by and available to the Trust under the Funding Agreements, the other Collateral and the Support Agreement. No recourse shall be had for the payment of any amount owing in respect of any obligation of, or claim against, the Trust arising out of or based upon the Trust Agreement, the Notes or any other Program Document against any holder of a beneficial interest, employee, agent, officer or Affiliate of the Trust and, except as specifically provided in the Trust Agreement and in the other Program Documents, no recourse shall be had for the payment of any amount owing in respect of any obligation of, or claim against, the Trust arising out of or based upon the Trust Agreement, the Notes or any other Program Documents against the Indenture Trustee, the Delaware Trustee, the Administrator, Allstate Life, the Agents or any of their respective holders of beneficial interests, employees, agents, officers, directors, incorporators or Affiliates.

SECTION 9.6 NO PETITION. To the extent permitted by applicable law, each of the Delaware Trustee and the Administrator covenants and agrees, and the Trust Beneficial Owner by its acceptance of a beneficial interest in the Trust will be deemed to have covenanted and agreed, that it will not institute against, or join with any other Person in instituting against, the Trust any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or other proceedings under any applicable bankruptcy or similar law. This Section 9.6 shall survive termination of the Trust Agreement.

29

SECTION 9.7 GOVERNING LAW. The Trust Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to its choice of law principles.

SECTION 9.8 SEVERABILITY. If any provision in the Trust Agreement shall be invalid, illegal or unenforceable, such provisions shall be deemed severable from the remaining provisions of the Trust Agreement and shall in no way affect the validity or enforceability of such other provisions of the Trust Agreement.

SECTION 9.9 THIRD PARTY BENEFICIARIES. The Trust Agreement shall inure to the benefit of and be binding upon the parties to the Trust Agreement and their respective successors and permitted assigns. Except as otherwise provided in the Trust Agreement, no other Person shall have any right or obligation under the Trust Agreement.

SECTION 9.10 COUNTERPARTS. The Trust Agreement and any amendments, modifications, restatements, supplements and/or replacements of the Trust Agreement, or waivers or consents to the Trust Agreement, may be executed in any number of counterparts, and by different parties to the Trust Agreement in separate counterparts, each of which, when so executed and delivered, shall be deemed to be an original and all of which counterparts, when taken together, shall constitute one and the same instrument. The Trust Agreement shall become effective upon the execution of a counterpart to each of the parties to the Trust Agreement.

30

STANDARD INDENTURE TERMS
 WITH RESPECT TO
 ALLSTATE LIFE GLOBAL FUNDING TRUSTS

TABLE OF CONTENTS

PAGE ARTICLE 1 DEFINITIONS SECTION 1.1 CERTAIN TERMS

DEFINED.....1 SECTION 1.2
 INTERPRETATION.....9
 ARTICLE 2 THE NOTES SECTION 2.1 AMOUNT
 UNLIMITED.....10
 SECTION 2.2 STATUS OF
 NOTES.....10 SECTION
 2.3 FORMS
 GENERALLY.....10
 SECTION 2.4 CURRENCY;
 DENOMINATIONS.....11 SECTION
 2.5 EXECUTION, AUTHENTICATION, DELIVERY AND
 DATE.....12 SECTION 2.6 REGISTRATION, TRANSFER AND
 EXCHANGE.....12 SECTION 2.7 MUTILATED,
 DESTROYED, LOST OR STOLEN NOTE CERTIFICATES.....14 SECTION
 2.8 INTEREST RECORD
 DATES.....15 SECTION 2.9
 CANCELLATION.....16
 SECTION 2.10 GLOBAL
 SECURITIES.....16
 SECTION 2.11 WITHHOLDING
 TAX.....17 SECTION
 2.12 TAX
 TREATMENT.....18
 ARTICLE 3 REDEMPTION, REPAYMENT AND REPURCHASE OF NOTES; SINKING FUNDS
 SECTION 3.1 REDEMPTION OF
 NOTES.....18 SECTION 3.2
 REPAYMENT AT THE OPTION OF THE
 HOLDER.....21 SECTION 3.3 REPURCHASE OF
 NOTES.....22 SECTION 3.4
 SINKING
 FUNDS.....23
 ARTICLE 4 PAYMENTS; PAYING AGENTS AND CALCULATION AGENT; COVENANTS SECTION
 4.1 PAYMENT OF PRINCIPAL AND
 INTEREST.....23 SECTION 4.2 OFFICES FOR
 PAYMENTS, ETC.....26 SECTION
 4.3 APPOINTMENT TO FILL A VACANCY IN OFFICE OF INDENTURE
 TRUSTEE.....26 SECTION 4.4 PAYING
 AGENTS.....26
 SECTION 4.5 CALCULATION
 AGENT.....30 SECTION
 4.6 CERTIFICATE TO INDENTURE
 TRUSTEE.....32 SECTION 4.7 NEGATIVE
 COVENANTS.....32 SECTION
 4.8 ADDITIONAL
 AMOUNTS.....35

ARTICLE 5

REMEDIES OF THE INDENTURE TRUSTEE AND HOLDERS ON EVENT OF DEFAULT

SECTION 5.1 EVENT OF DEFAULT DEFINED; ACCELERATION OF MATURITY; WAIVER OF DEFAULT.....36
 SECTION 5.2 COLLECTION OF INDEBTEDNESS BY INDENTURE TRUSTEE; INDENTURE TRUSTEE MAY
 PROVE DEBT.....39
 SECTION 5.3 APPLICATION OF PROCEEDS.....41
 SECTION 5.4 SUITS FOR ENFORCEMENT.....42
 SECTION 5.5 RESTORATION OF RIGHTS ON ABANDONMENT OF PROCEEDINGS.....43
 SECTION 5.6 LIMITATIONS ON SUITS BY HOLDERS.....43
 SECTION 5.7 POWERS AND REMEDIES CUMULATIVE; DELAY OR OMISSION NOT WAIVER OF DEFAULT.....44
 SECTION 5.8 CONTROL BY THE HOLDERS.....44
 SECTION 5.9 WAIVER OF PAST DEFAULTS.....45

ARTICLE 6

THE INDENTURE TRUSTEE

SECTION 6.1	CERTAIN DUTIES AND RESPONSIBILITIES.....	45
SECTION 6.2	CERTAIN RIGHTS OF THE INDENTURE TRUSTEE.....	46
SECTION 6.3	NOT RESPONSIBLE FOR RECITALS, VALIDITY OF THE NOTES OR APPLICATION OF THE PROCEEDS.....	48
SECTION 6.4	MAY HOLD NOTES; COLLECTIONS, ETC.....	48
SECTION 6.5	FUNDS HELD BY INDENTURE TRUSTEE.....	48
SECTION 6.6	COMPENSATION; REIMBURSEMENT; INDEMNIFICATION.....	48
SECTION 6.7	CORPORATE TRUSTEE REQUIRED; ELIGIBILITY.....	49
SECTION 6.8	RESIGNATION AND REMOVAL; APPOINTMENT OF SUCCESSOR TRUSTEE.....	50
SECTION 6.9	ACCEPTANCE OF APPOINTMENT BY SUCCESSOR TRUSTEE.....	51
SECTION 6.10	MERGER, CONVERSION, CONSOLIDATION OR SUCCESSION TO BUSINESS OF INDENTURE TRUSTEE.....	52
SECTION 6.11	LIMITATIONS ON RIGHTS OF INDENTURE TRUSTEE AS CREDITOR.....	52

ARTICLE 7
HOLDERS' LISTS AND REPORTS BY INDENTURE TRUSTEE AND TRUST

SECTION 7.1	TRUST TO FURNISH INDENTURE TRUSTEE NAMES AND ADDRESSES OF HOLDERS.....	52
SECTION 7.2	PRESERVATION OF INFORMATION; COMMUNICATION TO HOLDERS.....	53
SECTION 7.3	REPORTS BY INDENTURE TRUSTEE.....	53
SECTION 7.4	REPORTS BY TRUST.....	54
SECTION 7.5	COMPLIANCE CERTIFICATES AND AUDITOR'S REPORTS.....	55

ARTICLE 8
CONCERNING EACH HOLDER

SECTION 8.1	EVIDENCE OF ACTION TAKEN BY A HOLDER.....	55
-------------	---	----

ii

SECTION 8.2	PROOF OF EXECUTION OF INSTRUMENTS AND OF HOLDING OF NOTES.....	56
SECTION 8.3	VOTING RECORD DATE.....	56
SECTION 8.4	PERSONS DEEMED TO BE OWNERS.....	56
SECTION 8.5	NOTES OWNED BY TRUST DEEMED NOT OUTSTANDING.....	56
SECTION 8.6	RIGHT OF REVOCATION OF ACTION TAKEN; BINDING EFFECT OF ACTIONS BY HOLDERS.....	57

ARTICLE 9
SUPPLEMENTAL INDENTURES

SECTION 9.1	SUPPLEMENTAL INDENTURES WITHOUT CONSENT OF HOLDERS.....	57
SECTION 9.2	SUPPLEMENTAL INDENTURES WITH CONSENT OF HOLDERS.....	59
SECTION 9.3	COMPLIANCE WITH TRUST INDENTURE ACT; EFFECT OF SUPPLEMENTAL INDENTURE.....	60
SECTION 9.4	DOCUMENTS TO BE GIVEN TO INDENTURE TRUSTEE.....	60
SECTION 9.5	NOTATION ON NOTE CERTIFICATES IN RESPECT OF SUPPLEMENTAL INDENTURES.....	60

ARTICLE 10
CONSOLIDATION, MERGER, SALE OR CONVEYANCE

SECTION 10.1	TRUST MAY MERGE, CONSOLIDATE, SELL OR CONVEY PROPERTY UNDER CERTAIN CIRCUMSTANCES.....	60
--------------	---	----

ARTICLE 11
SATISFACTION AND DISCHARGE OF INDENTURE; UNCLAIMED FUNDS

SECTION 11.1	SATISFACTION AND DISCHARGE OF INDENTURE.....	61
SECTION 11.2	APPLICATION BY INDENTURE TRUSTEE OF FUNDS DEPOSITED FOR PAYMENT OF NOTES...	62
SECTION 11.3	REPAYMENT OF FUNDS HELD BY PAYING AGENT.....	62
SECTION 11.4	RETURN OF FUNDS HELD BY INDENTURE TRUSTEE AND PAYING AGENT.....	62

ARTICLE 12
MEETINGS OF HOLDERS OF NOTES

SECTION 12.1	PURPOSES FOR WHICH MEETINGS MAY BE CALLED.....	62
SECTION 12.2	CALL, NOTICE AND PLACE OF MEETINGS.....	62
SECTION 12.3	PERSONS ENTITLED TO VOTE AT MEETINGS.....	63
SECTION 12.4	QUORUM; ACTION.....	63
SECTION 12.5	DETERMINATION OF VOTING RIGHTS; CONDUCT OF ADJOURNMENT OF MEETINGS.....	64
SECTION 12.6	COUNTING VOTES AND RECORDING ACTION OF MEETINGS.....	65

ARTICLE 13
MISCELLANEOUS PROVISIONS

SECTION 13.1	NO RECOURSE.....	65
--------------	------------------	----

iii

SECTION 13.2	PROVISIONS OF INDENTURE FOR THE SOLE BENEFIT OF PARTIES AND HOLDERS.....	66
--------------	--	----

SECTION 13.3	SUCCESSORS AND ASSIGNS OF TRUST BOUND BY INDENTURE.....	66
SECTION 13.4	NOTICES AND DEMANDS ON TRUST, INDENTURE TRUSTEE AND ANY HOLDER.....	66
SECTION 13.5	TRUST CERTIFICATES AND OPINIONS OF COUNSEL; STATEMENTS TO BE CONTAINED THEREIN.....	68
SECTION 13.6	GOVERNING LAW.....	69
SECTION 13.7	COUNTERPARTS.....	70
SECTION 13.8	TRUST INDENTURE ACT TO CONTROL.....	70
SECTION 13.9	JUDGMENT CURRENCY.....	70

ARTICLE 14
SECURITY INTEREST

SECTION 14.1	SECURITY INTEREST.....	71
SECTION 14.2	REPRESENTATIONS AND WARRANTIES.....	71
SECTION 14.3	ADDITIONAL REPRESENTATIONS AND WARRANTIES.....	72
SECTION 14.4	FURTHER ASSURANCES; COVENANTS.....	74
SECTION 14.5	GENERAL AUTHORITY.....	75
SECTION 14.6	REMEDIES UPON EVENT OF DEFAULT.....	75
SECTION 14.7	LIMITATION ON DUTIES OF INDENTURE TRUSTEE WITH RESPECT TO COLLATERAL.....	76
SECTION 14.8	CONCERNING THE INDENTURE TRUSTEE.....	76
SECTION 14.9	TERMINATION OF SECURITY INTEREST.....	77

EXHIBIT A-1	FORM OF GLOBAL SECURITY FOR SECURED MEDIUM TERM NOTES PROGRAM
EXHIBIT A-2	FORM OF DEFINITIVE SECURITY FOR SECURED MEDIUM TERM NOTES PROGRAM
EXHIBIT A-3	FORM OF GLOBAL SECURITY FOR ALLSTATE LIFE(SM) CORENOTES(SM) PROGRAM
EXHIBIT A-4	FORM OF DEFINITIVE SECURITY FOR ALLSTATE LIFE(SM) CORENOTES(SM) PROGRAM
EXHIBIT B	FORM OF CERTIFICATE OF AUTHENTICATION
EXHIBIT C	FORM OF ANNUAL STATEMENT OF COMPLIANCE

iv

RECONCILIATION TABLE

Trust Indenture Act Section Standard Indenture Terms Section Section 310(a)	
(1).....	6.7 (a)
(2).....	6.7
(b).....	6.8
Section	
311(a).....	6.11
Section 312(a)	
.....	7.1
(b).....	7.2
(c).....	7.2
Section	
313(a).....	7.3(b)
(b).....	7.3(c)
(c).....	7.3(d)
(d).....	7.3(d)
Section 314(a)	
.....	7.4
(b).....	7.3(f)
(c)(1)	
.....	13.5(a) (c)
(2).....	13.5(a)
(e).....	13.5(b)
(f).....	13.5(a)
Section 315(c)	
.....	6.1(b) Section
316(a) (last sentence).....	8.5 (a)(1)
(A).....	5.8 (a)
(1)(B).....	5.9
(b).....	5.6
Section 317(a)	
(1).....	5.2(c) (a)(2)
.....	5.2(c)
(b).....	4.4(a)
Section 318(a)	
.....	13.8 (c)
.....	13.8

This reconciliation table shall not be deemed to be part of the Indenture for any purpose.

Attention should also be directed to Section 318(c) of the Trust Indenture Act, which provides that certain provisions of Sections 310 to and including 317 are a part of and govern every qualified indenture, whether or not physically contained in the Indenture.

This document constitutes the Standard Indenture Terms, which will be incorporated by reference in, and form a part of, the Indenture (as defined below), by and among the Trust (as defined below) and the Indenture Trustee (as defined below).

These Standard Indenture Terms shall be of no force and effect unless and until incorporated by reference into, and then only to the extent not modified by, such Indenture.

The following Standard Indenture Terms shall govern the Notes subject to contrary terms and provisions expressly adopted in the Indenture, any Supplemental Indenture or the Notes, which contrary terms shall be controlling.

ARTICLE 1 DEFINITIONS

SECTION 1.1 CERTAIN TERMS DEFINED. The following terms shall have the meanings specified in this Section for all purposes of the Indenture and the Notes, unless otherwise expressly provided. All other terms used in the Indenture which are defined in the Trust Indenture Act or which are by reference therein defined in the Securities Act shall have the meanings (except as otherwise expressly provided in the Indenture or unless the context otherwise clearly requires) assigned to such terms in the Trust Indenture Act and in the Securities Act as in force at the date of the Indenture as originally executed.

"ADDITIONAL AMOUNTS" means any additional amounts which may be required by the Notes, under circumstances specified in a Note Certificate or Supplemental Indenture, to be paid by the Trust in respect of certain taxes, assessments or other governmental charges imposed on Holders specified therein and which are owing to such Holders.

"ADMINISTRATIVE SERVICES AGREEMENT" means that certain administrative services agreement included in Part B of the Series Instrument, by and between the Trust and the Administrator, as the same may be amended, modified, restated, supplemented and/or replaced from time to time.

"ADMINISTRATOR" means AMACAR Pacific Corp., a Delaware corporation, in its capacity as the sole administrator of the Trust, and its permitted successors and assigns.

"AFFILIATE" means, as applied to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, that Person and, in the case of an individual, any spouse or other member of that individual's immediate family. For the purposes of this definition, "control" (including with correlative meanings, the terms "controlling", "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities or by contract or otherwise.

"AGENTS" has the meaning set forth in the Distribution Agreement.

"AMENDED AND RESTATED ADMINISTRATIVE SERVICES AGREEMENT" means that certain Amended and Restated Administrative Services Agreement dated as of - , 2004, between

1

AMACAR Pacific Corp. and Global Funding, as the same may be amended, restated, modified, supplemented or replaced from time to time.

"ANNUAL REDEMPTION PERCENTAGE REDUCTION" has the meaning specified in the Note Certificate(s).

"BOOK-ENTRY NOTE" means a Note, the registered ownership of which is represented by a Global Security.

"BUSINESS DAY" means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which commercial banks are authorized or required by law, regulation or executive order to close in The City of New York; PROVIDED, HOWEVER, that, with respect to Foreign Currency Notes, the day must also not be a day on which commercial banks are authorized or required by law, regulation or executive order to close in the Principal Financial Center of the country issuing the Specified Currency (or, if the Specified Currency is Euro, the day must also be a day on which the Target System is open).

"CALCULATION AGENT" means the Indenture Trustee in its capacity as calculation agent or any other Person specified as calculation agent with respect to any Notes in the Note Certificate(s).

"CERTIFICATED NOTE" means a Note represented by a Definitive Security.

"CLEARING CORPORATION" means DTC, or any other clearing system specified in the Note Certificate(s) and their respective successors and "CLEARING CORPORATIONS" means all of the foregoing.

"CLOSING INSTRUMENT" means the closing instrument of the Trust, pursuant to which the Indenture is entered into, and certain other documents are executed, in connection with the issuance of the Notes by the Trust.

"CODE" means the United States Internal Revenue Code of 1986, as amended,

including any successor statutes and any applicable rules, regulations, notices or orders promulgated thereunder.

"COLLATERAL" means, with respect to the Notes, the right, title and interest of the Trust in and to (i) each Funding Agreement held in the Trust, (ii) all Proceeds in respect of each such Funding Agreement and (iii) all books and records (including without limitation, computer programs, printouts and other computer materials and files) of the Trust pertaining to the Funding Agreement(s).

"COMMISSION" means the Securities and Exchange Commission, as from time to time constituted, created under the Securities Exchange Act of 1934, as amended, or, if at any time after the execution of the Indenture such Commission is not existing and performing the duties now assigned to it under the Trust Indenture Act, then the body performing such duties at such time.

2

"COORDINATION AGREEMENT" means that certain Coordination Agreement included in Part F of the Series Instrument, among Allstate Life Insurance Company, the Trust and the Indenture Trustee, as the same may be amended, modified or supplemented from time to time.

"CORPORATE TRUST OFFICE" means the office of the Indenture Trustee at which the Indenture shall, at any particular time, be administered, which office is, at the date as of the Indenture located at 201 North Central Avenue, Phoenix, AZ 85004, except that for the purposes of Section 4.2 it shall be 4 New York Plaza, 1st Floor, New York, New York 10004, or such other location as may be specified in or pursuant to the Note Certificate(s).

"DEBT" of any Person means, at any date, without duplication, (i) all obligations of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business, all obligations of such Person as lessee which are capitalized in accordance with generally accepted accounting principles, (iv) all contingent and non-contingent obligations of such Person to reimburse any bank or other Person in respect of amounts paid under a letter of credit or similar instrument, (v) all Debt secured by a Lien on any asset of such Person, whether or not such Debt is otherwise an obligation of such Person, and (vi) all Guarantees by such Person of Debt of another Person (each such Guarantee to constitute Debt in an amount equal to the amount of such other Person's Debt Guaranteed thereby).

"DEFAULTED INTEREST" has the meaning specified in Section 2.8(b).

"DEFINITIVE SECURITY" means any Note Certificate which is not a Global Security.

"DELAWARE TRUSTEE" means Wilmington Trust Company, a Delaware banking corporation not in its individual capacity but solely as trustee and its successors.

"DEPOSITARY" shall mean, if the Notes are represented by one or more Global Securities, the Clearing Corporation or its agent or nominee designated as Depositary by the Trust pursuant to Section 2.10 until a successor Depositary shall have become such pursuant to the applicable provisions of the Indenture, and thereafter "DEPOSITARY" shall mean or include each Person who is then a Depositary under the Indenture. The Depositary must, at the time of its designation and at all times while it serves as Depositary, be a clearing agency registered under the Exchange Act and any other applicable statute or regulation. Unless otherwise specified in the Note Certificate(s), the "DEPOSITARY" shall initially be DTC.

"DISTRIBUTION AGREEMENT" means that certain Distribution Agreement dated as of -, 2003, by and among Global Funding and the Agents named therein, as the same may be amended, restated, modified or supplemented from time to time.

"DTC" means The Depository Trust Company and its successors and assigns.

"ENTITLEMENT HOLDER" means any Person in whose name Notes are credited to a securities account maintained in the name of such Person on the books and records of a Clearing Corporation or other Securities Intermediary.

3

"EURO" means the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the treaty establishing the European Community, as amended by the Treaty on European Union.

"EVENT OF DEFAULT" means any event or condition specified as such in Section 5.1 which shall have continued for the period of time, if any, therein designated.

"EXCHANGE ACT" means the Securities Exchange Act of 1934, as amended.

"EXCHANGE EVENT" has the meaning set forth in Section 2.10(b).

"EXCHANGE RATE AGENT" means the Indenture Trustee in its capacity as exchange rate agent or any other person specified as exchange rate agent with respect to any Notes in the Note Certificate(s).

"FOREIGN CURRENCY NOTE" means a Note the Specified Currency of which is other than U.S. Dollars.

"FUNDING AGREEMENT" means each funding agreement issued by the Funding Agreement Provider to Global Funding, which is immediately sold to and deposited into, the Trust by Global Funding, and immediately pledged and collaterally assigned by the Trust to the Indenture Trustee for the benefit of the Holders of the Notes, as the same may be modified, restated, replaced, supplemented or otherwise amended from time to time in accordance with the terms thereof.

"FUNDING AGREEMENT PROVIDER" means Allstate Life Insurance Company, a stock life insurance company organized under the laws of the State of Illinois.

"FUNDING NOTE" has the meaning set forth in Part F of the Series Instrument.

"GLOBAL FUNDING" means Allstate Life Global Funding, a statutory trust formed under the laws of the State of Delaware.

"GLOBAL SECURITY" means a single Note Certificate deposited with the Depository and registered in the name of a Clearing Corporation or its agent or nominee representing the entire issue of Book-Entry Notes, or if the rules of the applicable Clearing Corporation or the applicable securities laws or regulations of any jurisdiction limit the maximum principal amount of Note Certificates, each of the minimum number of Note Certificates so deposited and registered that are required to comply with such laws, regulations and rules while representing in the aggregate the entire issue of Book-Entry Notes.

"GUARANTEE" by any Person means any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing any Debt of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt (whether arising by virtue of partnership arrangements, by virtue of an agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise), (ii) to reimburse a bank for amounts drawn under a letter of credit for the purpose of paying such Debt or (iii) entered into for the purpose of assuring in any

4

other manner the holder of such Debt of the payment thereof or to protect such holder against loss in respect thereof (in whole or in part); PROVIDED that the term "GUARANTEE" shall not include endorsements for collection or deposit in the ordinary course of business.

The term "GUARANTEE" used as a verb has a corresponding meaning.

"HOLDER" means, with respect to any Note, the Person in whose name such Note is registered in the Note Register.

"HOLDER REPRESENTATIVE" has the meaning set forth in Section 5.8(a).

"INCORPORATED PROVISION" has the meaning set forth in Section 13.8.

"INDENTURE" means that certain Indenture included in Part A of the Closing Instrument, and which incorporates by reference these Standard Indenture Terms, between the Trust and the Indenture Trustee, as the same may be amended, restated or supplemented from time to time.

"INDENTURE TRUSTEE" means J.P. Morgan Trust Company, National Association, and its successors.

"INITIAL REDEMPTION DATE" means, with respect to any Note or portion thereof to be redeemed pursuant to Section 3.1(b), the date on or after which such Note or portion thereof may be redeemed as determined by or pursuant to the Indenture or a Note Certificate of Supplemental Indenture.

"INITIAL REDEMPTION PERCENTAGE" has the meaning specified in the Note Certificate(s).

"INTEREST PAYMENT DATE" has the meaning specified in Section 2.8(a).

"INTEREST RESET DATE" has the meaning specified in the Note Certificate(s).

"LIBOR", has the meaning ascribed in the Note Certificate(s).

"LIBOR CURRENCY" means the currency specified in the Note Certificate(s) as to which LIBOR shall be calculated or, if no currency is specified in the applicable Note Certificate, United States dollars.

"LIEN" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind, or any other type of preferential arrangement that has substantially the same practical effect as a security interest, in respect of such asset. For purposes hereof, the Trust shall be deemed to own subject to a Lien any asset which it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement relating to such asset.

"MARKET EXCHANGE RATE" for a Specified Currency other than United States dollars means the noon dollar buying rate in The City of New York for cable transfers for the Specified Currency as certified for customs purposes (or, if not so certified, as otherwise determined) by the Federal Reserve Bank of New York.

5

"MATURITY DATE" means, with respect to the principal (or any installment of principal) of the Notes, any date prior to the Stated Maturity Date on which the principal (or such installment of principal) of the Notes becomes due and payable whether, as applicable, by the declaration of acceleration of maturity, notice of redemption at the option of the Trust, notice of the Holder's option to elect repayment or otherwise.

"NAME LICENSING AGREEMENT" means that certain Name Licensing Agreement included in Part D of the Series Instrument, between Allstate Insurance Company and the Trust, as the same may be amended, restated, modified, supplemented or replaced from time to time.

"NONRECOURSE PARTIES" has the meaning set forth in Section 13.1.

"NOTE" means each medium term note issued by the Trust and authenticated by the Indenture Trustee under the Indenture, each in an authorized denomination and represented, individually or collectively, by a Note Certificate.

"NOTE CERTIFICATE" means a security certificate representing one or more Notes.

"NOTE REGISTER" has the meaning set forth in Section 2.6(a).

"OBLIGATIONS" means the obligations of the Trust secured under the Notes and the Indenture, including (a) all principal of, any premium and interest payable (including, without limitation, any interest which accrues after the commencement of any case, proceeding or other action relating to the bankruptcy, insolvency or reorganization of the Trust, whether or not allowed or allowable as a claim in any such proceeding) on, and any Additional Amounts with respect to, the Notes or pursuant to the Indenture, (b) all other amounts payable by the Trust under the Indenture or under the Notes including all costs and expenses (including attorneys' fees) incurred by the Indenture Trustee or any Holder thereof in realizing on the Collateral to satisfy such obligations and (c) any renewals or extensions of the foregoing.

"OPINION OF COUNSEL" means an opinion in writing signed by legal counsel who may be an employee of or counsel to the Trust or the Indenture Trustee or who may be other counsel satisfactory to the Indenture Trustee. Each such opinion shall include the statements provided for in Section 13.5 hereof, if and to the extent required hereby.

"OUTSTANDING" shall, subject to the provisions of Section 8.5, mean, as of any particular time, all Notes represented by Note Certificates executed by the Trust and authenticated and delivered by the Indenture Trustee under the Indenture, except (a) any Note represented by a Note Certificate theretofore cancelled by the Indenture Trustee or delivered to the Indenture Trustee for cancellation; (b) any Note as to which funds for the full payment or redemption of which in the necessary amount shall have been deposited in trust with the Indenture Trustee or with any Paying Agent; PROVIDED that if such Note is to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as provided in or pursuant to the Indenture, or provision satisfactory to the Indenture Trustee shall have been made for giving such notice; and (c) any Note represented by a Note Certificate in substitution for which one or more other Note Certificates shall have been authenticated and delivered pursuant to the terms of Section 2.5 or which shall have been paid (unless proof satisfactory to the Indenture Trustee is

6

presented that any of such Note is held by a Person in whose hands such Note is a legal, valid and binding obligation of the Trust).

"OWNER" shall, with respect to each Funding Agreement, have the meaning specified in such Funding Agreement.

"PAYING AGENT" means the Indenture Trustee in its capacity as paying agent and its successors, and any other Person specified as paying agent with respect to any Notes in the Note Certificate(s).

"PERSON" means any natural person, corporation, limited partnership, general partnership, joint stock company, joint venture, association, company, limited liability company, trust (including any beneficiary thereof), bank, trust company, land trust, trust or other organization, whether or not a legal entity, and any government or any agency or political subdivision thereof.

"PRICING SUPPLEMENT" means the pricing supplement included as Annex A to the Series Instrument.

"PRINCIPAL AMOUNT" with respect to a Funding Agreement, has the meaning ascribed in such Funding Agreement.

"PRINCIPAL FINANCIAL CENTER" means, as applicable (i) the capital city of the country issuing the Specified Currency; or (ii) the capital city of the country to which the LIBOR Currency relates; PROVIDED, HOWEVER, that with respect to United States dollars, Australian dollars, Canadian dollars, Portuguese escudos, South African rands and Swiss francs, the "Principal Financial Center" shall be The City of New York, Sydney, Toronto, London (solely in the case of the LIBOR Currency), Johannesburg and Zurich, respectively.

"PROCEEDS" means all of the proceeds of, and all other profits, products, rents, principal payments, interest payments or other receipts, in whatever form, arising from the collection, sale, lease, exchange, assignment, licensing or other disposition or maturity of, or other realization upon, a Funding Agreement, including without limitation all claims of the Trust against third parties for loss of, damage to or destruction of, or for proceeds payable under, such Funding Agreement, in each case whether now existing or hereafter arising.

"REDEMPTION DATE" means, with respect to any Note to be redeemed, pursuant to Section 3.1(b) or Section 3.1(c), the date of redemption of such Note specified in the relevant notice of redemption provided to the Indenture Trustee pursuant to Section 3.1(d).

"REDEMPTION PRICE" means, with respect to the Notes, an amount equal to the Initial Redemption Percentage specified in the Note Certificate(s) (as adjusted by the Annual Redemption Percentage Reduction, if applicable) multiplied by the unpaid principal amount thereof to be redeemed.

"REGISTRAR" has the meaning specified in Section 2.6(a).

"REGULAR INTEREST RECORD DATE" has the meaning set forth in Section 2.8(a).

7

"REPAYMENT DATE" means, with respect to any Note or portion thereof to be repaid pursuant to Section 3.2, the date for the repayment of such Note or portion thereof as determined by or pursuant to the Indenture or a Note Certificate or Supplemental Indenture.

"REPAYMENT PRICE" means, with respect to any Note or portion thereof to be repaid pursuant to Section 3.2, the price for repayment of such Note or portion thereof as determined by, or pursuant to, the Indenture or an applicable Note Certificate or Supplemental Indenture.

"RESPONSIBLE OFFICER" when used with respect to any Person means the chairman of the board of directors or any vice chairman of the board of directors or the president or any vice president (whether or not designated by a number or numbers or a word or words added before or after the title "vice president") of such Person. With respect to the Trust, Responsible Officer means any Responsible Officer (as defined in the preceding sentence) plus any assistant secretary and any financial services officer of the Delaware Trustee, and with respect to the Indenture Trustee, Responsible Officer means any Responsible Officer (as defined in the first sentence of this definition) plus the chairman of the trust committee, the chairman of the executive committee, any vice chairman of the executive committee, the cashier, the secretary, the treasurer, any trust officer, any assistant trust officer, any assistant vice president, any assistant cashier, any assistant secretary, any assistant treasurer, or any other authorized officer of the Indenture Trustee customarily performing functions similar to those performed by the Persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of his knowledge of and familiarity with the particular subject.

"SECURITIES ACT" means the Securities Act of 1933, as amended.

"SECURITIES INTERMEDIARY" means any Person, including any Clearing Corporation, bank or broker, that in the ordinary course of its business maintains securities accounts for others and is acting in that capacity.

"SECURITY INTEREST" has the meaning set forth in Section 14.1(a).

"SERIES INSTRUMENT" means the series instrument of the Trust, pursuant to which the Administrative Services Agreement, the Coordination Agreement, the Name Licensing Agreement, the Support Agreement, the Terms Agreement and the Trust Agreement are entered into, and certain other documents are executed, in connection with the issuance of the Notes by the Trust.

"SPECIAL INTEREST RECORD DATE" has the meaning set forth in Section 2.8(b).

"SPECIFIED CURRENCY" has the meaning specified in Section 2.4.

"STATED MATURITY DATE," means with respect to any Note, any installment of principal thereof, or interest thereon, any premium thereon or any Additional Amounts with respect thereto, the date established by or pursuant to the Indenture or Note Certificate or Supplemental Indenture as the date on which the principal of such Note or such installment of principal or interest or such premium is, or such Additional Amounts are, due and payable.

"SUPPLEMENTAL INDENTURE" has the meaning specified in Section 9.1(a).

8

"SUPPORT AGREEMENT" means that certain Support and Expenses Agreement included in Part C of the Series Instrument, by and between the Funding Agreement Provider and the Trust, as the same may be amended, modified or supplemented from time to time.

"TARGET SYSTEM" means the Trans-European Automated Real Time Gross Settlement Express Transfer (TARGET) System.

"TAX EVENT" has the meaning specified in Section 3.1(c).

"TERMS AGREEMENT" means that certain Terms Agreement included in Part E of the Series Instrument, by and among Global Funding, the Trust and each Agent named therein, which will incorporate by reference the terms of the Distribution Agreement.

"TRUST" means the Allstate Life Global Funding Trust specified in the Series Instrument, together with its permitted successors and assigns.

"TRUST AGREEMENT" means that certain Trust Agreement included in Part A of the Series Instrument, among the Delaware Trustee, the Administrator and the Trust Beneficial Owner.

"TRUST BENEFICIAL OWNER" means Global Funding, in its capacity as the sole beneficial owner of the Trust, and its successors.

"TRUST CERTIFICATE" means a certificate signed by the Administrator on behalf of the Trust and delivered to the Indenture Trustee. Each such certificate shall include the statements provided for in Section 13.5.

"TRUST INDENTURE ACT" shall mean the Trust Indenture Act of 1939, as amended.

"UCC" means the Uniform Commercial Code, as from time to time in effect in the State of New York; PROVIDED THAT, with respect to the perfection, effect of perfection or non-perfection, or priority of any security interest in the Collateral, "UCC" shall mean the applicable jurisdiction whose law governs such perfection, non-perfection or priority.

"UNITED STATES", except as otherwise provided in or pursuant to the Indenture or any Note Certificate, means the United States of America (including the states thereof and the District of Columbia), its territories and possessions and other areas subject to its jurisdiction.

"UNITED STATES DOLLARS", "U.S. DOLLARS" or "\$" means lawful currency of the United States.

SECTION 1.2 INTERPRETATION. For all purposes of the Indenture except as otherwise expressly provided or unless the context otherwise requires:

- (a) the terms defined in this Article shall have the meanings ascribed to them in this Article and shall include the plural as well as the singular;
- (b) all accounting terms used and not expressly defined shall have the meanings given to them in accordance with United States generally

9

accepted accounting principles, and the term "generally accepted accounting principles" shall mean such accounting principles which are generally accepted at the date or time of any computation or at the date of the Indenture;

- (c) references to Exhibits, Articles, Sections, paragraphs, subparagraphs and clauses shall be construed as references to the Exhibits, Articles, Sections, paragraphs, subparagraphs and clauses of the Indenture;
- (d) the words "include", "includes" and "including" shall be

construed to be followed by the words "without limitation"; and

- (e) Article and Section headings are for the convenience of the reader and shall not be considered in interpreting the Indenture or the intent of the parties.

ARTICLE 2
THE NOTES

SECTION 2.1 AMOUNT UNLIMITED. The aggregate principal amount of Notes that may be authenticated and delivered under the Indenture is unlimited.

SECTION 2.2 STATUS OF NOTES. The Notes constitute direct, unconditional, unsubordinated and secured non-recourse obligations of the Trust and rank equally among themselves.

SECTION 2.3 FORMS GENERALLY.

- (a) The Note Certificates, shall be in, or substantially in, the form set forth in Exhibit A-1, Exhibit A-2, Exhibit A-3 and Exhibit A-4 attached hereto, as applicable, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by the Indenture or as may in the Trust's judgment be necessary, appropriate or convenient to permit the Notes to be issued and sold, or to comply, or facilitate compliance, with applicable laws, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with the rules of any securities exchange on which the Notes may be listed, or as may, consistently herewith, be determined by the Responsible Officer of the Trust executing such Note Certificates, with the approval of the Indenture Trustee, as evidenced by his or her execution thereof.
- (b) Note Certificates may be printed, lithographed, engraved, typewritten, photocopied or otherwise produced in any manner as the Responsible Officer of the Trust executing such Notes may determine.
- (c) The terms and provisions contained in the Note Certificates and in any Supplemental Indenture shall constitute, and are expressly made, a part of

10

the Indenture and, to the extent applicable, the Trust and the Indenture Trustee, by their execution and delivery of the Indenture, expressly agree to such terms and provisions and to be bound thereby.

SECTION 2.4 CURRENCY; DENOMINATIONS.

- (a) Unless otherwise specified in the Note Certificates or in any Supplemental Indenture, Notes will be denominated in, and payments of principal of, premium and interest on, and Additional Amounts in respect to, the Notes will be made in, U.S. dollars. The currency in which the Notes are denominated (or, if such currency is no longer legal tender for the payment of public and private debts in the country issuing such currency or, in the case of Euro, in the member states of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union, such currency which is then such legal tender) is in the Indenture referred to as the "SPECIFIED CURRENCY".
- (b) The Trust appoints the Indenture Trustee as Exchange Rate Agent with respect to the Notes and the Indenture Trustee accepts such appointment.
- (c) If the Specified Currency for Foreign Currency Notes is not available for any required payment of principal, premium, if any, and/or interest, if any, due to the imposition of exchange controls or other circumstances beyond the control of the Trust, the Trust will be entitled to satisfy the obligations to the registered holders of such Foreign Currency Notes by making payments in United States dollars on the basis of the Market Exchange Rate, computed by the Exchange Rate Agent as described above, on the second business day prior to the particular payment or, if the Market Exchange Rate is not then available, on the basis of the most recently available market exchange rate.
- (d) Unless otherwise specified in the Note Certificates or in a Supplemental Indenture, Notes shall be issued in minimum denominations of \$1,000 and integral multiples of \$1,000 in excess thereof or equivalent denominations in other currencies.
- (e) The Trust may (if so specified in a Note Certificate or

Supplemental Indenture) without the consent of the Holder of any Note, redenominate all, but not less than all, of the Notes on or after the date on which the member state of the European Union in whose national currency the Notes are denominated has become a participant member in the third stage of the European economic and monetary union as more fully set out in a Note Certificate or Supplemental Indenture.

11

- (f) Unless otherwise specified in a Note Certificate or Supplemental Indenture, the Trust shall not sell Foreign Currency Notes in, or to residents of, the country issuing the Specified Currency.

SECTION 2.5 EXECUTION, AUTHENTICATION, DELIVERY AND DATE.

- (a) Each Note Certificate shall be executed on behalf of the Trust by any Responsible Officer of the Delaware Trustee. The signature of any Responsible Officer of the Delaware Trustee may be manual, in facsimile form, imprinted or otherwise reproduced and may, but need not, be attested.
- (b) Each Note Certificate bearing the signature of a Person who was at any time a Responsible Officer of the Delaware Trustee shall bind the Trust, notwithstanding that such Person has ceased to hold such office prior to the authentication and delivery of such Note Certificate or did not hold such office at the date of such Note Certificate.
- (c) At any time, and from time to time, after the execution and delivery of the Indenture, the Trust may deliver Note Certificates executed by or on behalf of the Trust to the Indenture Trustee for authentication, and the Indenture Trustee shall thereupon authenticate and deliver such Note Certificates as provided in the Indenture and not otherwise.
- (d) The Indenture Trustee shall have the right to decline to authenticate and deliver any Note Certificates under this Section if the Indenture Trustee has obtained an Opinion of Counsel reasonably acceptable to the Trust, to the effect that the issuance of the Notes will adversely affect the Indenture Trustee's own rights, duties or immunities under the Indenture.
- (e) The Note Certificates shall be dated the date of their authentication.
- (f) No Note shall be entitled to any benefit under the Indenture or be valid or obligatory for any purpose, unless there appears on the Note Certificate representing such Note a certificate of authentication substantially in the form attached as Exhibit B executed by the Indenture Trustee by manual signature of one of its authorized signatories. Such certificate upon any Note Certificate shall be conclusive evidence, and the only evidence, that such Note Certificate has been duly authenticated and delivered under the Indenture.

SECTION 2.6 REGISTRATION, TRANSFER AND EXCHANGE.

- (a) The Indenture Trustee will serve initially as registrar (in such capacity, and together with any successor registrar, the "REGISTRAR") for the Notes. In such capacity, the Indenture Trustee will cause to be kept at the Corporate Trust Office of the Indenture Trustee a register (the "NOTE REGISTER") in which, subject to such reasonable regulations as it may

12

prescribe, the Indenture Trustee will provide for the registration of the Notes and of transfers of the Notes. The Note Register shall be in written form in the English language or in any other form capable of being converted into such form within a reasonable time.

- (b) Subject to Section 2.10, upon surrender of a Note Certificate for registration of transfer of any Note represented thereby, together with the form of transfer endorsed thereon duly completed and executed, at the designated office of the Registrar or of any applicable transfer agent, each as provided in a Note Certificate or Supplemental Indenture, the Delaware Trustee, on behalf of the Trust shall execute, and the Indenture Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Note Certificates of any authorized denomination representing an aggregate principal amount of Notes equal to the aggregate principal amount of the Notes represented by such Note Certificate surrendered for registration of transfer.

- (c) Subject to Section 2.10, at the option of the applicable Holder, any Note Certificate may be exchanged for one or more new Note Certificates, and any two or more Note Certificates may be consolidated into and exchanged for a single Note Certificate or fewer than the number of Note Certificates duly presented for exchange, in each case representing one or more Notes in an aggregate principal amount equal to the aggregate principal amount of the Notes represented by the Note Certificate or Note Certificates duly presented for exchange. Each Note Certificate to be exchanged shall be surrendered at the designated office of the Registrar or of any applicable transfer agent, each as provided in a Note Certificate or Supplemental Indenture. Whenever any Note Certificate is so surrendered for exchange, the Delaware Trustee, on behalf of the Trust shall execute, and the Indenture Trustee shall authenticate and deliver, the Note Certificate or Note Certificates which the applicable Holder is entitled to receive, bearing numbers, letters or other designating marks not contemporaneously outstanding.
- (d) Each Note Certificate executed, authenticated and delivered upon any transfer or exchange shall be a valid obligation of the Trust, evidencing the same debt, and entitled to the same benefits under the Indenture, as the Note Certificates surrendered in connection with any such transfer or exchange. Upon surrender, transfer or exchange of a Note Certificate pursuant to this Section 2.6, each new Note Certificate will, within three Business Days of the receipt of the applicable form of transfer or the applicable surrender, as the case may be, be delivered to the designated office of the Registrar or of any applicable transfer agent, each as provided in a Note Certificate or Supplemental Indenture, or mailed at the risk of the Person entitled to such Note Certificate to such address as may be specified in the form of transfer or in written instructions of the applicable Holder upon surrender for exchange.

13

- (e) Every Note Certificate presented or surrendered in connection with any transfer or exchange shall (if so required by the Trust or the Indenture Trustee) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Trust and the Indenture Trustee duly executed by, the applicable Holder or his attorney duly authorized in writing.
- (f) No service charge shall be made in connection with any transfer of Notes or exchange of Note Certificates, but the Trust or the Indenture Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer of Notes or exchange of Note Certificates.
- (g) Except as otherwise provided in or pursuant to the Indenture, the Trust and the Indenture Trustee shall not be required to (i) upon presentation or surrender of a Note Certificate in connection with any transfer or exchange during a period beginning at the opening of business 15 days before the day of the selection for redemption of Notes under Section 3.1 and ending at the close of business on the day of such selection, exchange any Note Certificate representing any Note selected for redemption, register the transfer of any such Note, or portion thereof, except in the case of any Note to be redeemed in part, with respect to the portion of such Note not to be redeemed, or (ii) exchange any Note Certificate representing any Note the Holder or Holders of which shall have exercised the option pursuant to Section 3.2 to require the Trust to repay any such Note prior to its Stated Maturity Date or register the transfer of any such Note except, in the case of any Note to be repaid in part, with respect to the portion of such Note not to be repaid.

SECTION 2.7 MUTILATED, DESTROYED, LOST OR STOLEN NOTE CERTIFICATES.

- (a) If (i) any mutilated Note Certificate is surrendered to the Indenture Trustee or the Trust, or the Indenture Trustee and the Trust receive evidence to their satisfaction of the destruction, loss or theft of any Note Certificate, and (ii) there is delivered to the Trust and the Indenture Trustee such security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice to the Trust or the Indenture Trustee that such Note Certificate has been acquired by a protected purchaser, the Trust shall execute and upon its request the Indenture Trustee shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Note Certificate, a new Note Certificate representing Notes of like tenor and principal amount, bearing a number not contemporaneously outstanding.

- (b) If any Note represented by any such mutilated or apparently destroyed, lost or stolen Note Certificate has become or is about to become due and payable, the Trust in its discretion may, instead of issuing a new Note

14

Certificate, pay such amounts in respect of the Notes represented by such Note Certificate.

- (c) Upon the execution, authentication and delivery of any new Note Certificate under this Section, the Indenture Trustee or the Trust may require the Holder to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Indenture Trustee) connected therewith.
- (d) The Notes represented by every Note Certificate executed, authenticated and delivered pursuant to this Section in lieu of any apparently destroyed, lost or stolen Note Certificate shall constitute an original additional contractual obligation of the Trust, whether or not any obligation with respect to the Notes represented by the apparently destroyed, lost or stolen Note Certificate shall be at any time enforceable by any Person, and shall be entitled to all of the benefits of the Indenture equally and proportionately with any and all other Notes duly issued under the Indenture.
- (e) The provisions of this Section are exclusive with respect to the replacement of any mutilated or apparently destroyed, lost or stolen Note Certificate or the payment of the Notes represented thereby and shall preclude all other rights and remedies with respect to the replacement of any mutilated or apparently destroyed, lost or stolen Note Certificate or the payment of the Notes represented thereby.

SECTION 2.8 INTEREST RECORD DATES.

- (a) Interest on and Additional Amounts with respect to any Note which is payable, on any interest payment date specified in the Note Certificates or in any Supplemental Indenture (each such date, an "INTEREST PAYMENT DATE") shall be paid to the Holder of such Note at the close of business on the date specified as the regular interest record date in the Note Certificates or Supplemental Indenture (the "REGULAR INTEREST RECORD DATE") or, if no such date is specified, the date that is 15 calendar days preceding such Interest Payment Date.
- (b) Unless otherwise provided in the Note Certificates or in any Supplemental Indenture, any interest on, and any Additional Amounts with respect to, any Note which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date specified in the Note Certificates or Supplemental Indenture (the "DEFAULTED INTEREST") shall forthwith cease to be payable to the Holder of such Note on the relevant Regular Interest Record Date by virtue of having been such Holder, and such Defaulted Interest shall be paid by the Trust to the Holder of such Note at the close of business on a special record date (the "SPECIAL INTEREST RECORD DATE")

15

established by the Trust by notice to each applicable Holder and the Indenture Trustee in accordance with Section 13.4, which Special Interest Record Date shall be not more than 15 nor less than 10 days prior to the date of the proposed payment of Defaulted Interest and not less than 10 days after the receipt by the Indenture Trustee of the notice of the proposed payment of Defaulted Interest.

SECTION 2.9 CANCELLATION. Each Note Certificate surrendered for exchange or in connection with any payment, redemption, transfer of any Note represented thereby shall be delivered to the Indenture Trustee and, if not already cancelled, shall be promptly cancelled by it. The Trust may at any time deliver to the Indenture Trustee for cancellation any Note Certificate previously authenticated and delivered under the Indenture which the Trust may have acquired in any manner whatsoever, and each Note Certificate so delivered shall be promptly cancelled by the Indenture Trustee. No Note Certificates shall be authenticated in lieu of or in exchange for any Note Certificate cancelled as provided in this Section, except as expressly permitted by the Indenture. The Indenture Trustee shall destroy all cancelled Note Certificates held by it and deliver a certificate of destruction to the Trust. If the Trust shall acquire any of the Notes, such acquisition shall not operate as a redemption or satisfaction of the indebtedness represented by such Notes unless and until each Note Certificate representing such Notes is delivered to the Indenture Trustee for cancellation.

SECTION 2.10 GLOBAL SECURITIES.

- (a) Unless (i) permitted by applicable law and (ii) an Exchange Event shall have occurred and be continuing with respect to a series of Book-Entry Notes represented by one or more Global Securities, no Book-Entry Note represented by any such Global Security shall be exchangeable for Certificated Notes.
- (b) For purposes of the Indenture, the term "EXCHANGE EVENT" means any of the following:
 - (i) the Depository with which any Global Security is deposited shall have notified the Trust that it is unwilling or unable to continue as the Depository for any Global Security or the Trust becomes aware that the Depository has ceased to be a clearing agency registered under the Exchange Act and, in any such case, the Trust fails to appoint a successor to the Depository within 60 calendar days;
 - (ii) the Trust, in its sole discretion, determines that the Notes should no longer be represented solely by one or more Global Securities; or
 - (iii) an Event of Default shall have occurred and be continuing with respect to the Notes.

16

- (c) If any Exchange Event shall have occurred and be continuing, then:
 - (i) with respect to each Global Security deposited with, and registered in the name of, the applicable Depository or its nominee, the Delaware Trustee, on behalf of the Trust shall promptly, and in any event not later than 10 Business Days after the occurrence of such Exchange Event, cause to be executed, authenticated and delivered to the applicable Depository or its nominee, against surrender by the applicable Depository or its nominee of such Global Security, which shall thereupon be cancelled by the -----, a Definitive Security or a Definitive Securities each representing such number of Notes as may be specified by the applicable Depository in an aggregate principal amount equal to the (Outstanding principal amount of Notes that shall have been represented by such Global Security and shall register the Certificated Notes in such names and in such authorized denominations as may be specified by the Depository for the Global Security; and
 - (ii) if any Certificated Note is issued in exchange for any portion of or all Book-Entry Notes represented by a Global Security after the close of business at the office or agency for such Note where such exchange occurs on (A) any Regular Interest Record Date for such Notes and before the opening of business at such office or agency on the next Interest Payment Date, or (B) any Special Interest Record Date for such Notes and before the opening of business at such office or agency on the related proposed date for payment of interest, any Additional Amounts or Defaulted Interest, as the case may be, interest, Additional Amounts or Defaulted Interest, as the case may be, shall not be payable on such Interest Payment Date or proposed date for payment, as the case may be, in respect of such Notes, but shall be payable on such Interest Payment Date or proposed date for payment, as the case may be, only to the Person to whom interest and any Additional Amounts or Defaulted Interest, as applicable, in respect of such portion of or all Book-Entry Notes, as the case may be, represented by such Global Security shall be payable in accordance with the provisions of the Indenture.
- (d) The Certificated Notes issued in exchange for any Book-Entry Notes represented by a Global Security shall be of like tenor and of an equal aggregate principal amount, in authorized denominations. Such Certificated Notes shall be registered in the name or names of such person or persons as the applicable Depository shall instruct the Registrar.

SECTION 2.11 WITHHOLDING TAX. All amounts due in respect of the Notes will be made without withholding or deduction for or on account of any present or future taxes, duties, levies, assessments or other governmental charges of whatever nature imposed or levied by or on

behalf of any governmental authority in the United States having the power to tax payments on the notes unless the withholding or deduction is required by law. Unless otherwise specified in the Note Certificate(s), the Trust will not pay any Additional Amounts to Holders of Notes in the event that any withholding or deduction is so required by law, regulation or official interpretation thereof, and the imposition of a requirement to make any such withholding or deduction will not give rise to any independent right or obligation to redeem or repay the Notes and shall not constitute an Event of Default.

SECTION 2.12 TAX TREATMENT. The parties agree, and each Holder and beneficial owner of Notes by purchasing the Notes agrees, for all United States Federal, state and local income and franchise tax purposes (i) to treat the Notes as indebtedness of the Funding Agreement Provider, (ii) Global Funding and the Trust will be ignored and will not be treated as an association or a publicly traded partnership taxable as a corporation and (iii) to not take any action inconsistent with the treatment described in (i) and (ii) unless otherwise required by law.

ARTICLE 3

REDEMPTION, REPAYMENT AND REPURCHASE OF NOTES; SINKING FUNDS

SECTION 3.1 REDEMPTION OF NOTES.

- (a) Redemption of Notes by the Trust as permitted or required by the Indenture and the Note Certificate(s) will be made in accordance with the terms of the Notes and (except as otherwise provided in the Indenture or pursuant to the Indenture) this Section.
- (b) If any Initial Redemption Date is specified in the Note Certificate(s), the Trust may redeem Notes prior to the Stated Maturity Date at its option, on, or on any Business Day after, the Initial Redemption Date in whole or from time to time in part in increments of \$1,000 or any other integral multiple of an authorized denomination of the Notes at the applicable Redemption Price together with any unpaid interest accrued thereon, any Additional Amounts and other amounts payable with respect thereto, as of the Redemption Date.
- (c) If (i) the Trust is required at any time to pay Additional Amounts or if the Trust is obligated to withhold or deduct any United States taxes with respect to any payment under the Notes, as set forth in the Note Certificate(s), or if there is a material probability that the Trust will become obligated to withhold or deduct any such United States taxes or otherwise pay Additional Amounts (in the opinion of independent legal counsel selected by the Funding Agreement Provider), in each case pursuant to any change in or amendment to any United States tax laws (or any regulations or rulings thereunder) or any change in position of the Internal Revenue Service regarding the application or interpretation thereof (including, but not limited to, the Funding Agreement Provider's or the Trust's receipt of a written adjustment from the Internal Revenue Service in connection with an audit) (a "TAX EVENT"), and (ii) the Funding

Agreement Provider, pursuant to the terms of the relevant Funding Agreement, has delivered to the Owner notice that the Funding Agreement Provider intends to terminate the relevant Funding Agreement pursuant to the terms of such Funding Agreement, then the Trust will redeem the Notes on the Redemption Date at the Redemption Price together with any unpaid interest accrued thereon, any Additional Amounts and other amounts payable with respect thereto, as of the Redemption Date.

- (d) Unless a shorter notice shall be satisfactory to the Indenture Trustee, the Trust shall provide to the Indenture Trustee a notice of redemption of any Notes (i) in case of any redemption at the election of the Trust, not more than 60 days nor less than 35 days prior to the Redemption Date and (ii) in case of any mandatory redemption pursuant to Section 3.1(c), at least 75 days prior to the Redemption Date. In case of any redemption at the election of the Trust of less than all of the Notes such notice shall specify the aggregate principal amount of the Notes to be redeemed.
- (e) If less than all of the Notes are to be redeemed at the option of the Trust, the particular Notes to be redeemed shall be selected not more than 60 days prior to the Redemption Date by the Indenture Trustee from the Outstanding Notes not previously called for redemption, by such method as the Indenture Trustee shall deem fair and appropriate, acting in accordance with its obligations under the Indenture, and which may provide for the selection for redemption of portions of the principal amount of

Notes; PROVIDED, HOWEVER, that no such partial redemption shall reduce the portion of the principal amount of a Note not redeemed to less than the minimum denomination for a Note established in or pursuant to the Indenture; PROVIDED FURTHER, that if at the time of redemption such Notes are registered as Global Securities, the Depository shall determine, in accordance with its procedures, the principal amount of such Notes to be redeemed by each of the Depository's participants. The Indenture Trustee shall promptly notify the Trust and the Registrar (if other than itself) in writing of the Notes selected for redemption and, in the case of any Notes selected for partial redemption, of the aggregate principal amount thereof to be redeemed. For all purposes of the Indenture, unless the context otherwise requires, all provisions relating to the redemption of Notes shall relate, in the case of any Notes redeemed or to be redeemed only in part, to the portion of the principal of such Notes which has been or is to be redeemed.

- (f) Unless otherwise specified in the Indenture or the Note Certificate(s) the Trust shall give a notice of redemption to each Holder of the Notes to be redeemed at the Trust's option (i) in case of any redemption at the election of the Trust, not more than 60 nor less than 30 days prior to the Redemption Date and (ii) in case of any mandatory redemption pursuant to Section 3.1(c), not more than 75 days nor less than 30 days prior to the Redemption Date; PROVIDED, that in the case of any notice of redemption

19

given pursuant to clause (ii) no such notice of redemption may be given earlier than 90 days prior to the earliest day on which the Trust would become obligated to pay the applicable Additional Amounts were a payment in respect of Notes then due. Failure to give such notice to the Holder of any Note designated for redemption in whole or in part, or any defect in the notice to any such Holder, shall not affect the validity of the proceedings for the redemption of any other Note or any portion thereof.

Any notice that is mailed to the Holder of any Notes in the manner provided for in Section 13.4 shall be conclusively presumed to have been duly given, whether or not such Holder receives the notice.

All notices of redemption shall state:

- (i) the Redemption Date,
- (ii) the Redemption Price or, if not then ascertainable, the manner of calculation thereof,
- (iii) in case of any redemption at the election of the Trust, if less than all Outstanding Notes are to be redeemed, the identification (and, in the case of partial redemption, the principal amount) of the particular Note or Notes to be redeemed,
- (iv) in case any Note is to be redeemed in part only at the election of the Trust, the notice which relates to such Note shall state that on and after the Redemption Date, upon surrender of the Note Certificate representing such Note, the Holder of such Note will receive, without charge, a new Note Certificate representing an authorized denomination of the principal amount of such Note remaining unredeemed,
- (v) that, on the Redemption Date, the Redemption Price shall become due and payable upon each such Note or portion thereof to be redeemed, and, if applicable, that interest thereon shall cease to accrue on and after the Redemption Date,
- (vi) the place or places where each Note Certificate representing such Note or Notes is to be surrendered for payment of the Redemption Price together with any unpaid interest accrued thereon through the Redemption Date and any Additional Amounts payable with respect thereto,
- (vii) if applicable, in case of any redemption at the election of the Trust, that the redemption is for a sinking fund, and
- (viii) the CUSIP number or any other numbers used to identify such Notes.

20

- (g) On or prior to any Redemption Date, the Trust shall deposit, with respect to any Notes called for redemption pursuant to this Section, with the Paying Agent an amount of money in the Specified Currency sufficient to pay the Redemption Price of, and (except if the Redemption Date shall be an Interest Payment Date, unless otherwise specified in the Note Certificate(s)) any unpaid interest accrued through the Redemption Date on, and any Additional Amounts payable with respect to, all such Notes or portions thereof which are to be redeemed on the Redemption Date.
- (h) On the Redemption Date, the Notes to be redeemed shall, become due and payable at the Redemption Price together with any unpaid interest accrued through the Redemption Date on, and any Additional Amounts payable with respect to, such Notes, and from and after such date (unless the Trust shall default in the payment of the Redemption Price and any unpaid interest accrued on such Notes through the Redemption Date) such Notes shall cease to bear interest. Upon surrender of any Note Certificate for redemption of any Note or Notes represented thereby in accordance with the applicable notice of redemption, such Note shall be paid by the Trust at the Redemption Price, together with any unpaid interest accrued thereon through the Redemption Date and any Additional Amounts payable with respect thereto.
- (i) If any Note called for redemption shall not be so paid upon surrender of the applicable Note Certificate for redemption, the principal and any premium, until paid, shall bear interest from the Redemption Date at the rate specified in the Note Certificate(s).

Upon surrender of any Note Certificate for partial redemption of any Note or Notes represented thereby in accordance with this Section, the Trust shall execute and the Indenture Trustee shall authenticate and deliver one or more new Note Certificates of any authorized denomination representing an aggregate principal amount of Notes equal to the unredeemed portion of the applicable Note or Notes.

SECTION 3.2 REPAYMENT AT THE OPTION OF THE HOLDER.

- (a) If so specified in the Note Certificate(s), the Holder or Holders of the Notes may require the Trust to repay the Notes prior to the Stated Maturity Date in whole or from time to time in part in increments of \$1,000 or any other integral multiple of an authorized denomination specified in the Note Certificate(s) (provided that any remaining principal amount thereof shall be at least \$1,000 or other minimum authorized denomination applicable thereto).
- (b) Notes which are repayable at the option of the Holder or Holders thereof before the Stated Maturity Date shall be repaid in accordance with the terms of the Notes.

21

- (c) The repayment of any principal amount of Notes pursuant to any option of the applicable Holder or Holders to require repayment of any Notes before the Stated Maturity Date shall not operate as a payment, redemption or satisfaction of the indebtedness represented by such Notes unless and until the Trust, at its option, shall deliver or surrender each Note Certificate representing such Notes to the Indenture Trustee with a directive that such Note Certificates be cancelled.
- (d) Notwithstanding anything to the contrary contained in this Section, in connection with any repayment of Notes, the Trust may arrange for the purchase of any Notes by an agreement with one or more investment bankers or other purchasers to purchase such Notes by paying the Holder or Holders of such Notes on or before the close of business on the Repayment Date an amount not less than the Repayment Price payable by the Trust on repayment of such Notes, and the obligation of the Trust to pay the Repayment Price of such Notes shall be satisfied and discharged to the extent such payment is so paid by such purchasers.
- (e) Any exercise of the repayment option will be irrevocable.

SECTION 3.3 REPURCHASE OF NOTES.

- (a) The Trust may purchase some or all Notes in the open market or otherwise at any time, and from time to time, with the prior written consent of the Funding Agreement Provider as to both the making of such purchase and the purchase price to be paid for such Notes.
- (b) If the Funding Agreement Provider, in its sole discretion, consents to such purchase of Notes by the Trust, the parties to the Indenture agree to take such actions as may be necessary or desirable to effect the prepayment of such portion, or the entirety, of the current Principal Amount, under each applicable

Funding Agreement as may be necessary to provide for the payment of the purchase price for such Notes. Upon such payment, the Principal Amount under each Funding Agreement shall be reduced (i) if Notes bear interest at fixed or floating rates, by an amount equal to the aggregate principal amount of Notes so purchased (or the portion thereof applicable to such Funding Agreement) and (ii) if Notes do not bear interest at fixed or floating rates, by an amount to be agreed between the Trust and the Funding Agreement Provider to reflect such prepayment under the Funding Agreement(s).

(c) The parties acknowledge and agree that (i) notwithstanding anything to the contrary in the Indenture, any repurchase of Notes in compliance with this Section 3.3 shall not violate any provision of the Indenture or the Trust Agreement and (ii) no Opinion of Counsel, Trust Certificate or any other document or instrument shall be required to be provided in connection with any repurchase of Notes pursuant to this Section 3.3.

(d) If applicable, the Trust will comply with the requirements of Section 14(e) of the Exchange Act, and the rules promulgated thereunder, and any other applicable securities laws or regulations in connection with any repurchase pursuant to this Section 3.3.

22

SECTION 3.4 SINKING FUNDS.

Unless otherwise provided in the Note Certificate(s), the Notes will not be subject to, or entitled to the benefit of, any sinking fund.

ARTICLE 4

PAYMENTS; PAYING AGENTS AND CALCULATION AGENT; COVENANTS

SECTION 4.1 PAYMENT OF PRINCIPAL AND INTEREST.

- (a) The Trust will duly and punctually pay or cause to be paid the principal of, any premium and interest on, and any Additional Amounts with respect to, each of the Notes, in accordance with the terms of the Notes and the Indenture.
- (b) Unless otherwise specified in the Note Certificate(s), upon the receipt of the funds necessary therefor, the applicable Paying Agent shall duly and punctually make payments, payable on the Maturity Date, of principal in respect of, any premium and interest on, and any Additional Amounts payable with respect to, any Certificated Notes in immediately available funds against presentation and surrender of the applicable Definitive Security (and in the case of any repayment of a Note pursuant to Section 3.2, upon submission of a duly completed election form at an office or agency of such Paying Agent maintained for such purpose pursuant to Section 4.2). The applicable Paying Agent (unless such Paying Agent is the Indenture Trustee) shall promptly forward each Definitive Security surrendered to it in connection with any payment pursuant to this Section for cancellation in accordance with Section 2.9. Unless otherwise specified in the Note Certificate(s), upon the receipt of the funds necessary therefor, the applicable Paying Agent shall duly and punctually make payments of principal of, any premium and interest on, and any Additional Amounts in respect of, Certificated Notes payable on any date other than the Maturity Date by check mailed to the Holder (or to the first named of joint Holders) of such Certificated Note at the close of business on the Regular Interest Record Date or Special Interest Record Date, as the case may be, at its address appearing in the applicable Note Register. Notwithstanding the foregoing, the applicable Paying Agent shall make payments of principal, any interest, any premium, and any Additional Amounts on any date other than the Maturity Date to each Holder entitled thereto (or to the first named of joint Holders) at the close of business on the applicable Regular Interest Record Date or Special Interest Record Date, as the case may be, of \$10,000,000 (or, if the Specified Currency is other than United States dollars, the equivalent thereof in the particular Specified Currency) or more in aggregate principal amount of Certificated Notes by wire transfer of immediately available funds if the applicable Holder has delivered appropriate wire transfer instructions in writing to the applicable Paying Agent not less than 15 days prior to the date on

23

which the applicable payment of principal, interest, premium or Additional Amounts is scheduled to be made. Any wire transfer instructions received by the applicable Paying Agent shall remain in effect until revoked by the applicable Holder.

- (c) Unless otherwise specified in the Note Certificate(s), upon receipt of the funds necessary therefor, on the Maturity Date the

applicable Paying Agent shall (in the absence of any other arrangements between the applicable Paying Agent and the applicable Holder) duly and punctually make payments, payable on the Maturity Date, of principal in respect of, any premium and interest payable on, and any Additional Amounts with respect to, any Book-Entry Notes to the account of the Depository or its nominee at the close of business on the applicable Maturity Date. The applicable Paying Agent (unless such Paying Agent is the Indenture Trustee) shall promptly forward to the Indenture Trustee each Global Security surrendered to it in connection with any payment pursuant to this section for cancellation in accordance with Section 2.9. Unless otherwise specified in the Note Certificate(s), upon the receipt of the funds necessary therefor in accordance with Section 4.4(b), the applicable Paying Agent shall duly and punctually make payments of principal of, any premium and interest on, and any Additional Amounts in respect of, any Book-Entry Notes payable on any date other than the Maturity Date to the Holder of such Book-Entry Notes by 11:00 a.m. (New York City time) on the applicable Regular Interest Record Date or Special Interest Record Date, as the case may be, to the account of the Depository or its nominee.

- (d) Unless otherwise specified in the Note Certificate(s), the Trust shall be obligated to make, or cause to be made, payments of principal of, any premium and interest on, and any Additional Amounts with respect to, a Foreign Currency Note in the Specified Currency. Any amounts so payable by the Trust in the Specified Currency will be converted by the Exchange Rate Agent into United States dollars for payment to the Holder or Holders thereof unless otherwise specified in the Note Certificate(s) or a Holder elects to receive such amounts in the Specified Currency as provided below.
- (e) Any United States dollar amount to be received by the Holder or Holders of Foreign Currency Notes will be based on the highest bid quotation in The City of New York received by the Exchange Rate Agent at approximately 11:00 a.m. (New York City time) on the second Business Day preceding the applicable payment date from three recognized foreign exchange dealers (one of whom may be the Exchange Rate Agent) selected by the Exchange Rate Agent and approved by the Trust for the purchase by the quoting dealer of the Specified Currency for United States dollars for settlement on that payment date in the aggregate amount of the Specified Currency payable to all Holder or Holders of Foreign Currency Notes scheduled to receive United States dollar payments and at which the

24

applicable dealer commits to execute a contract. All currency exchange costs will be borne by the relevant Holder or Holders of Foreign Currency Notes by deductions from any payments. If three bid quotations are not available, payments will be made in the Specified Currency.

- (f) Holders of Foreign Currency Notes may elect to receive all or a specified portion of any payment of principal and/or any interest, premium and Additional Amounts in the Specified Currency by submitting a written request to the Indenture Trustee at its Corporate Trust Office in The City of New York on or prior to the applicable Regular Interest Record Date or Special Interest Record Date or at least 15 calendar days prior to the Maturity Date, as the case may be. Such written request may be mailed or hand delivered or sent by cable, telex or other form of facsimile transmission. Such election will remain in effect until revoked by written notice delivered to the Indenture Trustee on or prior to the applicable Regular Interest Record Date or Special Interest Record Date or at least 15 calendar days prior to the Maturity Date, as the case may be.
- (g) Unless otherwise specified in the Note Certificate(s), an Entitlement Holder with respect to a Foreign Currency Note represented by a Global Security which elects to receive payments of principal, and/or any interest, premium and Additional Amounts in the Specified Currency must notify, or cause the notification of the applicable Depository of its election on or prior to the applicable Regular Interest Record Date or Special Interest Record Date, or at least 15 calendar days prior to the Maturity Date, as the case may be, and the Depository will notify the Indenture Trustee of that election on or prior to the third Business Day after the applicable Regular Interest Record Date or Special Interest Record Date, or at least 12 calendar days prior to the Maturity Date, as the case may be. If complete instructions are received by the Depository and by the Indenture Trustee, on or prior to such dates, then the applicable beneficial owner will receive payments in the Specified Currency.

- (h) If the Specified Currency for Foreign Currency Notes is not available for any required payment of principal and/or any interest, premium and Additional Amounts due to the imposition of exchange controls or other circumstances beyond the Trust's control, the Trust will be entitled to satisfy its obligations with respect to such Foreign Currency Notes by making payments in United States dollars on the basis of the Market Exchange Rate, computed by the Exchange Rate Agent as described above, on the second Business Day prior to the particular payment or, if the Market Exchange Rate is not then available, on the basis of the most recently available Market Exchange Rate.
- (i) All determinations made by the Exchange Rate Agent shall be at its sole discretion and shall, in the absence of manifest error, be conclusive for all

25

purposes and binding on the Holder or Holders of Foreign Currency Notes and any applicable Entitlement Holders.

SECTION 4.2 OFFICES FOR PAYMENTS, ETC. So long as any of the Notes remain Outstanding, the Trust will maintain in New York and in any other city that may be required by any stock exchange on which the Notes may be listed, and in any city specified in the Note Certificate(s) the following: (i) an office or agency where the Notes may be presented for payment, (ii) an office or agency where the Notes may be presented for registration of transfer and for exchange as provided in the Indenture and (iii) an office or agency where notices and demands to or upon the Trust in respect of the Notes or of the Indenture may be served. The Trust will give to the Indenture Trustee written notice of the location of any such office or agency and of any change of location thereof. The Trust initially designates the Corporate Trust Office of the Indenture Trustee as the office or agency for each such purpose. In case the Trust shall fail to maintain any such office or agency or shall fail to give such notice of the location or of any change in the location thereof, presentations and demands may be made and notices may be served at the Corporate Trust Office.

SECTION 4.3 APPOINTMENT TO FILL A VACANCY IN OFFICE OF INDENTURE TRUSTEE. The Trust, whenever necessary to avoid or fill a vacancy in the office of Indenture Trustee, will appoint, in the manner provided in Section 6.8, a trustee, so that there shall at all times be a trustee under the Indenture.

SECTION 4.4 PAYING AGENTS.

- (a) The Trust appoints the Indenture Trustee as Paying Agent with respect to the Notes and the Indenture Trustee accepts such appointment. The Indenture Trustee, in its capacity as Paying Agent, agrees, and, whenever the Trust shall appoint a Paying Agent other than the Indenture Trustee with respect to the Notes, the Trust will cause such Paying Agent to execute and deliver to the Trust and the Indenture Trustee an instrument in which such Paying Agent shall agree with the Trust and the Indenture Trustee, subject to the provisions of this Section, that it will:
- (i) hold all sums received by it as such agent for the payment of the principal of, any premium or interest on, or any Additional Amounts with respect to, the Notes (whether such sums have been paid to it by the Funding Agreement Provider, the Trust or by any other obligor on the Notes) in trust for the benefit of each Holder of the Notes and will (and will cause each of its agents and Affiliates to) deposit all cash amounts received by it (or such agents or Affiliates, as applicable) that are derived from the Collateral for the benefit of the Holders of Notes in a segregated non-interest bearing account maintained or controlled by the Indenture Trustee, consistent with the rating of the Outstanding Notes;
- (ii) give the Indenture Trustee notice of any failure by the Trust (or by any other obligor on the Notes) to make any payment of the principal of, any premium and interest on, or any Additional Amounts with respect to, the Notes when the same shall be due and payable;
- (iii) pay any such sums so held in trust by it to the Indenture Trustee upon the Indenture Trustee's written request at any time during the continuance of the failure referred to in clause (ii) above;
- (iv) in the absence of the failure referred in clause (ii) above, pay any such sums so held in trust by it in accordance with the Indenture and the terms of the Notes; and

26

- (v) comply with all agreements of Paying Agents in, and perform all functions and obligations imposed on Paying Agents by or pursuant to, the Indenture and a Note Certificate or Supplemental Indenture.
- (b) The Trust will, at or prior to 9:30 a.m. (New York City time) on each due date of the principal of, any premium and interest on, or any Additional Amounts with respect to, the Notes, deposit or cause to be deposited with the applicable Paying Agent a sum sufficient to pay such principal, any interest or premium, and any Additional Amounts, and (unless such Paying Agent is the Indenture Trustee) the Trust will promptly notify the Indenture Trustee of any failure to take such action.
- (c) Anything in this Section to the contrary notwithstanding, the Trust may at any time, for the purpose of obtaining a satisfaction and discharge of the Notes under the Indenture, pay or cause to be paid to the Indenture Trustee all sums held in trust by the Trust or any Paying Agent under the Indenture, as required by this Section, such sums to be held by the Indenture Trustee upon the terms contained in the Indenture; PROVIDED, HOWEVER, in order to obtain such satisfaction or discharge of the Notes, that such sums paid to the Indenture Trustee must be at least equal to the amounts due and owing on the Notes, including outstanding principal, premium, accrued but unpaid interest and Additional Amounts.
- (d) Anything in this Section to the contrary notwithstanding, the agreement to hold sums in trust as provided in this Section are subject to the provisions of Sections 11.3 and 11.4.
- (e) The applicable Paying Agent shall (i) collect all forms from Holders of Notes (or from such other Persons as are relevant) that are required to exempt payments under the Notes and/or the related Funding Agreement(s) from United States Federal income tax withholding, (ii) withhold and pay over to the Internal Revenue Service or other taxing

27

authority with respect to payments under the Notes any amount of taxes required to be withheld by any United States Federal, state or local statute, rule or regulation and (iii) forward copies of such forms to the Trust and the Funding Agreement Provider.

- (f) Each Paying Agent shall forward to the Trust at least monthly a bank statement in its possession with respect to the performance of its functions and obligations with respect to any Notes.
- (g) The Trust shall pay the compensation of each Paying Agent at such rates as shall be agreed upon in writing by the Trust and the relevant Paying Agent from time to time and shall reimburse each Paying Agent for reasonable expenses properly incurred by such Paying Agent in connection with the performance of its duties upon receipt of such invoices as the Trust shall reasonably require.
- (h) Subject as provided below, each Paying Agent may at any time resign as Paying Agent by giving not less than 60 days' written notice to the Trust and the Indenture Trustee (unless the Indenture Trustee is such Paying Agent) of such intention on it part, specifying the date on which its resignation shall become effective. Except as provided below, the Trust may remove a Paying Agent by giving not less than 20 days' written notice specifying such removal and the date when it shall become effective. Any such resignation or removal shall take effect upon:
 - (i) the appointment by the Trust of a successor Paying Agent; and
 - (ii) the acceptance of such appointment by such successor Paying Agent,

PROVIDED that with respect to any Paying Agent who timely receives any amount with respect to any Notes and fails duly to pay any such amounts when due and payable in accordance with the terms of the Indenture and such Notes, any such removal will take effect immediately upon such appointment of, and acceptance thereof by, a successor Paying Agent approved by the Indenture Trustee (unless the Indenture Trustee is such Paying Agent), in which event notice of such appointment shall be given to each Holder of the Notes as soon as practicable thereafter. The Trust agrees with each Paying Agent that if, by the day falling 10 days before the expiration of any notice given pursuant to this Section 4.4(i), the Trust has not appointed a replacement Paying

Agent, then the Paying Agent shall be entitled, on behalf of the Trust, to appoint in its place a reputable financial institution of good standing reasonably acceptable to the Trust and the Indenture Trustee (unless the Indenture Trustee is such Paying Agent); PROVIDED, HOWEVER, that notwithstanding the foregoing, the resignation or removal of the relevant Paying Agent shall not be effective unless, upon the expiration of the notice given pursuant to this Section

28

4.5(i), the successor Paying Agent shall have accepted its appointment. Upon its resignation or removal becoming effective, the retiring Paying Agent shall be entitled to the payment of its compensation and reimbursement of all expenses incurred by such retiring Paying Agent pursuant to Section 4.4(h) up to the effective date of such resignation or removal.

- (i) If at any time a Paying Agent shall resign or be removed, or shall become incapable of acting with respect to the Notes, or shall be adjudged as bankrupt or insolvent, or a receiver or liquidator of such Paying Agent or of its property shall be appointed, or any public officer shall take charge or control of such Paying Agent or its property or affairs for the purpose of rehabilitation, conservation or liquidation, then a successor Paying Agent shall be appointed by the Trust by an instrument in writing filed with the successor Paying Agent. Upon any such appointment of, and the acceptance of such appointment by, a successor Paying Agent and (except in cases of removal for failure to timely pay any amounts as required by or pursuant to the Indenture or a Note Certificate or Supplemental Indenture) the giving of notice to each Holder of the Notes, the retiring Paying Agent shall cease to be Paying Agent under the Indenture.
- (j) Any successor Paying Agent appointed under the Indenture shall execute and deliver to its predecessor, the Trust and the Indenture Trustee (unless the Indenture Trustee is such Paying Agent) a reasonably acceptable instrument accepting such appointment under the Indenture, and thereupon such successor Paying Agent, without any further act, deed or conveyance, shall become vested with all the authority, rights, powers, trusts, immunities, duties and obligations of such predecessor with like effect as if originally named as a Paying Agent under the Indenture, and such predecessor, upon payment of any amounts due pursuant to Section 4.4(h) and unpaid, shall thereupon become obliged to transfer and deliver, and such successor Paying Agent shall be entitled to receive, copies of any relevant records maintained by such predecessor Paying Agent.
- (k) Any corporation into which a Paying Agent may be merged or converted or with which it may be consolidated or any corporation resulting from any merger, conversion or consolidation to which such Paying Agent shall be a party, or any corporation succeeding to all or substantially all of the paying agency business of such Paying Agent shall be a successor Paying Agent under the Indenture without the execution or filing of any paper or any further act on the part of any of the parties, anything in the Indenture to the contrary notwithstanding. At least 30 days' prior notice of any such merger, conversion or consolidation shall be given to the Trust and the Indenture Trustee (unless the Indenture Trustee is such Paying Agent).

29

SECTION 4.5 CALCULATION AGENT.

- (a) The Trust appoints the Indenture Trustee as Calculation Agent, and the Indenture Trustee accepts such appointment.
- (b) The relevant Calculation Agent shall perform all functions and obligations imposed on such Calculation Agent by or pursuant to the Indenture, and a Note Certificate or Supplemental Indenture.
- (c) Each Calculation Agent, excluding the Indenture Trustee, shall forward to the Trust at least monthly a report providing details with respect to the performance of its functions and obligations with respect to the Notes which shall include dates and amounts of forthcoming payments with respect to the Notes.
- (d) The relevant Calculation Agent shall, upon the request of any relevant Holder of the Notes, provide the interest rate then in effect and, if determined, the interest rate that will become effective as a result of a determination made for the next succeeding Interest Reset Date with respect to the Notes.
- (e) All determinations of interest by the Calculation Agent shall, in

the absence of manifest errors, be conclusive for all purposes and binding on the Holders of the Notes.

- (f) The Trust shall pay the compensation of each Calculation Agent at such rates as shall be agreed upon in writing by the Trust and the relevant Calculation Agent from time to time and shall reimburse each Calculation Agent for reasonable expenses properly incurred by such Calculation Agent in connection with the performance of its duties upon receipt of such invoices as the Trust shall reasonably require. The Trust also agrees to indemnify each Calculation Agent for, and to hold it harmless against, any loss, liability or expense incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of its duties under the Indenture, including the costs and expenses of defending itself against or investigating any claim of liability in connection with the exercise or performance of any of its powers or duties under the Indenture.
- (g) Subject as provided below, each Calculation Agent may at any time resign as Calculation Agent by giving not less than 60 days' written notice to the Trust and the Indenture Trustee (unless the Indenture Trustee is such Calculation Agent) of such intention on its part, specifying the date on which its resignation shall become effective. Except as provided below, the Trust may remove a Calculation Agent by giving not less than 20 days' written notice specifying such removal and the date when it shall become effective. Any such resignation or removal shall take effect upon:

30

- (i) the appointment by the Trust of a successor Calculation Agent; and
- (ii) the acceptance of such appointment by such successor Calculation Agent,

PROVIDED that with respect to any Calculation Agent who fails duly to establish the interest rate or amount for any Interest Reset Period, any such removal will take effect immediately upon such appointment of, and acceptance thereof by, a successor Calculation Agent approved by the Indenture Trustee (unless the Indenture Trustee is such Calculation Agent), in which event notice of such appointment shall be given to each Holder of the Notes as soon as practicable thereafter. The Trust agrees with each Calculation Agent that if, by the day falling 10 days before the expiration of any notice given pursuant to this Section 4.5(g), the Trust has not appointed a replacement Calculation Agent, then the Calculation Agent shall be entitled, on behalf of the Trust, to appoint in its place a reputable financial institution of good standing reasonably acceptable to the Trust and the Indenture Trustee (unless the Indenture Trustee is such Calculation Agent); PROVIDED, HOWEVER, that notwithstanding the foregoing, the resignation or removal of the relevant Calculation Agent shall not be effective unless, upon the expiration of the notice given pursuant to this Section 4.5(g), the successor Calculation Agent shall have accepted its appointment. Upon its resignation or removal becoming effective, the retiring Calculation Agent shall be entitled to the payment of its compensation and reimbursement of all expenses incurred by such retiring Calculation Agent pursuant to Section 4.5(f) up to the effective date of such resignation or removal.

- (h) If at any time a Calculation Agent shall resign or be removed, or shall become incapable of acting with respect to the Notes, or shall be adjudged as bankrupt or insolvent, or a receiver or liquidator of such Calculation Agent or of its property shall be appointed, or any public officer shall take charge or control of such Calculation Agent or its property or affairs for the purpose of rehabilitation, conservation or liquidation, then a successor Calculation Agent shall be appointed by the Trust by an instrument in writing filed with the successor Calculation Agent. Upon any such appointment of, and the acceptance of such appointment by, a successor Calculation Agent and (except in cases of removal for failure to establish the amount of interest) the giving of notice to each Holder of the Notes, the retiring Calculation Agent shall cease to be Calculation Agent under the Indenture.
- (i) Any successor Calculation Agent appointed under the Indenture shall execute and deliver to its predecessor, the Trust and the Indenture Trustee (unless the Indenture Trustee is such Calculation Agent) a reasonably acceptable instrument, accepting such appointment under the Indenture, and thereupon such successor Calculation Agent, without any further act,

deed or conveyance, shall become vested with all the authority, rights, powers, trusts, immunities, duties and obligations of such predecessor with like effect as if originally named as a Calculation Agent under the Indenture, and such predecessor, upon payment of any amounts due pursuant to Section 4.5(f) and unpaid, shall thereupon become obliged to transfer and deliver, and such successor Calculation Agent shall be entitled to receive, copies of any relevant records maintained by such predecessor Calculation Agent.

- (j) Any corporation into which a Calculation Agent may be merged or converted or with which it may be consolidated or any corporation resulting from any merger, conversion or consolidation to which such Calculation Agent shall be a party, or a corporation succeeding to all or substantially all of the paying agency business of such Calculation Agent shall be a successor Calculation Agent under the Indenture without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything in the Indenture to the contrary notwithstanding. At least 30 days' prior notice of any such merger, conversion or consolidation shall be given to the Trust and the Indenture Trustee (unless the Indenture Trustee is such Calculation Agent).

SECTION 4.6 CERTIFICATE TO INDENTURE TRUSTEE. The Trust will furnish to the Indenture Trustee on or before - in each year (beginning with -) a brief certificate (which need not comply with Section 13.5) as to its knowledge of the Trust's compliance with all conditions and covenants under the Indenture (such compliance to be determined without regard to any period of grace or requirement of notice provided under the Indenture).

SECTION 4.7 NEGATIVE COVENANTS. So long as any Notes are Outstanding, the Trust will not, except as otherwise expressly permitted under the Indenture or under the Trust Agreement:

- (i) sell, transfer, exchange, assign, lease, convey or otherwise dispose of any of its assets (whenever acquired), including, without limitation, any portion of the Collateral securing its Obligations under the Notes and the Indenture;
- (ii) engage in any business or activity other than in connection with, or relating to the execution and delivery of, and the performance of its obligations under, the Trust Agreement, the Indenture, the Administrative Services Agreement, the Distribution Agreement, the Support and Expenses Agreement, the Terms Agreement and each Funding Agreement; the issuance and sale of any Notes pursuant to the Indenture; and the transactions contemplated by, and the activities necessary or incidental to, any of the foregoing;
- (iii) incur, directly or indirectly, any Debt except for the Notes or as otherwise contemplated under the Indenture or under the Trust Agreement;
- (iv) (A) permit the validity or effectiveness of the Indenture or the Security Interest securing the Notes to be impaired, or permit such Security Interest to be amended, hypothecated, subordinated, terminated or discharged, (B) permit any Person to be released from any covenants or obligations under any Funding Agreement securing the Notes, except as expressly permitted thereunder, under the Indenture, the Trust Agreement, or each applicable Funding Agreement, (C) create, incur, assume, or permit any Lien or other encumbrance (other than the Security Interests securing the Notes) on any of its properties or assets (whenever acquired), or any interest therein or the proceeds thereof, or (D) permit a lien with respect to the Collateral not to constitute a valid first priority perfected security interest in the Collateral securing the Notes;
- (v) amend, modify or fail to comply with any material provision of the Trust Agreement, except for any amendment or modification of the Trust Agreement expressly permitted thereunder or under the Indenture or the relevant Funding Agreement(s);
- (vi) own any subsidiary or lend or advance any funds to, or make any investment in, any Person, except for (A) the investment of any funds of the Trust in the Funding Note

and (B) the investment of any funds of the Trust held by the Indenture Trustee, a Paying Agent, the Delaware Trustee or the Administrator as provided in the Indenture or the Trust Agreement;

- (vii) directly or indirectly declare or pay a distribution or make any distribution or other payment, or redeem or otherwise acquire or retire for value any securities other than the Notes, PROVIDED that the Trust may declare or pay a distribution or make any distribution or other payment to the Trust Beneficial Owner in compliance with the Trust Agreement if the Trust has paid or made provision for the payment of all amounts due to be paid on the Notes, and pay all of its debt, liabilities, obligations and expenses, the payment of which is provided for under the Support and Expenses Agreement;
- (viii) become required to register as an "investment company" under and as such term is defined in the Investment Company Act of 1940, as amended;
- (ix) enter into any transaction of merger or consolidation, or liquidate or dissolve itself (or, to the fullest extent permissible by law, suffer

33

any liquidation or dissolution), or acquire by purchase or otherwise all or substantially all the business or assets of, or any stock or other evidence of beneficial ownership of, any Person;

- (x) take any action that would cause the Trust not to be either ignored or treated as a grantor trust for United States Federal income tax purposes;
- (xi) issue any Notes unless the Funding Agreement Provider has affirmed in writing to the Trust that it has made changes to its books and records to reflect the grant of a security interest in, and the making of an assignment for collateral purposes of, the relevant Funding Agreement(s) by the Trust to the Indenture Trustee in accordance with the terms of such Funding Agreement(s) and the Indenture and the Trust has taken such other steps as may be necessary to cause the Security Interest in or assignment for all collateral purposes of, the Collateral to be perfected for purposes of the UCC or effective against its creditors and subsequent purchasers of the Collateral pursuant to insurance or other state laws;
- (xii) make any deduction or withholding from any payment of principal of or interest on the Notes (other than amounts that may be required to be withheld or deducted from such payments under the Code or any other applicable tax law) by reason of the payment of any taxes levied or assessed upon any portion of the Collateral except to the extent specified in the Indenture or a Note Certificate or Supplemental Indenture;
- (xiii) have any employees other than the Delaware Trustee and the Administrator or any other persons necessary to conduct its business and enter into transactions contemplated under the Indenture, the Trust Agreement, the Administrative Services Agreement, the Distribution Agreement, the Support and Expenses Agreement, the Terms Agreement, the Funding Note or any Funding Agreement;
- (xiv) have an interest in any bank account other than the accounts contemplated under the Indenture, the Trust Agreement, the Terms Agreement, the Distribution Agreement or any Funding Agreement and those accounts expressly permitted by the Indenture Trustee; PROVIDED that any such further accounts or such interest of the Trust therein shall be charged or otherwise secured in favor of the Indenture Trustee on terms acceptable to the Indenture Trustee;
- (xv) permit any Affiliate, employee or officer of the Funding Agreement Provider or any Agent to be a trustee of the Trust; or

34

- (xvi) commingle any of its assets with any assets of any of the Trust's Affiliates, or guarantee any obligation of any of the Trust's Affiliates.

If the Note Certificate(s) provide for the payment of Additional Amounts, the Trust agrees to pay to the Holder of any such Note Additional Amounts as provided in the Note Certificate(s). Whenever in the Indenture there is mentioned, in any context, the payment of the principal of, or interest or premium on, or in respect of, any Note or the net proceeds received on the sale or exchange of any Note, such reference shall be deemed to include reference to the payment of Additional Amounts provided by the terms established by the Indenture or pursuant to the Indenture to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof pursuant to such terms, and express reference to the payment of Additional Amounts in any provision of the Indenture shall not be construed as excluding Additional Amounts in those provisions hereof where such express reference is not made.

If the Note Certificate(s) provide for the payment of Additional Amounts, the Note Certificate will provide that the Trust will pay, or cause to be paid, Additional Amounts to a Holder of Notes to compensate for any withholding or deduction for or on account of any present or future taxes, duties, levies, assessments or governmental charges of whatever nature imposed or levied on payments on the Notes by or on behalf of any governmental authority in the United States having the power to tax, so that the net amount received by the Holder of the Notes, after giving effect to such withholding or deduction, whether or not currently payable, will equal the amount that would have been received under the Notes were no such deduction or withholding required; provided that no such Additional Amounts shall be required for or on account of:

- (a) any tax, duty, levy, assessment or other governmental charge imposed which would not have been imposed but for a Holder or beneficial owner of one or more of the Notes, (i) having any present or former connection with the United States, including, without limitation, being or having been a citizen or resident thereof, or having been present, having been incorporated in, having engaged in a trade or business or having (or having had) a permanent establishment or principal office therein, (ii) being a controlled foreign corporation within the meaning of Section 957(a) of the Code related within the meaning of Section 864(d)(4) of the Code, to the Funding Agreement Provider, (iii) being a bank for United States Federal income tax purposes whose receipt of interest on the Note is described in Section 881(c)(3)(A) of the Code, (iv) being an actual or constructive owner of 10 percent or more of the total combined voting power of all classes of stock of the Funding Agreement Provider entitled to vote within the meaning of Section 871(h)(3) of the Code and Treasury Regulations promulgated thereunder or (v) being subject to backup withholding as of the date of the purchase by the Holder of the Notes;
- 35
- (b) any tax, duty, levy, assessment or other governmental charge which would not have been imposed but for the presentation of the Note (where presentation is required) for payment on a date more than 30 days after the date on which such payment becomes due and payable or the date on which payment is duly provided for, whichever occurs later;
 - (c) any tax, duty, levy, assessment or other governmental charge which is imposed or withheld solely by reason of the failure of the beneficial owner or a Holder of Notes to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of the beneficial owner or a Holder of Notes, if compliance is required by statute, by regulation of the United States Treasury Department, judicial or administrative interpretation, other law or by an applicable income tax treaty to which the United States is a party as a condition to exemption from such tax, duty, levy, assessment or other governmental charge;
 - (d) any inheritance, gift, estate, personal property, sales, transfer or similar tax, duty, levy, assessment, or similar governmental charge;
 - (e) any tax, duty, levy, assessment or other governmental charge that is payable otherwise than by withholding from payments in respect of the Notes;
 - (f) any tax, duty, levy, assessment or other governmental charge imposed by reason of payments on the Notes being treated as contingent interest described in Section 871(h)(4) of the Code for United States Federal income tax purposes provided that such treatment was described in the Pricing Supplement;
 - (g) any tax, duty, levy, assessment or other governmental charge that would not have been imposed but for an election by the Holder of

the Note, the effect of which is to make payment in respect of the Notes subject to United States Federal income tax or withholding tax provisions; or

- (h) any combination of items (a), (b), (c), (d), (e), (f) or (g) above.

ARTICLE 5

REMEDIES OF THE INDENTURE TRUSTEE AND HOLDERS ON EVENT OF DEFAULT

SECTION 5.1 EVENT OF DEFAULT DEFINED; ACCELERATION OF MATURITY; WAIVER OF DEFAULT.

- (a) "EVENT OF DEFAULT" with respect to the Notes wherever used in the Indenture, means each of the following events which shall have occurred and be continuing (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

36

- (i) default in the payment when due and payable of the principal of, or any premium on, any Note;
- (ii) default in the payment, when due and payable, of any interest on, or any Additional Amounts with respect to, any Note and continuance of such default for a period of five Business Days;
- (iii) any "Event of Default", as such term is defined in any Funding Agreement securing the Notes, by the Funding Agreement Provider under such Funding Agreement;
- (iv) the Trust shall fail to observe or perform any covenant contained in the Notes or in the Indenture for a period of 30 days after the date on which written notice specifying such failure, stating that such notice is a "Notice of Default" under the Indenture and demanding that the Trust remedy the same, shall have been given by registered or certified mail, return receipt requested, to the Trust by the Indenture Trustee, or to the Trust and the Indenture Trustee by the Holder or Holders of at least 25% in aggregate principal amount of the Notes Outstanding; or
- (v) the Indenture for any reason shall cease to be in full force and effect or shall be declared null and void, or the Indenture Trustee shall fail to have or maintain a validly created and first priority perfected security interest (or the equivalent thereof) in the Collateral; or any Person shall successfully claim, as finally determined by a court of competent jurisdiction that any Lien for the benefit of the Holders of the Notes and any other Person for whose benefit the Indenture Trustee is or will be holding the Collateral, that the Collateral is void or is junior to any other Lien or that the enforcement thereof is materially limited because of any preference, fraudulent transfer, conveyance or similar law;
- (vi) an involuntary case or other proceeding shall be commenced against the Trust seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency, reorganization or other similar law or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of 60 days; or an order for relief shall be entered against the Trust under the Federal bankruptcy laws as now or hereafter in effect;
- (vii) the Trust shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency, reorganization

37

or other similar law or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment

of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any action to authorize any of the foregoing; or

(viii) any other Event of Default provided in any Supplemental Indenture or in a Note Certificate.

- (b) If one or more Events of Default shall have occurred and be continuing with respect to the Notes, then, and in every such event, unless the principal of all of the Notes shall have already become due and payable, either the Indenture Trustee or the Holder or Holders of not less than 25% in aggregate principal amount of the Notes Outstanding under the Indenture by notice in writing to the Trust (and to the Indenture Trustee if given by such Holder or Holders), may declare the entire principal and premium (if any) of all the Notes, any interest accrued thereon, and any Additional Amounts due and owing and any other amounts payable with respect thereto, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable; PROVIDED that, if any Event of Default specified in Section 5.1(a)(vi) or 5.1(a)(vii) occurs with respect to the Trust, or if any Event of Default specified in Section 5.1(a)(iii) that would cause any Funding Agreement securing the Notes to become immediately due and payable occurs with respect to the Funding Agreement Provider, then without any notice to the Trust or any other act by the Indenture Trustee or any Holder of any Notes, the entire principal and premium (if any) of all the Notes, any interest accrued thereon, and any Additional Amounts due and owing, and any other amounts payable with respect thereto, shall become immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Trust.
- (c) Notwithstanding Section 5.1(b), if at any time after the principal and premium of the Notes, any interest accrued thereon, and any Additional Amounts due and owing and any other amounts payable with respect thereto shall have been so declared due and payable and before any judgment or decree for the payment of the funds due shall have been obtained or entered as provided in the Indenture, the Trust shall pay or shall deposit with the Indenture Trustee a sum sufficient to pay all due and payable interest on, and any Additional Amounts due and owing and any other amounts payable with respect to, the Notes and the principal and premium (if any) of any and all Notes which shall have become due and payable otherwise than by acceleration pursuant to Section 5.1(b) above (with interest on such principal and, to the extent that payment of such

38

interest is enforceable under applicable law, on any overdue interest and any other amounts payable, at the same rate as the rate of interest specified in each Note Certificate to the date of such payment or deposit) and such amount as shall be sufficient to cover reasonable compensation to the Indenture Trustee and each predecessor Indenture Trustee, their respective agents, attorneys and counsel, and all other expenses and liabilities incurred, and all advances made, by the Indenture Trustee and each predecessor Indenture Trustee except as a result of negligence or bad faith, and if any and all Events of Default under the Indenture, other than the non-payment of the principal of and premium (if any) on the Notes which shall have become due by acceleration, shall have been cured, waived or otherwise remedied as provided in the Indenture, then and in every such case the Holder Representative (as defined in Section 5.8(a) hereof), by written notice to the Trust and to the Indenture Trustee, may waive all defaults and rescind and annul such declaration and its consequences, but no such waiver or rescission and annulment shall extend to or shall affect any subsequent default or shall impair any right consequent thereon.

SECTION 5.2 COLLECTION OF INDEBTEDNESS BY INDENTURE TRUSTEE; INDENTURE TRUSTEE MAY PROVE DEBT.

- (a) Subject to Section 5.1(c), if any Event of Default contained in Section 5.1(a)(i) or (ii) shall have occurred and be continuing, the Trust will, upon demand by the Indenture Trustee, pay to the Indenture Trustee for the benefit of each Holder of the Notes the whole amount that then shall have become due and payable of the principal of, any premium and interest on, and any Additional Amounts due and owing and any other amounts payable with respect to, the Notes (with interest to the date of such payment upon the overdue principal and, to the extent that payment of such interest is enforceable under applicable law, on overdue interest

and any other amounts payable at the same rate as the rate of interest specified in the Notes); and in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including reasonable compensation to the Indenture Trustee and each predecessor Indenture Trustee, their respective agents, attorneys and counsel, and any expenses and liabilities incurred, and all advances made, by the Indenture Trustee and each predecessor Indenture Trustee except as a result of its negligence or bad faith.

- (b) Until such demand is made by the Indenture Trustee, the Trust may pay the principal of, any premium and interest on, and any Additional Amounts due and owing and any other amounts payable with respect to, the Notes to the Holders, whether or not the Notes be overdue.
- (c) If the Trust shall fail to pay such amounts upon such demand, the Indenture Trustee, in its own name and as trustee of an express trust, shall be entitled and empowered to institute any action or proceedings at law or

39

in equity for the collection of the sums so due and unpaid, and may prosecute any such action or proceedings to judgment or final decree, and may enforce any such judgment or final decree against the Trust or other obligor upon the Notes and collect in the manner provided by law out of the property of the Trust or other obligor upon the Notes, wherever the funds adjudged or decreed to be payable are situated. If there shall be pending proceedings relative to the Trust or any other obligor upon the Notes under Title 11 of the United States Code or any other applicable Federal or state bankruptcy, insolvency or other similar law, or if a receiver, assignee or trustee in bankruptcy or reorganization, liquidator, sequestrator or similar official shall have been appointed for or taken possession of the Trust or its property or such other obligor, or in case of any other comparable judicial proceedings relative to the Trust or other obligor upon the Notes, or to the creditors or property of the Trust or such other obligor, the Indenture Trustee, irrespective of whether the principal of the Notes shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Indenture Trustee shall have made any demand pursuant to the provisions of this Section, shall be entitled and empowered, by intervention in such proceedings or otherwise:

- (i) to file such proofs of a claim or claims and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Indenture Trustee (including any claim for reasonable compensation to the Indenture Trustee and each predecessor Indenture Trustee, and their respective agents, attorneys and counsel, and for reimbursement of all expenses and liabilities incurred, and all advances made, by the Indenture Trustee and each predecessor Indenture Trustee, except as those adjudicated in a court of competent jurisdiction to be the result of any such Indenture Trustee's negligence or bad faith) and of the Holders allowed in any judicial proceedings relative to the Trust or other obligor upon the Notes, or to the creditors or property of the Trust or such other obligor,
- (ii) unless prohibited by applicable law and regulations, to vote on behalf of the Holders of the Notes in any election of a trustee or a standby trustee in arrangement, reorganization, liquidation or other bankruptcy or insolvency proceedings or Person performing similar functions in comparable proceedings, and
- (iii) to collect and receive any funds or other property payable or deliverable on any such claims, and to distribute all amounts received with respect to the claims of each Holder and of the Indenture Trustee on each Holder's behalf; and any trustee, receiver, or liquidator, custodian or other similar official is hereby authorized by each Holder to make payments to the Indenture

40

Trustee, and, in the event that the Indenture Trustee shall consent to the making of payments directly to any Holder, to pay to the Indenture Trustee such amounts as shall be sufficient to cover reasonable compensation to the Indenture Trustee, each predecessor Indenture Trustee

and their respective agents, attorneys and counsel, and all other expenses and liabilities incurred, and all advances made, by the Indenture Trustee and each predecessor Indenture Trustee except as those adjudicated in a court of competent jurisdiction to be the result of any such Indenture Trustee's negligence or bad faith.

- (d) Nothing contained in the Indenture shall be deemed to authorize the Indenture Trustee to authorize or consent to or vote for or accept or adopt on behalf of any Holder any plan or reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder thereof, or to authorize the Indenture Trustee to vote in respect of the claim of any Holder in any such proceeding except, as aforesaid, to vote for the election of a trustee in bankruptcy or similar Person.
- (e) All rights of action and of asserting claims under the Indenture, or under any of the Notes, may be enforced by the Indenture Trustee without the possession of any of the Notes or the production thereof on any trial or other proceedings relative thereto, and any such action or proceedings instituted by the Indenture Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment, subject to the payment of the expenses, disbursements and compensation of the Indenture Trustee, each predecessor Indenture Trustee and their respective agents and attorneys, shall be for the ratable benefit of each Holder.
- (f) In any proceedings brought by the Indenture Trustee (and also any proceedings involving the interpretation of any provision of the Indenture to which the Indenture Trustee shall be a party) the Indenture Trustee shall be held to represent every Holder of the Notes, and it shall not be necessary to make any Holder of the Notes party to any such proceedings.

SECTION 5.3 APPLICATION OF PROCEEDS.

- (a) Any funds collected by the Indenture Trustee following an Event of Default pursuant to this Article or otherwise under the Indenture and any applicable Supplemental Indenture in respect of the Notes shall be applied in the following order at the date or dates fixed by the Indenture Trustee and, in case of the distribution of such funds on account of principal, any premium and interest and any Additional Amounts, upon presentation of the Note Certificate or Note Certificates representing the Notes and the notation thereon of the payment if only partially paid or upon the surrender thereof if fully paid:

41

FIRST: To the payment of costs and expenses, including reasonable compensation to the Indenture Trustee and each predecessor Indenture Trustee and their respective agents and attorneys and of all expenses and liabilities incurred, and all advances made, by the Indenture Trustee and each predecessor Indenture Trustee except as those adjudicated in a court of competent jurisdiction to be the result of any such Indenture Trustee's negligence or bad faith, in an aggregate amount of no more than \$250,000 to the extent not paid pursuant to the Support Agreement;

SECOND: To the payment of principal, any premium and interest, any Additional Amounts and any other amounts then due and owing on the Notes, ratably, without preference or priority of any kind, according to the aggregate principal amounts due and payable on the Notes;

THIRD: To the payment of any other Obligations then due and owing with respect to the Notes, ratably, without preference or priority of any kind; and

FOURTH: To the payment of any remaining balance to the Trust.

- (b) Any funds collected by the Indenture Trustee where no Event of Default exists pursuant to Article 5 or otherwise under the Indenture and any applicable Supplemental Indenture in respect of the Notes shall be applied in the following order at the date or dates fixed by the Indenture Trustee and, in case of the distribution of such funds on account of principal, any premium and interest, and any Additional Amounts, upon presentation, if applicable, of the Note Certificate or Note Certificates representing the Notes and the notation thereon of the payment if only partially paid or upon the surrender thereof if fully paid:

FIRST: To the payment of principal, any premium and interest, any Additional Amounts, and any other amounts then due and owing on the Notes, ratably, without preference or priority of any kind, according to the aggregate principal amounts due and payable on the Notes;

SECOND: To the payment of any other Obligations then due and

owing with respect to the Notes, ratably, without preference or priority of any kind; and

THIRD: To the payment of any remaining balance to the Trust.

SECTION 5.4 SUITS FOR ENFORCEMENT. If an Event of Default has occurred, has not been waived and is continuing, the Indenture Trustee may in its discretion proceed to protect and enforce the rights vested in it by the Indenture by such appropriate judicial proceedings as the Indenture Trustee shall deem most effectual to protect and enforce any of such rights, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in the Indenture or in aid of the exercise of any power granted in the Indenture or to enforce any other legal or equitable right vested in the Indenture Trustee by the Indenture or by law.

42

SECTION 5.5 RESTORATION OF RIGHTS ON ABANDONMENT OF PROCEEDINGS. If the Indenture Trustee shall have proceeded to enforce any right under the Indenture and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Indenture Trustee, then and in every such case the Trust and the Indenture Trustee shall be restored respectively to their former positions and rights under the Indenture, and all rights, remedies and powers of the Trust, the Indenture Trustee and each Holder shall continue as though no such proceedings had been taken.

SECTION 5.6 LIMITATIONS ON SUITS BY HOLDERS. No Holder of any Note shall have any right by virtue or by availing of any provision of the Indenture to institute any action or proceeding at law or in equity or in bankruptcy or otherwise upon or under or with respect to the Indenture, or for the appointment of a trustee, receiver, liquidator, custodian or other similar official or for any other remedy under the Indenture, unless:

- (i) such Holder has previously given written notice to the Indenture Trustee of a continuing Event of Default;
- (ii) the Holder or Holders of Notes representing not less than 25% of the aggregate principal amount of the Outstanding notes of such series shall have made written request to the Indenture Trustee to institute proceedings in respect of such Event of Default in its own name as the Indenture Trustee;
- (iii) such Holder or Holders have offered to the Indenture Trustee indemnity or security satisfactory to it against the costs, expenses and liabilities to be incurred in compliance with such request;
- (iv) the Indenture Trustee for 60 days after its receipt of such notice, request and offer of indemnity shall have failed to institute any such action or proceedings; and
- (v) no direction inconsistent with such written request shall have been given to the Indenture Trustee during such 60-day period by the Holder or Holders of Notes representing at least 66% of the aggregate principal amount of the Notes then Outstanding;

it being understood and intended, and being expressly covenanted by each Holder of a Note with each other Holder of a Note and the Indenture Trustee, that no Holder or Holders of Notes shall have any right in any manner whatever by virtue of, or by availing of, any provision of the Indenture to affect, disturb or prejudice the rights of any other Holder of any Note, or to obtain or seek to obtain priority over or preference to any other Holder of any Note or to enforce any right under the Indenture, except in the manner provided herein and for the equal, ratable and common benefit of all the Holders of the Notes. For the protection and enforcement of the provisions of this Section, each Holder and the Indenture Trustee shall be entitled to such relief as can be given either at law or in equity.

Notwithstanding any other provisions in the Indenture, however, the right of any Holder of any Note, which is absolute and unconditional, to receive payment of the principal of (and

43

premium, if any), and interest on, if any, and Additional Amounts with respect to, if any, such Note, on or after the respective due dates expressed in such Note, or to institute suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder.

SECTION 5.7 POWERS AND REMEDIES CUMULATIVE; DELAY OR OMISSION NOT WAIVER OF DEFAULT.

- (a) Except as provided in Section 2.7, no right or remedy in the

Indenture conferred upon or reserved to the Indenture Trustee or to any Holder is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given under the Indenture or existing at law or in equity or otherwise. The assertion or employment of any right or remedy under the Indenture, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

- (b) No delay or omission of the Indenture Trustee or of any Holder of any Note to exercise any right or power accruing upon any Event of Default occurring and continuing as aforesaid shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein; and, subject to Section 5.6, every power and remedy given by the Indenture or by law to the Indenture Trustee or to any Holder may be exercised from time to time, and as often as shall be deemed expedient, by the Indenture Trustee or by such Holder.

SECTION 5.8 CONTROL BY THE HOLDERS.

- (a) The Holders of a majority in aggregate principal amount of the Notes at the time Outstanding shall have the right to elect a holder representative (the "HOLDER REPRESENTATIVE") who shall have binding authority upon all the Holders and who shall direct the time, method, and place of conducting any proceeding for any remedy available to the Indenture Trustee, or exercising any trust or power conferred on the Indenture Trustee by the Indenture, PROVIDED that:
- (i) such direction shall not be otherwise than in accordance with law and the provisions of the Indenture; and
- (ii) subject to the provisions of Section 6.1, the Indenture Trustee shall have the right to decline to follow any such direction if the Indenture Trustee, being advised by counsel, shall determine that the action or proceeding so directed may not lawfully be taken or if the Indenture Trustee in good faith by its board of directors, the executive committee, or a trust committee of directors or Responsible Officers of the Indenture Trustee shall determine that

44

the action or proceedings so directed would involve the Indenture Trustee in personal liability.

- (b) Nothing in the Indenture shall impair the right of the Indenture Trustee in its discretion to take any action deemed proper by the Indenture Trustee and which is not inconsistent with such direction by the Holders.

SECTION 5.9 WAIVER OF PAST DEFAULTS. Prior to the declaration of the maturity of the Notes as provided in Section 5.1, the Holder Representative may on behalf of the Holders of all the Notes waive any past default or Event of Default under the Indenture and its consequences, except a default:

- (i) in the payment of principal of, any premium or interest on, or any Additional Amounts with respect to, any of the Notes; or
- (ii) in respect of a covenant or provision of the Indenture which cannot be modified or amended without the consent of the Holder of each Note.

Upon any such waiver, such default shall cease to exist and be deemed to have been cured and not to have occurred, and any Event of Default arising therefrom shall be deemed to have been cured, and not to have occurred for every purpose of the Indenture; but no such waiver shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon.

ARTICLE 6 THE INDENTURE TRUSTEE

SECTION 6.1 CERTAIN DUTIES AND RESPONSIBILITIES.

- (a) Except if an Event of Default has occurred and is continuing (and it has not been cured or waived), the Indenture Trustee undertakes to perform such duties and only such duties with respect to such Notes as are specifically set forth in the Indenture. No implied covenants or obligations shall be read into the Indenture against the Indenture Trustee.
- (b) If an Event of Default has occurred and is continuing (and it has not been cured or waived), the Indenture Trustee shall exercise

such of the rights and powers with respect to the Notes vested in it by the Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

- (c) No provision of the Indenture shall be construed to relieve the Indenture Trustee from liability for its own negligent action, its own negligent failure to act or its own willful misconduct, except that:

45

- (i) this subsection (c) shall not be construed to limit the effect of subsection (a) of this Section;
- (ii) in the absence of bad faith on its part, the Indenture Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Indenture Trustee and conforming to the requirements of the Indenture unless a Responsible Officer of the Indenture Trustee has actual knowledge that such statements or opinions are false; provided that the Indenture Trustee must examine such certificates and opinions to determine whether they conform to the requirements of the Indenture;
- (iii) the Indenture Trustee shall not be liable for any error of judgment made in good faith by any Responsible Officer of the Indenture Trustee, unless it is proved that the Indenture Trustee was negligent in ascertaining the pertinent facts;
- (iv) the Indenture Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holder Representative relating to the time, method and place of conducting any proceeding for any remedy available to the Indenture Trustee, or exercising any trust or power conferred upon the Indenture Trustee, under the Indenture with respect to the Notes; and
- (v) no provision of the Indenture shall require the Indenture Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties under the Indenture, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such liability is not reasonably assured to it.
- (d) Whether or not therein expressly so provided, every provision of the Indenture relating to the conduct or affecting the liability of or affording protection to the Indenture Trustee shall be subject to the provisions of this Section.

SECTION 6.2 CERTAIN RIGHTS OF THE INDENTURE TRUSTEE. Subject to Section 6.1:

- (a) the Indenture Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, debenture, note, coupon, security or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

46

- (b) any request, direction, order or demand of the Trust mentioned in the Indenture shall be sufficiently evidenced by a Trust Certificate (unless other evidence in respect thereof be specifically prescribed in the Indenture);
- (c) the Indenture Trustee may consult with counsel and any advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted to be taken by it under the Indenture in good faith and in reliance on such advice or Opinion of Counsel;
- (d) the Indenture Trustee shall be under no obligation to exercise any of the trusts or powers vested in it by the Indenture at the request, order or direction of any Holder Representative pursuant to the provisions of the Indenture, unless such Holder Representative shall have offered to the Indenture Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such

request, order or direction;

- (e) whenever in the administration of the Indenture the Indenture Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering or omitting any action under the Indenture, such matter (unless other evidence in respect thereof be specifically prescribed in the Indenture) may, in the absence of negligence or bad faith on its part, be deemed to be conclusively proved and established by a Trust Certificate delivered to the Indenture Trustee;
- (f) the Indenture Trustee shall not be liable for any action taken or omitted by it in good faith and believed by it to be authorized or within the discretion, rights or powers conferred upon it by the Indenture;
- (g) the Indenture Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, appraisal, bond, debenture, note, coupon, security, or other paper or document unless requested in writing so to do by the Holder Representative; PROVIDED that, if the payment within a reasonable time to the Indenture Trustee of the costs, expenses or liabilities likely to be incurred by it in the making of such investigation is, in the opinion of the Indenture Trustee, not reasonably assured to the Indenture Trustee by the security afforded to it by the terms of the Indenture, the Indenture Trustee may require reasonable indemnity against such expenses or liabilities as a condition to proceeding; the reasonable expenses of every such examination shall be paid by the Trust or, if paid by the Indenture Trustee or any predecessor trustee, shall be repaid by the Trust upon demand; and

47

- (h) the Indenture Trustee may execute any of the trusts or powers under the Indenture or perform any duties under the Indenture either directly or by or through agents or attorneys not regularly in its employ and the Indenture Trustee shall not be responsible for any misconduct or negligence on the part of any such agent or attorney appointed with due care by it under the Indenture.

SECTION 6.3 NOT RESPONSIBLE FOR RECITALS, VALIDITY OF THE NOTES OR APPLICATION OF THE PROCEEDS. The recitals contained in the Indenture and in the Notes, except the Indenture Trustee's certificates of authentication, shall be taken as the statements of the Trust, and the Indenture Trustee assumes no responsibility for the correctness of the same. The Indenture Trustee makes no representation as to the validity or sufficiency of the Indenture or of the Notes, or of any Funding Agreement, or of the Collateral. The Indenture Trustee shall not be accountable for the use or application by the Trust of any of the Notes, the Funding Agreement or of the proceeds thereof.

SECTION 6.4 MAY HOLD NOTES; COLLECTIONS, ETC. The Indenture Trustee or any agent of the Trust or the Indenture Trustee, in its individual or any other capacity, may become the owner or pledgee of Notes with the same rights it would have if it were not the Indenture Trustee or such agent and, subject to Section 6.7 and Section 311(a) of the Trust Indenture Act, may otherwise deal with the Trust, the Administrator, the Funding Agreement Provider and any other interested party, and receive, collect, hold and retain collections from the Trust with the same rights it would have if it were not the Indenture Trustee or such agent.

SECTION 6.5 FUNDS HELD BY INDENTURE TRUSTEE. Subject to the provisions of Section 11.4, all funds received by the Indenture Trustee shall, until used or applied as provided in the Indenture, be held in trust for the purposes for which they were received. The Indenture Trustee (and each of its agents and Affiliates) shall deposit all cash amounts received by it (or any such agents or Affiliates) that are derived from the Collateral for the benefit of the Holders of Notes in a segregated account maintained or controlled by the Indenture Trustee, consistent with the rating of the Outstanding Notes. Neither the Indenture Trustee nor any agent of the Trust or the Indenture Trustee shall be under any liability for interest on any funds received by it under the Indenture.

SECTION 6.6 COMPENSATION; REIMBURSEMENT; INDEMNIFICATION.

- (a) The Trust covenants and agrees:
 - (i) to pay to the Indenture Trustee from time to time, and the Indenture Trustee shall be entitled to, reasonable compensation for all services rendered by it under the Indenture (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);

- (ii) except as otherwise provided in the Indenture, to pay or reimburse the Indenture Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Indenture

48

Trustee in accordance with any provision of the Indenture (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except any such expense, disbursement or advance as may arise from its negligence or bad faith; and

- (iii) to indemnify the Indenture Trustee for, and to hold it harmless against, any loss, liability or expense incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of the Indenture or the trusts under the Indenture and its duties under the Indenture, including the costs and expenses of defending itself against or investigating any claim of liability in connection with the exercise or performance of any of its powers or duties under the Indenture.

- (b) The obligations of the Trust under this Section to compensate and indemnify the Indenture Trustee and to pay or reimburse the Indenture Trustee for expenses, disbursements and advances shall constitute additional indebtedness under the Indenture and shall survive the satisfaction and discharge of the Indenture and any resignation or removal of the Indenture Trustee.

SECTION 6.7 CORPORATE TRUSTEE REQUIRED; ELIGIBILITY.

- (a) There shall at all times be an Indenture Trustee under the Indenture which shall:
 - (i) be a national banking association or a banking corporation authorized under its laws of incorporation and the laws of the jurisdiction in which it administers the Indenture and any Supplemental Indenture to exercise corporate trust powers, having an aggregate capital, surplus of at least \$50,000,000; provided that if such banking corporation publishes reports of condition at least annually, pursuant to law or to the requirements of its Federal, State or other governmental supervisor, then for the purposes of this Section, the aggregate capital, surplus and undivided profits of such banking corporation shall be deemed to be its aggregate capital, surplus and undivided profits as set forth in its most recent report of condition so published;
 - (ii) not be affiliated (as such term is defined in Rule 405 under the Securities Act) with the Trust or with any Person involved in the organization or operation of the Trust; and
 - (iii) not offer or provide credit or credit enhancement to the Trust.
- (b) If at any time the Indenture Trustee shall cease to be eligible in accordance with the provisions of Section 6.7(a) or the requirements of Section 310 of

49

the Trust Indenture Act, the Indenture Trustee shall resign immediately in the manner and with the effect specified in Section 6.8.

SECTION 6.8 RESIGNATION AND REMOVAL; APPOINTMENT OF SUCCESSOR TRUSTEE.

- (a) The Indenture Trustee may at any time resign by giving not less than 90 days' prior written notice of resignation to the Trust and to the Holders of Notes as provided in the Indenture. Upon receiving such notice of resignation, the Trust shall promptly cause a successor trustee with respect to the applicable series to be appointed by written instrument in duplicate, executed by the Trust, one copy of which instrument shall be delivered to the resigning trustee and one copy to the successor indenture trustee. If no successor trustee shall have been so appointed and have accepted appointment within 30 days after the giving of such notice of resignation, the resigning trustee may petition any court of competent jurisdiction for the appointment of a successor indenture trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor trustee.

(b) If at any time:

- (i) the Indenture Trustee shall cease to be eligible in accordance with the provisions of Section 6.7(a) or the requirements of Section 310(a) of the Trust Indenture Act or any applicable Supplemental Indenture and shall fail to resign pursuant to Section 6.7(b) or following written request therefor by the Trust or by any such Holder pursuant to Section 6.8(c);
- (ii) the Indenture Trustee shall become incapable of acting with respect to the Notes, or shall be adjudged as bankrupt or insolvent, or a receiver or liquidator of the Indenture Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Indenture Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation; or
- (iii) the Indenture Trustee shall fail to comply with the obligations imposed upon it under Section 310(b) of the Trust Indenture Act with respect to the Notes after written request therefor by the Trust or any Holder of a Note who has been a bona fide Holder of a Note for at least six months;

then, in any such case, except during the existence of an Event of Default, the Trust may remove the Indenture Trustee and appoint a successor trustee by written instrument, in duplicate, one copy of which instrument shall be delivered to the Indenture Trustee so removed and one copy to the successor trustee.

- (c) In addition to the right of petition given to the resigning trustee and the right of removal given to the Trust under Sections 6.8(a) and 6.8(b),

50

respectively, any Holder who has been a Holder of Notes for at least six months may, on behalf of itself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor trustee or the removal of the Indenture Trustee and the appointment of a successor trustee, as the case may be. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor trustee or remove the Indenture Trustee and appoint a successor trustee, as the case may be.

- (d) The Holder Representative may at any time remove the Indenture Trustee and appoint a successor trustee by delivering to the Indenture Trustee so removed, to the successor trustee so appointed and to the Trust the evidence provided for in Section 8.1 of the action in that regard taken by a Holder.
- (e) Any resignation or removal of the Indenture Trustee and any appointment of a successor trustee pursuant to any of the provisions of this Section 6.8 shall only become effective upon acceptance of appointment by the successor trustee as provided in Section 6.9.

SECTION 6.9 ACCEPTANCE OF APPOINTMENT BY SUCCESSOR TRUSTEE.

- (a) Every successor trustee appointed as provided in Section 6.8 shall execute, acknowledge and deliver to the Trust and to its predecessor indenture trustee an instrument accepting such appointment, and thereupon the resignation or removal of the predecessor indenture trustee shall become effective and such successor indenture trustee, without any further act, deed or conveyance, shall become vested with all rights, powers, duties and obligations of its predecessor under the Indenture, with like effect as if originally named as indenture trustee under the Indenture; but, nevertheless, on the written request of the Trust or of the successor indenture trustee, upon payment of its charges then unpaid, the indenture trustee ceasing to act shall, subject to Section 11.4, pay over to the successor indenture trustee all funds at the time held by it under the Indenture and shall execute and deliver an instrument transferring to such successor indenture trustee all such rights, powers, duties and obligations. Upon request of any such successor indenture trustee, the Trust shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor indenture trustee all such rights and powers. Subject to the Lien created under the Indenture, any indenture trustee ceasing to act shall, nevertheless, retain a claim upon all property or funds held or collected by such indenture trustee to secure any amounts then due it pursuant to the provisions of

- (b) Upon acceptance of appointment by a successor Indenture Trustee as provided in this Section 6.9, the Trust shall notify each Holder of any Note and each rating agency then rating any Notes at the request of the Trust. If

51

the acceptance of appointment is substantially contemporaneous with the resignation, then the notice called for by the preceding sentence may be combined with the notice called for by Section 6.8. If the Trust fails to make such notice within 10 days after acceptance of appointment by the successor Indenture Trustee, the successor Indenture Trustee shall cause such notice to be mailed at the expense of the Trust.

SECTION 6.10 MERGER, CONVERSION, CONSOLIDATION OR SUCCESSION TO BUSINESS OF INDENTURE TRUSTEE.

- (a) Any corporation into which the Indenture Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Indenture Trustee shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Indenture Trustee, shall be the successor of the Indenture Trustee under the Indenture, PROVIDED that such corporation shall be eligible under the provisions of Section 6.7, without the execution or filing of any paper or any further act on the part of any of the parties to the Indenture, anything in the Indenture to the contrary notwithstanding.
- (b) In case at the time such successor to the Indenture Trustee shall succeed to the trusts created by the Indenture any of the Notes shall have been authenticated but not delivered, any such successor to the Indenture Trustee may adopt the certificate of authentication of any predecessor Indenture Trustee and deliver such Notes so authenticated; and, in case at that time any of the Notes shall not have been authenticated, any successor to the Indenture Trustee may authenticate such Notes either in the name of any predecessor under the Indenture or in the name of the successor Indenture Trustee; and in all such cases such certificate shall have the full force; PROVIDED, that the right to adopt the certificate of authentication of any predecessor Indenture Trustee or to authenticate Notes in the name of any predecessor Indenture Trustee shall apply only to its successor or successors by merger, conversion or consolidation.

SECTION 6.11 LIMITATIONS ON RIGHTS OF INDENTURE TRUSTEE AS CREDITOR. The Indenture Trustee shall comply with Section 311(a) of the Trust Indenture Act.

ARTICLE 7
HOLDERS' LISTS AND REPORTS BY INDENTURE TRUSTEE AND TRUST

SECTION 7.1 TRUST TO FURNISH INDENTURE TRUSTEE NAMES AND ADDRESSES OF HOLDERS.

In accordance with Section 312(a) of the Trust Indenture Act, the Trust shall furnish or cause to be furnished to the Indenture Trustee:

- (a) semi-annually not later than June 30 and December 31 of the year or upon such other dates as are set forth in or pursuant to a Note Certificate or

52

Supplemental Indenture, a list, in each case in such form as the Indenture Trustee may reasonably require, of the names and addresses of Holders as of the applicable date, and

- (b) at such other times as the Indenture Trustee may request in writing, within 30 days after the receipt by the Trust of any such request, a list of similar form and content as of a date not more than 15 days prior to the time such list is furnished,

PROVIDED, HOWEVER, that so long as the Indenture Trustee is the Registrar no such list shall be required to be furnished.

SECTION 7.2 PRESERVATION OF INFORMATION; COMMUNICATION TO HOLDERS.

The Indenture Trustee shall comply with the obligations imposed upon it pursuant to Section 312 of the Trust Indenture Act. Every Holder of Notes, by receiving and holding the same, agrees with the Trust and the Indenture Trustee that neither the Trust, the Indenture Trustee, any Paying Agent or any Registrar shall be held accountable by reason of the disclosure of any such information as to the names and addresses of the Holders of Notes in accordance with Section

312(c) of the Trust Indenture Act, regardless of the source from which such information was derived, and that the Indenture Trustee shall not be held accountable by reason of mailing any material pursuant to a request made under Section 312(b) of the Trust Indenture Act.

SECTION 7.3 REPORTS BY INDENTURE TRUSTEE.

- (a) Within 60 days after May 15 of each year commencing with the first May 15 following the issuance of Notes, if required by Section 313(a) of the Trust Indenture Act, the Indenture Trustee shall transmit, pursuant to Section 313(c) of the Trust Indenture Act, a brief report dated as of May 15 with respect to any of the events specified in Section 313(a) of the Trust Indenture Act which may have occurred since the later of the immediately preceding May 15 and the date of the Indenture.
- (b) The Indenture Trustee shall transmit the reports required by Section 313(a) of the Trust Indenture Act at the time specified therein.
- (c) The Indenture Trustee shall comply with Section 313(b) of the Trust Indenture Act.
- (d) Reports pursuant to this Section shall be transmitted in the manner and to the Persons required by Sections 313(c) and 313(d) of the Trust Indenture Act.
- (e) A copy of each such report shall, at the time of such transmission to Holders, be filed by the Indenture Trustee with each stock exchange upon which the Notes are listed, with the Commission and the Trust. The Trust

53

will notify the Indenture Trustee whether the Notes are listed on any stock exchange.

- (f) The Trust shall furnish to the Indenture Trustee:
 - (i) promptly after the execution and delivery of the Indenture, an Opinion of Counsel either stating that, in the opinion of such counsel, the Indenture has been properly recorded, registered and filed to the extent necessary to make effective the Security Interest intended to be created by the Indenture, and reciting the details of such action or referring to prior Opinions of Counsel in which such details are given, or stating that, in the opinion of such counsel, no such action is necessary to make the Security Interest effective; and
 - (ii) at least annually, an Opinion of Counsel, dated as of such date, either stating that, in the opinion of such counsel, such action has been taken with respect to the recording, filing, re-recording and re-filing of the Indenture, as is necessary to maintain the Security Interest of the Indenture and reciting the details of such action or referring to prior Opinions of Counsel in which such details are given, or stating that, in the opinion of such counsel, no such action is necessary to maintain the Security Interest.

SECTION 7.4 REPORTS BY TRUST.

Pursuant to Section 314(a) of the Trust Indenture Act, the Trust shall:

- (a) file, or cause to be filed, with the Indenture Trustee, within 15 days after the Trust or Global Funding is required to file the same with the Commission and to the extent available to the Trust, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the Commission may from time to time by rules and regulations prescribe) which the Trust or Global Funding may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the Exchange Act; or, if the Trust is not required to file information, documents or reports pursuant to either of said Sections, then it shall file, or cause to be filed, with the Indenture Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such of the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of the Exchange Act in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations; PROVIDED that if, pursuant to any publicly available interpretations of the Commission, the Trust or Global Funding would not be required to make such filings under Section 314(a)

of the Trust Indenture Act, then the Trust or Global Funding shall not be required to make such filings;

- (b) file, or cause to be filed on its behalf, with the Indenture Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such additional information, documents and reports with respect to compliance by the Trust, with the conditions and covenants of the Indenture as may be required from time to time by such rules and regulations; and
- (c) transmit within 30 days after the filing thereof with the Indenture Trustee, in the manner and to the extent provided in Section 313(c) of the Trust Indenture Act, such summaries of any information, documents and reports required to be filed by or on behalf of the Trust pursuant to paragraphs (1) and (2) of this Section as may be required by rules and regulations prescribed from time to time by the Commission.

SECTION 7.5 COMPLIANCE CERTIFICATES AND AUDITOR'S REPORTS. No later than - - of each year, the Indenture Trustee shall (i) provide to the Funding Agreement Provider, the Trust and Global Funding an annual statement of compliance substantially in the form attached as Exhibit C, which shall be filed as an exhibit to the applicable Annual Report on Form 10-K of the Trust filed under the Exchange Act (each, a "FORM 10-K") and (ii) provide information necessary to allow a firm of independent public accountants selected by the Administrator to furnish to the board of directors of the Funding Agreement Provider annually an auditor's report pursuant to Section 2.2(a)(x) of the Amended and Restated Administrative Services Agreement.

ARTICLE 8 CONCERNING EACH HOLDER

SECTION 8.1 EVIDENCE OF ACTION TAKEN BY A HOLDER.

- (a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by the Indenture to be given or taken by any Holder may be embodied in and evidenced (i) by any instrument or any number of instruments of similar tenor executed by Holders in person or by agent or proxy appointed in writing, or (ii) by the record of the Holders of Notes voting in favor thereof at any meeting of Holders duly called and held in accordance with the provisions of Article 12, or (iii) by a combination of such instrument or instruments and any such record of such meeting of Holders. Except as otherwise expressly provided in the Indenture, such action shall become effective when such instrument or instruments are delivered to the Indenture Trustee. Proof of execution of any instrument or of a writing appointing any such agent shall be sufficient for any purpose of the Indenture and (subject to Sections 6.1 and 6.2) conclusive in favor of the Indenture Trustee and the Trust, if made in the manner provided in this Article. The record of any meeting of Holders of Notes shall be proved in the manner provided in Section 12.6.

- (b) Any request, demand, authorization, direction, notice, consent, waiver or other action of the Holder of any Note shall bind every future Holder of the same Note and the Holder of every Note issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done, omitted or suffered to be done by the Indenture Trustee or the Trust in reliance thereon, whether or not notation of such action is made upon such Note.

SECTION 8.2 PROOF OF EXECUTION OF INSTRUMENTS AND OF HOLDING OF NOTES.

- (a) Subject to Sections 6.1 and 6.2, the execution of any instrument by a Holder or its agent or proxy may be proved in accordance with such reasonable rules and regulations as may be prescribed by the Indenture Trustee or in such manner as shall be satisfactory to the Indenture Trustee.
- (b) The ownership, principal amount and CUSIP numbers of Notes shall be proved by the Note Register or by a certificate of the Indenture Trustee.

SECTION 8.3 VOTING RECORD DATE. The Trust may set a record date for purposes of determining the identity of each Holder of a Note entitled to vote or consent to any action referred to in Section 8.1, which record date may be set at any time or from time to time by notice to the Indenture Trustee, for any date or dates (in the case of any adjournment or resolicitation) not more than

60 days nor less than 5 days prior to the proposed date of such vote or consent, and thereafter, notwithstanding any other provisions of the Indenture, only a Holder of any Note on such record date shall be entitled to so vote or give such consent or to withdraw such vote or consent.

SECTION 8.4 PERSONS DEEMED TO BE OWNERS. The Trust, the Indenture Trustee and any agent of the Trust or the Indenture Trustee may deem and treat the Holder of any Note of as the absolute owner of such Note (whether or not such Note shall be overdue and notwithstanding any notation of ownership or other writing thereon) for the purpose of receiving payment of or on account of the principal of, any premium on, and, subject to the provisions of the Indenture, any interest on, and any Additional Amounts with respect to, such Note and for all other purposes; and neither the Trust nor the Indenture Trustee nor any agent of the Trust or the Indenture Trustee shall be affected by any notice to the contrary. All such payments so made to any such Person, or upon such Person's order, shall be valid, and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for funds payable upon any such Note.

SECTION 8.5 NOTES OWNED BY TRUST DEEMED NOT OUTSTANDING. In determining whether the Holders of the requisite aggregate principal amount of Notes have concurred in any direction, consent or waiver under the Indenture, Notes which are owned by the Trust or any other obligor on the Notes or by any Person directly or indirectly controlling or controlled by or under direct or indirect common control with the Trust or any other obligor on the Notes shall be disregarded and deemed not to be Outstanding for the purpose of any such determination, except that for the purpose of determining whether the Indenture Trustee shall be protected in relying on any such direction, consent or waiver only Notes which the Indenture Trustee knows are so

56

owned shall be so disregarded. Notes so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Indenture Trustee the pledgee's right so to act with respect to such Notes and that the pledgee is not the Trust or any other obligor upon the Notes or any Person directly or indirectly controlling or controlled by or under direct or indirect common control with the Trust or any other obligor on the Notes. In case of a dispute as to such right, the advice of counsel shall be full protection in respect of any decision made by the Indenture Trustee in accordance with such advice. Upon request of the Indenture Trustee, the Trust shall furnish to the Indenture Trustee promptly a Trust Certificate listing and identifying all Notes, if any, known by the Trust to be owned or held by or for the account of any of the above-described Persons; and, subject to Sections 6.1 and 6.2, the Indenture Trustee shall be entitled to accept such Trust Certificate as conclusive evidence of the facts therein set forth and of the fact that all Notes not listed therein are Outstanding for the purpose of any such determination.

SECTION 8.6 RIGHT OF REVOCATION OF ACTION TAKEN; BINDING EFFECT OF ACTIONS BY HOLDERS.

- (a) At any time prior to (but not after) the evidencing to the Indenture Trustee, as provided in Section 8.1, of the taking of any action by the Holders of the percentage in aggregate principal amount of the Notes specified in the Indenture in connection with such action, any Holder of a Note represented by a Note Certificate the serial number of which is shown by the evidence to be included among the serial numbers of the Note Certificates representing Notes the Holders of which have consented to such action may, by filing written notice at the Corporate Trust Office and upon proof of holding as provided in this Article, revoke such action so far as concerns such Note.
- (b) Any action taken by the Holders of the percentage in aggregate principal amount of the Notes specified in the Indenture in connection with such action shall be conclusively binding upon the Trust, the Indenture Trustee and the Holders of all the Notes affected by such action, of any Notes issued in exchange for any Notes affected by such action or any Notes represented by Note Certificates executed, authenticated and delivered in exchange for any Note Certificate representing any Notes affected by such action, in respective of whether or not any notation in regard of any such action is made on any applicable Note Certificate.

ARTICLE 9 SUPPLEMENTAL INDENTURES

SECTION 9.1 SUPPLEMENTAL INDENTURES WITHOUT CONSENT OF HOLDERS.

- (a) The Trust and the Indenture Trustee may from time to time and at any time enter into an indenture or indentures supplemental to the Indenture (each, a "SUPPLEMENTAL INDENTURE") (which shall conform to the

57

provisions of the Trust Indenture Act) for one or more of the following purposes without the consent of any Holder:

- (i) for the Trust to convey, transfer, assign, mortgage or pledge to the Indenture Trustee as security for the Notes any property or assets;
 - (ii) to add to the covenants of the Trust such further covenants, restrictions, conditions or provisions as the Trust and the Indenture Trustee shall consider to be for the protection of each Holder of any Note, and to make the occurrence, or the occurrence and continuance, of a default in any such additional covenants, restrictions, conditions or provisions an Event of Default permitting the enforcement of all or any of the several remedies provided in the Indenture as set forth in the Indenture; PROVIDED, that in respect of any such additional covenant, restriction, condition or provision such Supplemental Indenture may provide for a particular period of grace after default (which period may be shorter or longer than that allowed in the case of other defaults) or may provide for an immediate enforcement upon such an Event of Default or may limit the remedies available to the Indenture Trustee upon such an Event of Default or may limit the right of the Holder Representative to waive such an Event of Default;
 - (iii) to cure any ambiguity or to correct or supplement any provision contained in the Indenture or in any Supplemental Indenture or Note Certificate which may be defective or inconsistent with any other provision contained in the Indenture or in any Supplemental Indenture or Note Certificate; or to make such other provisions in regard to matters or questions arising under the Indenture or under any Supplemental Indenture or Note Certificate as the Trust may deem necessary or desirable and which shall not adversely affect the interests of the Holders of the Notes in any material respect; or
 - (iv) to evidence and provide for the acceptance of appointment under the Indenture by a successor trustee and to add to or change any of the provisions of the Indenture as shall be necessary to provide for or facilitate the administration of the trusts under the Indenture by more than one trustee.
- (b) The Indenture Trustee is authorized to join with the Trust in the execution of any such Supplemental Indenture, and to make any further appropriate agreements and stipulations which may be therein contained, but the Indenture Trustee shall not be obligated to enter into any such Supplemental Indenture which affects the Indenture Trustee's own rights, duties or immunities under the Indenture or otherwise.

58

- (c) Any Supplemental Indenture authorized by the provisions of this Section may be executed without the consent of any Holder of any Note at the time Outstanding, notwithstanding any of the provisions of Section 9.2.

SECTION 9.2 SUPPLEMENTAL INDENTURES WITH CONSENT OF HOLDERS.

- (a) With the consent (evidenced as provided in Article 8) of the Holders of not less than 66% in aggregate principal amount of the Notes at the time Outstanding, the Trust and the Indenture Trustee may, from time to time and at any time, enter into a Supplemental Indenture for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or of any Supplemental Indenture or Note Certificate or of modifying in any manner the rights of the Holders of the Notes; PROVIDED, that no such Supplemental Indenture shall:
- (i) change the final maturity of any Note, or reduce the principal amount thereof, or reduce the rate or extend the time of payment of interest or any other amount payable thereon, or impair or affect the right of any Holder to institute suit for the payment thereof without the consent of the Holder of each Note so affected or modify any redemption or repayment provisions applicable to the Notes;
 - (ii) permit the creation of any Lien on the Collateral or any part thereof (other than the Security Interest in favor

of the Indenture Trustee on behalf of the Holders) or terminate the Security Interest as to any part of the Collateral, except as permitted by the Indenture; or

- (iii) modify any of the provisions of this Section 9.2 except to increase the aforementioned percentage of Notes required to approve any Supplemental Indenture.
- (b) Upon the request of the Trust, and upon the filing with the Indenture Trustee of evidence of the consent of each Holder and other documents, if any, required by Section 8.1 the Indenture Trustee shall join with the Trust in the execution of such Supplemental Indenture unless such Supplemental Indenture affects the Indenture Trustee's own rights, duties or immunities under the Indenture or otherwise, in which case the Indenture Trustee may in its discretion, but shall not be obligated to, enter into such Supplemental Indenture.
- (c) It shall not be necessary for the consent of the Holders under this Section to approve the particular form of any proposed Supplemental Indenture, but it shall be sufficient if such consent shall approve the substance thereof.
- (d) Promptly after the execution by the Trust and the Indenture Trustee of any Supplemental Indenture pursuant to the provisions of this Section, the

59

Indenture Trustee shall notify the Holders of each Note, as provided in the Indenture, setting forth in general terms the substance of such Supplemental Indenture. Any failure of the Indenture Trustee to provide such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such Supplemental Indenture.

SECTION 9.3 COMPLIANCE WITH TRUST INDENTURE ACT; EFFECT OF SUPPLEMENTAL INDENTURE. Any Supplemental Indenture executed pursuant to the provisions of this Article shall comply with the Trust Indenture Act. Upon the execution of any Supplemental Indenture pursuant to the provisions of the Indenture, the Indenture shall be and be deemed to be modified and amended in accordance therewith and the respective rights, limitations of rights, obligations, duties and immunities under the Indenture of the Indenture Trustee, the Trust and each Holder of Notes shall thereafter be determined, exercised and enforced under the Indenture subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental Indenture shall be and be deemed to be part of the terms and conditions of the Indenture for any and all purposes.

SECTION 9.4 DOCUMENTS TO BE GIVEN TO INDENTURE TRUSTEE. The Indenture Trustee, subject to the provisions of Sections 6.1 and 6.2, may receive a Trust Certificate and an Opinion of Counsel as conclusive evidence that any such Supplemental Indenture complies with the applicable provisions of the Indenture.

SECTION 9.5 NOTATION ON NOTE CERTIFICATES IN RESPECT OF SUPPLEMENTAL INDENTURES. Any Note Certificate authenticated and delivered after the execution of any Supplemental Indenture pursuant to the provisions of this Article may bear a notation in form approved by the Indenture Trustee as to any matter provided for by such Supplemental Indenture or as to any action taken at any such meeting. If the Trust or the Indenture Trustee shall so determine, a new Note Certificate representing Notes so modified as to conform, in the opinion of the Indenture Trustee and the Trust, to any modification of the Indenture contained in any such Supplemental Indenture may be prepared by the Trust, authenticated by the Indenture Trustee and delivered in exchange for each Note Certificate representing Notes then Outstanding.

ARTICLE 10 CONSOLIDATION, MERGER, SALE OR CONVEYANCE

SECTION 10.1 TRUST MAY MERGE, CONSOLIDATE, SELL OR CONVEY PROPERTY UNDER CERTAIN CIRCUMSTANCES. The Trust may not consolidate with, or merge into, any Person (whether or not affiliated with the Trust), or sell, lease or convey the property of the Trust as an entirety or substantially as an entirety, unless:

- (a) the entity formed by such consolidation or into which the Trust is merged or the Person which acquires by conveyance or transfer the properties and assets of the Trust substantially as an entirety shall be a statutory trust formed under the laws of the State of Delaware or a corporation or other entity organized and existing under the laws of the United States of America or any State or the District of Columbia, and shall expressly assume, by a Supplemental Indenture, executed and delivered to the

60

Indenture Trustee, in form satisfactory to the Indenture Trustee,

the due and punctual payment of the principal of, any premium and interest on, and any Additional Amounts with respect to, the Notes and the performance of every covenant of the Indenture on the part of the Trust to be performed or observed;

- (b) immediately after giving effect to such transaction, no Event of Default, and no event which, after notice or lapse of time, or both, would become an Event of Default, shall have happened and be continuing;
- (c) the Trust has received written confirmation from any rating agency then rating any Notes at the request of the Trust that such consolidation, merger, conveyance or transfer shall not cause the rating on the then Outstanding Notes to be downgraded or withdrawn; and
- (d) the Trust has delivered to the Indenture Trustee a Trust Certificate and an Opinion of Counsel each stating that such consolidation, merger, conveyance or transfer and such Supplemental Indenture comply with this Article and that all conditions precedent provided for in the Indenture relating to such transaction have been complied with.

ARTICLE 11 SATISFACTION AND DISCHARGE OF INDENTURE; UNCLAIMED FUNDS

SECTION 11.1 SATISFACTION AND DISCHARGE OF INDENTURE. If at any time (a) the Trust shall have paid or caused to be paid all outstanding principal of, any premium and interest on, and any Additional Amounts and other amounts payable with respect to, all the Notes Outstanding under the Indenture, as and when the same shall have become due and payable, or (b) the Trust shall have delivered to the Indenture Trustee for cancellation all Note Certificates representing Notes theretofore authenticated (other than any Note Certificate which shall have been destroyed, lost or stolen and which shall have been replaced or paid as provided in Section 2.7) or (c) the Trust shall have irrevocably deposited or caused to be deposited with the Indenture Trustee as trust funds the entire amount in cash (other than funds repaid by the Indenture Trustee or any Paying Agent to the Trust in accordance with Section 11.4) sufficient to pay at maturity all amounts payable at maturity on the Notes represented by each Note Certificate not theretofore delivered to the Indenture Trustee for cancellation, including any outstanding principal, interest, premium, Additional Amounts and other amounts due or to become due to such date of maturity as the case may be, and if, in any such case, the Trust shall also pay or cause to be paid all other sums payable under the Indenture by the Trust, then the Indenture shall cease to be of further effect (except as to (i) rights of registration of transfer and exchange, (ii) substitution of apparently mutilated, defaced, destroyed, lost or stolen Note Certificates, (iii) rights of Holders to receive payments of principal of, any premium and interest on, and any Additional Amounts and other amounts payable with respect to, the Notes, (iv) the rights, obligations and immunities of the Indenture Trustee under the Indenture and (v) the rights of each Holder as beneficiary of the Indenture with respect to the property so deposited with the Indenture Trustee payable to all or any of them), and the Indenture Trustee, on demand of the Trust accompanied by a Trust Certificate and an Opinion of Counsel and at the cost and expense of the Trust, shall execute

61

proper instruments acknowledging such satisfaction of and discharging the Indenture. The Trust agrees to reimburse the Indenture Trustee for any costs or expenses thereafter reasonably and properly incurred and to compensate the Indenture Trustee for any services thereafter reasonably and properly rendered by the Indenture Trustee in connection with the Indenture or the Notes.

SECTION 11.2 APPLICATION BY INDENTURE TRUSTEE OF FUNDS DEPOSITED FOR PAYMENT OF NOTES. Subject to Section 11.4, all funds deposited with the Indenture Trustee pursuant to Section 11.1 shall be held in trust in accordance with Section 6.5 and applied by it to the payment, either directly or through any Paying Agent (including the Trust acting as its own paying agent), to each Holder of any Note for the payment or redemption of which such funds have been deposited with the Indenture Trustee, of all sums due and to become due thereon for any principal, interest, premium, Additional Amounts or other amounts.

SECTION 11.3 REPAYMENT OF FUNDS HELD BY PAYING AGENT. In connection with the satisfaction and discharge of the Indenture, all funds then held by any Paying Agent under the provisions of the Indenture shall, upon demand of the Trust, be repaid to the Trust or paid to the Indenture Trustee and thereupon such Paying Agent shall be released from all further liability with respect to such funds.

SECTION 11.4 RETURN OF FUNDS HELD BY INDENTURE TRUSTEE AND PAYING AGENT. Any funds deposited with or paid to the Indenture Trustee or any Paying Agent for the payment of the principal of, any interest or premium on, or any Additional Amounts or any other amounts with respect to, any Note and not applied but remaining unclaimed for three years after the date upon which such principal, interest, premium, Additional Amounts or any other amount shall have become due and payable, shall, upon the written request of the Trust and unless otherwise required by mandatory provisions of applicable escheat or abandoned or

unclaimed property law, be repaid to the Trust by the Indenture Trustee or such Paying Agent, and the Holder of such Note shall, unless otherwise required by mandatory provisions of applicable escheat or abandoned or unclaimed property laws, thereafter look only to the Trust for any payment which such Holder may be entitled to collect, and all liability of the Indenture Trustee or any Paying Agent with respect to such funds shall thereupon cease.

ARTICLE 12
MEETINGS OF HOLDERS OF NOTES

SECTION 12.1 PURPOSES FOR WHICH MEETINGS MAY BE CALLED. A meeting of Holders of Notes may be called at any time and from time to time pursuant to this Article to make, give or take any request, demand, authorization, direction, notice, consent, waiver or other action provided by the Indenture to be made, given or taken by Holders of Notes.

SECTION 12.2 CALL, NOTICE AND PLACE OF MEETINGS.

- (a) Unless otherwise provided in a Note Certificate, the Indenture Trustee may at any time call a meeting of Holders of Notes for any purpose specified in Section 12.1, to be held at such time and at such place in the City of New York or the city in which the Corporate Trust Office is located. Notice of every meeting of Holders of Notes, setting forth the

62

time and the place of such meeting and in general terms the action proposed to be taken at such meeting, shall be given in the manner provided in Section 13.4, not less than 21 nor more than 180 days prior to the date fixed for the meeting.

- (b) In case at any time the Trust or the Holder or Holders of at least 10% in principal amount of the Notes shall have requested the Indenture Trustee to call a meeting of the Holders of Notes for any purpose specified in Section 12.1, by written request setting forth in reasonable detail the action proposed to be taken at the meeting, and the Indenture Trustee shall not have made the first publication or mailing of the notice of such meeting within 21 days after receipt of such request or shall not thereafter proceed to cause the meeting to be held as provided in the Indenture, then the Trust or the Holder or Holders of Notes in the amount above specified, as the case may be, may determine the time and the place in the City of New York or the city in which the Corporate Trust Office is located for such meeting and may call such meeting for such purposes by giving notice thereof as provided in Section 12.2.

SECTION 12.3 PERSONS ENTITLED TO VOTE AT MEETINGS. To be entitled to vote at any meeting of Holders of Notes, a Person shall be (a) a Holder of one or more Notes then Outstanding, or (b) a Person appointed by an instrument in writing as proxy for a Holder or Holders of one or more Notes then Outstanding by such Holder or Holders. The only Persons who shall be entitled to be present or to speak at any meeting of Holders of Notes shall be the Persons entitled to vote at such meeting and their counsel, any representatives of the Indenture Trustee and its counsel and any representatives of the Trust and its counsel.

SECTION 12.4 QUORUM; ACTION.

- (a) The Persons entitled to vote a majority in principal amount of the Notes then Outstanding shall constitute a quorum for a meeting of Holders of Notes; PROVIDED, HOWEVER, that if any action is to be taken at such meeting with respect to a consent or waiver which the Indenture expressly provides may be given by the Holders of not less than 66% in principal amount of the Outstanding Notes, then Persons entitled to vote 66% in principal amount of the Outstanding Notes shall constitute a quorum. In the absence of a quorum within 30 minutes after the time appointed for any such meeting, the meeting shall, if convened at the request of Holders of Notes, be dissolved. In any other case the meeting may be adjourned for a period of not less than 10 days as determined by the chairman of the meeting prior to the adjournment of such meeting. In the absence of a quorum at any such adjourned meeting, such adjourned meeting may be further adjourned for a period of not less than 10 days as determined by the chairman of the meeting prior to the adjournment of such adjourned meeting. Notice of the reconvening of any adjourned meeting shall be given as provided in Section 12.2, except that such notice need be given only once not less than five days prior to the date on which the meeting is

63

scheduled to be reconvened. Notice of the reconvening of an adjourned meeting shall state expressly the percentage, as provided above, of the principal amount of the Outstanding Notes

which shall constitute a quorum.

- (b) Except as limited by the proviso to Section 9.2(a), any resolution presented to a meeting or adjourned meeting duly reconvened at which a quorum is present as aforesaid may be adopted only by the affirmative vote of the Holders of a majority in principal amount of the Outstanding Notes; PROVIDED, HOWEVER, that, except as limited by the proviso to Section 9.2(a), any resolution with respect to any consent or waiver which the Indenture expressly provides may be given by the Holders of not less than 66% in principal amount of the Outstanding Notes may be adopted at a meeting or an adjourned meeting duly convened and at which a quorum is present as aforesaid only by the affirmative vote of the Holders of 66% in principal amount of the Outstanding Notes; and PROVIDED, FURTHER, that, except as limited by the proviso to Section 9.2(a), any resolution with respect to any request, demand, authorization, direction, notice, consent, waiver or other action which the Indenture expressly provides may be made, given or taken by the Holders of a specified percentage, which is less than a majority, in principal amount of the Outstanding Notes may be adopted at a meeting or an adjourned meeting duly reconvened and at which a quorum is present as aforesaid by the affirmative vote of the Holders of such specified percentage in principal amount of the Outstanding Notes.
- (c) Any resolution passed or decision taken at any meeting of Holders of Notes duly held in accordance with this Section shall be binding on all the Holders of Notes, whether or not such Holders were present or represented at the meeting.

SECTION 12.5 DETERMINATION OF VOTING RIGHTS; CONDUCT OF ADJOURNMENT OF MEETINGS.

- (a) Notwithstanding any other provisions of the Indenture, the Indenture Trustee may make such reasonable regulations as it may deem advisable for any meeting of Holders of Notes in regard to proof of the holding of Notes and of the appointment of proxies and in regard to the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidence of the right to vote, and such other matters concerning the conduct of the meeting as it shall deem appropriate. Except as otherwise permitted or required by any such regulations, the holding of Notes shall be proved in the manner specified in Section 8.4 and the appointment of any proxy shall be proved in the manner specified in Section 8.2. Such regulations may provide that written instruments appointing proxies, regular on their face, may be presumed valid and genuine without the proof specified in Section 8.2 or other proof.

64

- (b) The Indenture Trustee shall, by an instrument in writing, appoint a temporary chairman of the meeting, unless the meeting shall have been called by the Trust or by Holders of Notes as provided in Section 12.2(b), in which case the Trust or the Holders of Notes calling the meeting, as the case may be, shall in like manner appoint a temporary chairman. A permanent chairman and a permanent secretary of the meeting shall be elected by vote of the Persons entitled to vote a majority in principal amount of the Outstanding Notes represented at the meeting.
- (c) At any meeting, each Holder of a Note or proxy shall be entitled to one vote for each \$1,000 of principal amount of Notes held or represented by such Holder or proxy; PROVIDED, HOWEVER, that no vote shall be cast or counted at any meeting in respect of any Note challenged as not Outstanding and ruled by the chairman of the meeting to be not Outstanding. The chairman of the meeting shall have no right to vote, except as a Holder of a Note or proxy.
- (d) Any meeting of Holders of Notes duly called pursuant to Section 12.2 at which a quorum is present may be adjourned from time to time by Persons entitled to vote a majority in principal amount of the Outstanding Notes represented at the meeting; and the meeting may be held as so adjourned without further notice.

SECTION 12.6 COUNTING VOTES AND RECORDING ACTION OF MEETINGS. The vote upon any resolution submitted to any meeting of Holders of Notes shall be (a) by written ballots on which shall be subscribed the signatures of the Holders of Notes or of their representatives by proxy and the principal amounts and serial numbers of the Outstanding Notes held or represented by them or (b) by such other procedures adopted by the Indenture Trustee in its discretion. The permanent chairman of the meeting shall appoint two inspectors of votes who shall count all votes cast at the meeting for or against any resolution and who shall make and file with the secretary of the meeting their verified written reports in triplicate of all votes cast at the meeting. A record, at least in

triplicate, of the proceedings of each meeting of Holders of Notes shall be prepared by the secretary of the meeting and there shall be attached to said record the original reports of the inspectors of votes on any vote by ballot taken thereat and affidavits by one or more persons having knowledge of the facts setting forth a copy of the notice of the meeting and showing that said notice was given as provided in Section 12.2 and, if applicable, Section 12.4. Each copy shall be signed and verified by the affidavits of the permanent chairman and secretary of the meeting and one such copy shall be delivered to the Trust, and another to the Indenture Trustee to be preserved by the Indenture Trustee, the latter to have attached thereto the ballots voted at the meeting. Any record so signed and verified shall be conclusive evidence of the matters therein stated.

ARTICLE 13
MISCELLANEOUS PROVISIONS

SECTION 13.1 NO RECOURSE. Notwithstanding anything to the contrary contained in the Indenture, or any relevant Note Certificate or Supplemental Indenture, none of the Funding

65

Agreement Provider, its officers, directors, affiliates, employees or agents, or any of the Delaware Trustee, the Indenture Trustee or the Trust Beneficial Owner, or any of their officers, directors, affiliates, employees or agents (the "NONRECOURSE PARTIES") will be personally liable for the payment of any principal, interest or any other sums at any time owing under the terms of the Notes. If any Event of Default shall occur with respect to the Notes, the right of the Holders of the Notes and the Indenture Trustee on behalf of such Holders in connection with a claim on the Notes shall be limited solely to a proceeding against the Collateral. Neither the Holders nor the Indenture Trustee on behalf of the Holders will have the right to proceed against the Nonrecourse Parties to enforce the Notes (except that to the extent they exercise their rights, if any, to seize the relevant Funding Agreement, they may enforce the relevant Funding Agreement against the Funding Agreement Provider) or for any deficiency judgment remaining after foreclosure of any property included in the relevant Collateral.

It is expressly understood and agreed that nothing contained in this Section shall in any manner or way constitute or be deemed a release of the debt or other obligations evidenced by the Notes or otherwise affect or impair the enforceability against the Trust of the liens, assignments, rights and the Security Interest created by or pursuant to the Indenture, the relevant Collateral or any other instrument or agreement evidencing, securing or relating to the indebtedness or the obligations evidenced by the Notes. Nothing in this Section shall preclude the Holders from foreclosing upon any property included in the Collateral or any other rights or remedies in law or in equity against the Trust.

SECTION 13.2 PROVISIONS OF INDENTURE FOR THE SOLE BENEFIT OF PARTIES AND HOLDERS. Nothing in the Indenture or in the Notes, expressed or implied, shall give or be construed to give to any Person, other than the parties to the Indenture and their successors and the Holders of the Notes, any legal or equitable right, remedy or claim under the Indenture or under any covenant or provision contained in the Indenture, all such covenants and provisions being for the sole benefit of the parties to the Indenture and their successors and of the Holders of the Notes.

SECTION 13.3 SUCCESSORS AND ASSIGNS OF TRUST BOUND BY INDENTURE. All the covenants, stipulations, promises and agreements in the Indenture contained by or in behalf of the Trust shall bind its successors and assigns, whether so expressed or not.

SECTION 13.4 NOTICES AND DEMANDS ON TRUST, INDENTURE TRUSTEE AND ANY HOLDER.

- (a) Except as otherwise provided by this Section, any notice or demand which by any provision of the Indenture is required or permitted to be given or served by the Indenture Trustee or by any Holder of any Note to or on the Trust may be given or served by being deposited postage prepaid, first-class mail (except as otherwise specifically provided in the Indenture) addressed (until another address of the Trust is filed by the Trust with the Indenture Trustee) to the Delaware Trustee. Any notice, direction, request or demand by the Trust or any Holder to or upon the Indenture Trustee shall be deemed to have been sufficiently given or made, for all purposes, if given or made at the Corporate Trust Office.

66

- (b) Where the Indenture provides for notice to any Holder, such notice shall be sufficiently given (unless otherwise expressly provided in the Indenture) if in writing and mailed, first-class postage prepaid, to each Holder entitled thereto, at such Holder's last address as it appears in the Note Register. In any case where notice to any Holder is given by mail, neither the

failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder shall affect the sufficiency of such notice with respect to any other Holder.

- (c) Where the Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by any Holder shall be filed with the Indenture Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.
- (d) If, by reason of the suspension of or irregularities in regular mail service, it shall be impracticable to mail notice to the Trust and each Holder when such notice is required to be given pursuant to any provision of the Indenture, then any manner of giving such notice as shall be satisfactory to the Indenture Trustee shall be deemed to be a sufficient giving of such notice.
- (e) The Trust shall deliver promptly to each rating agency then rating the Notes copies of each of the following:
 - (i) any repurchase of Notes pursuant to Section 3.3;
 - (ii) any notice of any default or Event of Default;
 - (iii) any notice of redemption provided by the Trust pursuant to Section 3.1(d);
 - (iv) any notice of change in name, identity, organizational structure, chief executive office, or chief place of business of the Trust provided by the Trust pursuant to Section 14.4(a);
 - (v) any Supplemental Indenture;
 - (vi) any resignation, removal or appointment under this Indenture;
 - (vii) any amendment to any Funding Agreement; and
 - (viii) any other information reasonably requested by such rating agency.

67

Any such notice shall be addressed to:

Standard & Poor's Ratings Services,
a division of The McGraw-Hill Companies, Inc.
55 Water Street
New York, NY 10041
Attention: Capital Markets
Facsimile: (212) 438-5215

Moody's Investors Service Inc.
99 Church Street
New York, NY 10007
Attention: Life Insurance Group
Facsimile: (212) 553-4805

or such other address previously furnished in writing to the Trust by the applicable rating agency.

SECTION 13.5 TRUST CERTIFICATES AND OPINIONS OF COUNSEL; STATEMENTS TO BE CONTAINED THEREIN.

- (a) Except as otherwise expressly provided in the Indenture, upon any application or demand by the Trust to the Indenture Trustee to take any action under any of the provisions of the Indenture, the Trust shall furnish to the Indenture Trustee a Trust Certificate stating that all conditions precedent, if any, provided for in the Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of the applicable counsel all such conditions precedent, if any, have been complied with, except that in the case of any such application or demand as to which the furnishing of such documents is specifically required by any provision of the Indenture relating to such particular application or demand, no additional certificate or opinion need be furnished.
- (b) Each certificate or opinion provided for in the Indenture and delivered to the Indenture Trustee with respect to compliance with a condition or covenant provided for in the Indenture shall include:
 - (i) a statement that the Person making such certificate or

opinion has read such covenant or condition;

- (ii) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;
- (iii) a statement that, in the opinion of such Person, he has made such examination or investigation or has received such certificates, opinions, representations or statements of counsel or accountants

68

pursuant to paragraphs (c) or (d) of this Section, as are necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with; and

- (iv) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been complied with.
- (c) Any certificate, statement or opinion of the Trust may be based upon a certificate or opinion of or representations by counsel, unless the Trust knows that the certificate or opinion or representations with respect to the matters upon which his certificate, statement or opinion may be based as aforesaid are erroneous, or in the exercise of reasonable care should know that the same are erroneous. Any certificate, statement or opinion of counsel may be based, insofar as it relates to factual matters information with respect to which is in the possession of the Trust, upon the certificate, statement or opinion of or representations by the Trust, unless such counsel knows that the certificate, statement or opinion or representations with respect to the matters upon which the certificate, statement or opinion may be based as aforesaid are erroneous, or in the exercise of reasonable care should know that the same are erroneous.
 - (d) Any certificate, statement or opinion of the Trust or of counsel may be based, insofar as it relates to accounting matters, upon a certificate or opinion of or representations by an accountant or firm of accountants in the employ of the Trust, unless such officer or counsel, as the case may be, knows that the certificate or opinion or representations with respect to the accounting matters upon which the certificate, statement or opinion may be based as aforesaid are erroneous, or in the exercise of reasonable care should know that the same are erroneous.
 - (e) Any certificate or opinion of any independent firm of public accountants filed with the Indenture Trustee shall contain a statement that such firm is independent.

SECTION 13.6 GOVERNING LAW. Pursuant to Section 5-1401 of the General Obligations Law of the State of New York, the Indenture and the Notes shall (unless specified otherwise in the Note Certificate) be governed by, and construed in accordance with, the laws of the State of New York, except as required by mandatory provisions of law and except to the extent that the validity or perfection of the Trust's ownership of and security interest in the Funding Agreement(s) or remedies under the Indenture in respect thereof may be governed by the laws of a jurisdiction other than the State of New York. All judicial proceedings brought against the Trust or the Indenture Trustee arising out of or relating to the Indenture, any Note or any portion of the Collateral or other assets of the Trust may be brought in any state or Federal court in the State of New York, provided that a Note Certificate may specify other jurisdictions as to which the Trust may consent to the nonexclusive jurisdiction of its courts with respect to the Notes.

69

SECTION 13.7 COUNTERPARTS. The Indenture may be executed in any number of counterparts, each of which shall be an original; but such counterparts shall together constitute but one and the same instrument.

SECTION 13.8 TRUST INDENTURE ACT TO CONTROL. If and to the extent that any provision of the Indenture limits, qualifies or conflicts with any duties under any required provision of the Trust Indenture Act imposed on the Indenture by Section 318(c) of the Trust Indenture Act (each, an "INCORPORATED PROVISION"), such incorporated provision shall control.

SECTION 13.9 JUDGMENT CURRENCY. The Trust agrees, to the fullest extent that it may effectively do so under applicable law, that:

- (a) if for the purposes of obtaining judgment in any court it is necessary to convert the sum due in respect of the Notes in the

Specified Currency into a currency in which a judgment will be rendered (the "JUDGMENT CURRENCY"), the rate of exchange used (the "REQUIRED RATE OF EXCHANGE") shall be the rate at which in accordance with normal banking procedures the Indenture Trustee could purchase in The City of New York the Specified Currency with the Judgment Currency on the date on which final unappealable judgment is entered, unless such day is not a New York Banking Day, then, to the extent permitted by applicable law, the rate of exchange used shall be the rate at which in accordance with normal banking procedures the Indenture Trustee could purchase in The City of New York the Specified Currency with the Judgment Currency on the New York Banking Day preceding the day on which final unappealable judgment is entered;

- (b) its obligations under the Indenture to make payments in the Specified Currency (i) shall not be discharged or satisfied by any tender, or any recovery pursuant to any judgment (whether or not entered in accordance with subsection (a)), in any currency other than the Specified Currency, except to the extent that such tender or recovery shall result in the actual receipt, by the payee, of the full amount of the Specified Currency expressed to be payable in respect of such payments, (ii) shall be enforceable as an alternative or additional cause of action for the purpose of recovering in the Specified Currency the amount, if any, by which such actual receipt shall fall short of the full amount of the Specified Currency so expressed to be payable and (iii) shall not be affected by judgment being obtained for any other sum due under the Indenture; and
- (c) it shall indemnify the Holder or Holders of any Note against any loss incurred as a result of any variation between:
 - (i) the rate of exchange at which the Specified Currency amount is actually converted into the Judgment Currency for the purpose of that judgment or order; and

70

- (ii) the Required Rate of Exchange.

For purposes of this Section, "NEW YORK BANKING DAY" means any day except a Saturday, Sunday or a legal holiday in The City of New York or a day on which banking institutions in The City of New York are authorized or required by law or executive order to close.

ARTICLE 14 SECURITY INTEREST

SECTION 14.1 SECURITY INTEREST.

- (a) To secure the full and punctual payment of the Obligations in accordance with the terms of the Indenture and to secure the performance of the Trust's obligations under the Notes and the Indenture, the Trust pledges and collaterally assigns to and with the Indenture Trustee for the benefit of each Holder of each Note and any other Person for whose benefit the Indenture Trustee is or will be holding the Collateral (the "SECURED PARTIES"), and grants to the Indenture Trustee for the benefit of each Secured Party, a security interest in the Collateral specified in the Pricing Supplement as securing the Obligations with respect to the Notes, and all of the rights and privileges of the Trust in and to the Collateral (the "SECURITY INTEREST"), effective as of the Original Issue Date of the Notes.
- (b) It is expressly agreed that anything therein contained to the contrary notwithstanding, the Trust shall remain liable under each Funding Agreement to perform all the obligations assumed by it thereunder, all in accordance with and pursuant to the terms and provisions thereof, and the Indenture Trustee shall not have any obligations or liabilities by reason of or arising out of the Indenture, nor shall the Indenture Trustee be required or obligated in any manner to perform or fulfill any obligations of the Trust under or pursuant to such Funding Agreement or to make any payment, to make any inquiry as to the nature or sufficiency of any payment received by it, or, prior to the occurrence and continuance of an Event of Default, to present or file any claim, or to take any action to collect or enforce the payment of any amounts that may have been assigned to it or to which it may be entitled at any time or times.
- (c) The Indenture Trustee acknowledges the grant of the Security Interest upon the issuance of the Notes, accepts the trusts under the Indenture in accordance with the provisions of the Indenture and agrees to perform its duties in the Indenture to the end that the interests of each Secured Party may be adequately and effectively protected.

SECTION 14.2 REPRESENTATIONS AND WARRANTIES. The Trust represents and warrants (which representations and warranties shall be deemed to have been repeated as of the date of any Note Certificate) as follows:

71

- (a) The Trust owns each Funding Agreement that secures the Obligations and all of the rest of the Collateral, free and clear of any Liens other than the Security Interest in the Collateral.
- (b) The Trust has not performed any acts which might prevent the Indenture Trustee from enforcing any of the terms of the Indenture or which would limit the Indenture Trustee in any such enforcement. Other than financing statements or other similar or equivalent documents or instruments with respect to the Security Interest, no financing statement, mortgage, security agreement or similar or equivalent document or instrument covering all or any part of the Collateral is on file or of record in any jurisdiction in which such filing or recording would be effective to perfect a Lien on such Collateral. No Collateral is in the possession of any Person (other than the Trust or its agent) asserting any claim thereto or security interest therein, except that the Indenture Trustee or its designee may have possession of Collateral as contemplated by the Indenture.
- (c) Each Security Interest constitutes a valid security interest securing the Obligations. When (i) the financing statements shall have been filed in the appropriate offices in Illinois, Delaware and New York, (ii) the Indenture Trustee or its agent shall have taken possession of each applicable Funding Agreement, (iii) the Trust shall have pledged and collaterally assigned each applicable Funding Agreement to the Indenture Trustee and given written notice to the Funding Agreement Provider of each such assignment to the Indenture Trustee and (iv) the Funding Agreement Provider shall have given its express written consent to such pledge and collateral assignment and affirmed in writing that the Funding Agreement Provider has changed its books and records to reflect such pledge and collateral assignment to the Indenture Trustee, such Security Interest shall constitute a first priority perfected security interest in the Collateral, enforceable against the Trust, the Trust's creditors and any purchaser from the Trust.

SECTION 14.3 ADDITIONAL REPRESENTATIONS AND WARRANTIES. The Trust represents and warrants that:

- (a) to the extent the creation of a security interest in any Funding Agreement is governed by the applicable UCC, the Indenture creates a valid security interest (as defined in the applicable UCC) in each Funding Agreement in favor of the Indenture Trustee for the benefit and security of the Secured Parties, which security interest is prior to all other Liens;
- (b) to the extent the UCC applies, each Funding Agreement consists of "general intangibles," "payment intangibles" and/or "instruments" within the meaning of the applicable UCC;
- (c) subject to the grant of security interest, pledge and collateral assignment of the Trust's estate, right, title and interest in each Funding Agreement, the

72

Trust is a party to and is the Person entitled to payment under each Funding Agreement on the date of the Indenture free and clear of any Lien, claim or encumbrance of any Person, other than the Lien created under the Indenture or any Lien otherwise permitted under the Indenture;

- (d) to the extent the UCC applies, the Trust has caused or will have caused, within ten days after the date of the Indenture, the filing of all appropriate financing statements in the proper filing office in the appropriate jurisdictions under applicable law in order to perfect the security interest in each Funding Agreement granted to the Indenture Trustee for the benefit and security of the Secured Parties under the Indenture;
- (e) all original executed copies of each instrument that constitutes or evidences each Funding Agreement have been delivered to the Indenture Trustee or a custodian for the Indenture Trustee (the "CUSTODIAN");
- (f) where all original executed copies of each instrument that constitutes or evidences each Funding Agreement have been delivered to the Custodian, the Trust has received a written acknowledgment from the Custodian that the Custodian is holding

the instruments that constitute or evidence each Funding Agreement solely on behalf of the Indenture Trustee;

- (g) other than the security interest granted to the Indenture Trustee for the benefit and security of the Secured Parties pursuant to the Indenture, the Trust has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed any of the Funding Agreements;
- (h) the Trust has not authorized the filing of and is not aware of any financing statements against the Trust that include a description of collateral covering the Funding Agreement other than any financing statement relating to the security interest granted to the Indenture Trustee for the benefit and security of the Secured Parties under the Indenture or that has been terminated;
- (i) the Trust is not aware of any judgment or tax lien filings against the Trust; and
- (j) none of the instruments that constitute or evidence the Funding Agreements has any marks or notations indicating that they have been pledged, assigned or otherwise conveyed to any Person other than the Indenture Trustee for the benefit and security of the Secured Parties.

The foregoing representations and warranties shall survive the execution and delivery of the Notes. No party to the Indenture shall waive any of the foregoing representations and warranties. The Trust shall maintain the perfection and priority of the security interest in each Funding Agreement.

73

SECTION 14.4 FURTHER ASSURANCES; COVENANTS.

- (a) The Trust will not change its name, identity or organizational structure in any manner unless it shall have given the Indenture Trustee at least 30 days' prior notice thereof. The Trust will not change the location of its chief executive office or chief place of business unless it shall have given the Indenture Trustee at least 30 days' prior notice thereof.
- (b) The Trust will, from time to time and upon advice of counsel, at the Trust's expense, execute, deliver, file and record any statement, assignment, instrument, document, agreement or other paper and take any other action, (including, without limitation, any filings of financing or continuation statements) that from time to time may be necessary or desirable, or that the Indenture Trustee may reasonably request, in order to create, preserve, perfect, confirm or validate a Security Interest or to enable the Holders of Notes to obtain the full benefits of the Indenture, or to enable the Indenture Trustee to exercise and enforce any of its rights, powers and remedies under the Indenture with respect to any Collateral. To the extent permitted by applicable law, the Trust authorizes the Indenture Trustee to execute and file financing statements or continuation statements without the Trust's signature appearing thereon. The Trust agrees that a carbon, photographic, photostatic or other reproduction of the Indenture or of a financing statement is sufficient as a financing statement. The Trust shall pay the costs of, or incidental to, any recording or filing of any financing or continuation statements concerning any Collateral.
- (c) If any Collateral is at any time in the possession or control of any warehouseman, bailee or any of the Trust's agents or processors, the Trust shall notify such warehouseman, bailee, agent or processor of the Security Interest created by the Indenture and to hold all such Collateral for the Indenture Trustee's account subject to the Indenture Trustee's instructions.
- (d) The Trust will, promptly upon request, provide to the Indenture Trustee all information and evidence it may reasonably request concerning the Collateral to enable the Indenture Trustee to enforce the provisions of the Indenture.
- (e) Not more than six months nor less than 30 days prior to each date on which the Trust proposes to take any action contemplated by Section 14.4(a), the Trust shall, at its cost and expense, cause to be delivered to the Indenture Trustee an Opinion of Counsel, satisfactory to the Indenture Trustee, to the effect that all financing statements and amendments or supplements thereto, continuation statements and other documents required to be recorded or filed in order to perfect and protect the Security Interest for a period, specified in such Opinion of Counsel, continuing until a date not earlier than 18 months from the date of such Opinion of Counsel, against all creditors of and

filed in each filing office necessary for such purpose and that all filing fees and taxes, if any, payable in connection with such filings have been paid in full.

- (f) From time to time upon request by the Indenture Trustee, the Trust shall, at its cost and expense, cause to be delivered to the Indenture Trustee an Opinion of Counsel satisfactory to the Indenture Trustee as to such matters relating to the Security Interest as the Indenture Trustee or the Holder Representative may reasonably request.

SECTION 14.5 GENERAL AUTHORITY. The Trust irrevocably appoints the Indenture Trustee its true and lawful attorney, with full power of substitution, in the name of the Trust, the Indenture Trustee, the Holders of Notes or otherwise, for the sole use and benefit of the Secured Parties, but at the Trust's expense, to the extent permitted by law to exercise, at any time and from time to time while an Event of Default has occurred and is continuing, all or any of the following powers with respect to all or any of the Collateral:

- (a) to demand, sue for, collect, receive and give acquittance for any and all monies due or to become due thereon or by virtue thereof,
- (b) to settle, compromise, compound, prosecute or defend any action or proceeding with respect thereto,
- (c) to sell, transfer, assign or otherwise deal in or with the same or the proceeds or avails thereof, as fully and effectually as if the Indenture Trustee were the absolute owner thereof, and
- (d) to extend the time of payment of any or all thereof and to make any allowance and other adjustments with reference thereto;

PROVIDED that the Indenture Trustee shall give the Trust not less than 10 days' prior notice of the time and place of any sale or other intended disposition of any of the Collateral, except any part of the Collateral which threatens to decline speedily in value or is of a type customarily sold on a recognized market.

SECTION 14.6 REMEDIES UPON EVENT OF DEFAULT. If any Event of Default has occurred and is continuing, the Indenture Trustee may exercise on behalf of the Holders of the Notes all rights of a secured party under applicable law and, in addition, the Indenture Trustee may, without being required to give any notice, except as provided in the Indenture or as may be required by mandatory provisions of law, (i) apply all cash, if any, then held by it as all or part of the Collateral as specified in Section 5.3 and (ii) if there shall be no such cash or if such cash shall be insufficient to pay all the Obligations in full, sell the Collateral (including each applicable Funding Agreement) or any part thereof at public or private sale, for cash, upon credit or for future delivery, and at such price or prices as the Indenture Trustee may deem satisfactory. Any Holder may be the purchaser of any or all of the Collateral so sold at any public sale (or, if the Collateral is of a type customarily sold in a recognized market or is of a type which is the subject of widely distributed standard price quotations, at any private sale). The Trust will execute and deliver such documents and take such other action as the Indenture Trustee deems

necessary or advisable in order that any such sale may be made in compliance with law. Upon any such sale the Indenture Trustee shall have the right to deliver, assign and transfer to the purchaser thereof the Collateral so sold. Each purchaser at any such sale shall hold the Collateral so sold to it absolutely and free from any claim or right of whatsoever kind, including any equity or right of redemption of the Trust which may be waived, and the Trust, to the extent permitted by law, specifically waives all rights of redemption, stay or appraisal which it has or may have under any law. The notice (if any) of such sale shall (A) in the case of a public sale, state the time and place fixed for such sale, and (B) in the case of a private sale, state the day after which such sale may be consummated. Any such public sale shall be held at such time or times within ordinary business hours and at such place or places as the Indenture Trustee may fix in the notice of such sale. At any such sale the Collateral may be sold in one lot as an entirety or in separate parcels, as the Indenture Trustee may determine. The Indenture Trustee shall not be obligated to make any such sale pursuant to any such notice. The Indenture Trustee may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for the sale, and such sale may be made at any time or place to which the same may be so adjourned. In the case of any sale of all or any part of the Collateral on credit or for future delivery, the Collateral so sold may be retained by the Indenture Trustee until the selling price is paid by the purchaser thereof, but the Indenture Trustee shall not incur any liability in the case of the failure of such purchaser to take up and pay for the Collateral so sold and, in the case of any such failure, such Collateral may again be sold

upon like notice. The Indenture Trustee, instead of exercising the power of sale conferred upon it in the Indenture, may proceed by a suit or suits at law or in equity to foreclose a Security Interest and sell any Collateral, or any portion thereof, under a judgment or decree of a court or courts of competent jurisdiction.

SECTION 14.7 LIMITATION ON DUTIES OF INDENTURE TRUSTEE WITH RESPECT TO COLLATERAL. Beyond the exercise of reasonable care in the custody thereof, the Indenture Trustee shall have no duty as to any portion of the Collateral in its possession or control or in the possession or control of any agent or bailee or as to the preservation of rights against prior parties or any other rights pertaining thereto. The Indenture Trustee shall be deemed to have exercised reasonable care in the custody of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which it accords property it holds in its fiduciary capacity generally, and shall not be liable or responsible for any loss or damage to any of the Collateral, or for any diminution in the value thereof, by reason of the act or omission of any warehouseman, carrier, forwarding agency, consignee or other agent or bailee selected by the Indenture Trustee in good faith.

SECTION 14.8 CONCERNING THE INDENTURE TRUSTEE. In furtherance and not in derogation of the rights, privileges and immunities of the Indenture Trustee specified in the Indenture:

- (a) the Indenture Trustee is authorized to take all such action as is provided to be taken by it as Indenture Trustee under this Article and all other action reasonably incidental thereto. As to any matters not expressly provided for in this Article (including, without limitation, the timing and methods of realization upon any Collateral) the Indenture Trustee shall act or refrain from acting in accordance with written instructions from the Holder or

76

Holders of the required percentage of aggregate principal amount of Notes for any instructions or, in the absence of such instructions, in accordance with its discretion; and

- (b) the Indenture Trustee shall not be responsible for the existence, genuineness or value of any of the Collateral or for the validity, perfection, priority or enforceability of the Security Interest in any of the Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part under the Indenture.

SECTION 14.9 TERMINATION OF SECURITY INTEREST. Upon the repayment in full of all Obligations, the Security Interest shall terminate and all rights to the Collateral shall revert to the Trust. Upon such termination of a Security Interest, and delivery of a certificate by the Trust to such effect, the Indenture Trustee will, at the expense of the Trust, execute and deliver to the Trust such documents as the Trust shall reasonably request to evidence the termination of the Security Interest.

77

EXHIBIT A-1

Form of Global Security for Secured Medium Term Notes Program

A1-1

EXHIBIT A-2

Form of Definitive Security for Secured Medium Term Notes Program

A2-1

EXHIBIT A-3

Form of Global Security for Allstate Life(SM) CoreNotes(SM) Program

A3-1

EXHIBIT A-4

Form of Definitive Security for Allstate Life(SM) CoreNotes(SM) Program

A4-1

EXHIBIT B

This Note Certificate is one of the Note Certificates representing Notes described in the within-mentioned Indenture and is being issued in accordance with Section 2.5(f) of the Indenture.

J.P. MORGAN TRUST COMPANY, NATIONAL ASSOCIATION,
as Indenture Trustee

By: _____
Authorized Signatory

Dated:

B-1

EXHIBIT C

FORM OF ANNUAL STATEMENT OF COMPLIANCE

I [identify the certifying individual], a duly elected and acting officer of J.P. Morgan Trust Company, National Association ("Indenture Trustee"), do hereby certify on behalf of the Indenture Trustee, that:

1. I have reviewed and examined the performance by the Indenture Trustee of the application of trust money collected by the Indenture Trustee pursuant to Section 5.3 of the Indenture under which the Trust's notes (the "Notes") were issued during the fiscal year ending December 31, - (the "Relevant Year"); and

2. Based upon my review and examination described in 1 above, and except as provided in the Independent Auditor's Report, dated -, 200-, prepared by the Trust's independent public accountants in accordance with Section 7.5 of the Indenture, to the best of my knowledge, the application of trust money collected by the Indenture Trustee pursuant to Section 5.3 of the Indenture was performed in accordance with the terms of the Indenture throughout the Relevant Year.

J.P. Morgan Trust Company, National Association, as Indenture Trustee

By: _____
Name:
Title:

Date: _____

C-1

STANDARD FUNDING NOTE INDENTURE TERMS

WITH RESPECT TO

ALLSTATE LIFE GLOBAL FUNDING

TABLE OF CONTENTS

PAGE ARTICLE 1 DEFINITIONS SECTION 1.1 CERTAIN TERMS
 DEFINED.....1 SECTION 1.2
 INTERPRETATION.....10
 ARTICLE 2 THE FUNDING NOTE SECTION 2.1 AMOUNT
 UNLIMITED.....10
 SECTION 2.2 STATUS OF FUNDING
 NOTE.....10 SECTION 2.3
 FORMS
 GENERALLY.....10
 SECTION 2.4 CURRENCY;
 DENOMINATIONS.....11 SECTION
 2.5 EXECUTION, AUTHENTICATION, DELIVERY AND
 DATE.....12 SECTION 2.6 REGISTRATION, TRANSFER AND
 EXCHANGE.....13 SECTION 2.7 MUTILATED,
 DESTROYED, LOST OR STOLEN FUNDING NOTE CERTIFICATES.....15 SECTION
 2.8 INTEREST RECORD
 DATES.....16 SECTION 2.9
 CANCELLATION.....16
 SECTION 2.10 WITHHOLDING
 TAX.....17 SECTION
 2.11 TAX
 TREATMENT.....18
 ARTICLE 3 REDEMPTION, REPAYMENT AND REPURCHASE OF FUNDING NOTE; SINKING
 FUNDS SECTION 3.1 REDEMPTION OF FUNDING
 NOTE.....18 SECTION 3.2
 REPAYMENT AT THE OPTION OF THE
 HOLDER.....21 SECTION 3.3 REPURCHASE OF
 FUNDING NOTE.....22 SECTION 3.4
 SINKING
 FUNDS.....22
 ARTICLE 4 PAYMENTS; PAYING AGENTS AND CALCULATION AGENT; COVENANTS
 SECTION 4.1 PAYMENT OF PRINCIPAL AND
 INTEREST.....22 SECTION 4.2 OFFICES FOR
 PAYMENTS, ETC.....25 SECTION
 4.3 APPOINTMENT TO FILL A VACANCY IN OFFICE OF FUNDING NOTE INDENTURE
 TRUSTEE.....25 SECTION
 4.4 PAYING
 AGENTS.....25
 SECTION 4.5 CALCULATION
 AGENT.....29 SECTION
 4.6 CERTIFICATE TO FUNDING NOTE INDENTURE
 TRUSTEE.....31 SECTION 4.7 NEGATIVE
 COVENANTS.....31 SECTION
 4.8 ADDITIONAL
 AMOUNTS.....34

ARTICLE 5

REMEDIES OF THE FUNDING NOTE INDENTURE TRUSTEE AND HOLDERS ON EVENT OF DEFAULT

SECTION 5.1 EVENT OF DEFAULT DEFINED; ACCELERATION OF MATURITY; WAIVER OF
 DEFAULT.....36
 SECTION 5.2 COLLECTION OF INDEBTEDNESS BY FUNDING NOTE INDENTURE
 TRUSTEE; FUNDING NOTE INDENTURE TRUSTEE MAY PROVE DEBT.....39
 SECTION 5.3 APPLICATION OF PROCEEDS.....41
 SECTION 5.4 SUITS FOR ENFORCEMENT.....42
 SECTION 5.5 RESTORATION OF RIGHTS ON ABANDONMENT OF PROCEEDINGS.....43
 SECTION 5.6 LIMITATIONS ON SUITS BY HOLDERS.....43
 SECTION 5.7 POWERS AND REMEDIES CUMULATIVE; DELAY OR OMISSION NOT WAIVER
 OF DEFAULT.....44
 SECTION 5.8 CONTROL BY THE HOLDERS.....45
 SECTION 5.9 WAIVER OF PAST DEFAULTS.....45

ARTICLE 6

THE FUNDING NOTE INDENTURE TRUSTEE

SECTION 6.1	CERTAIN DUTIES AND RESPONSIBILITIES.....	46
SECTION 6.2	CERTAIN RIGHTS OF THE FUNDING NOTE INDENTURE TRUSTEE.....	47
SECTION 6.3	NOT RESPONSIBLE FOR RECITALS, VALIDITY OF THE FUNDING NOTE OR APPLICATION OF THE PROCEEDS.....	48
SECTION 6.4	MAY HOLD FUNDING NOTE; COLLECTIONS, ETC.....	49
SECTION 6.5	FUNDS HELD BY FUNDING NOTE INDENTURE TRUSTEE.....	49
SECTION 6.6	COMPENSATION; REIMBURSEMENT; INDEMNIFICATION.....	49
SECTION 6.7	CORPORATE TRUSTEE REQUIRED; ELIGIBILITY.....	50
SECTION 6.8	RESIGNATION AND REMOVAL; APPOINTMENT OF SUCCESSOR TRUSTEE.....	50
SECTION 6.9	ACCEPTANCE OF APPOINTMENT BY SUCCESSOR TRUSTEE.....	52
SECTION 6.10	MERGER, CONVERSION, CONSOLIDATION OR SUCCESSION TO BUSINESS OF FUNDING NOTE INDENTURE TRUSTEE.....	53
SECTION 6.11	LIMITATIONS ON RIGHTS OF FUNDING NOTE INDENTURE TRUSTEE AS CREDITOR.....	53

ARTICLE 7

HOLDERS' LISTS AND REPORTS BY FUNDING NOTE INDENTURE TRUSTEE AND TRUST

SECTION 7.1	GLOBAL FUNDING TO FURNISH FUNDING NOTE INDENTURE TRUSTEE NAMES AND ADDRESSES OF HOLDERS.....	53
SECTION 7.2	PRESERVATION OF INFORMATION; COMMUNICATION TO HOLDERS.....	54
SECTION 7.3	REPORTS BY FUNDING NOTE INDENTURE TRUSTEE.....	54
SECTION 7.4	REPORTS BY TRUST.....	55

ARTICLE 8

CONCERNING EACH HOLDER

SECTION 8.1	EVIDENCE OF ACTION TAKEN BY A HOLDER.....	56
-------------	---	----

ii

SECTION 8.2	PROOF OF EXECUTION OF INSTRUMENTS AND OF HOLDING OF FUNDING NOTE.....	56
SECTION 8.3	VOTING RECORD DATE.....	57
SECTION 8.4	PERSONS DEEMED TO BE OWNERS.....	57
SECTION 8.5	FUNDING NOTE OWNED BY TRUST DEEMED NOT OUTSTANDING.....	57
SECTION 8.6	RIGHT OF REVOCATION OF ACTION TAKEN; BINDING EFFECT OF ACTIONS BY HOLDERS.....	58

ARTICLE 9

SUPPLEMENTAL FUNDING NOTE INDENTURES

SECTION 9.1	SUPPLEMENTAL FUNDING NOTE INDENTURES WITHOUT CONSENT OF HOLDERS.....	58
SECTION 9.2	SUPPLEMENTAL FUNDING NOTE INDENTURES WITH CONSENT OF HOLDERS.....	60
SECTION 9.3	COMPLIANCE WITH TRUST INDENTURE ACT; EFFECT OF SUPPLEMENTAL FUNDING NOTE INDENTURE.....	61
SECTION 9.4	DOCUMENTS TO BE GIVEN TO FUNDING NOTE INDENTURE TRUSTEE.....	61
SECTION 9.5	NOTATION ON FUNDING NOTE CERTIFICATES IN RESPECT OF SUPPLEMENTAL FUNDING NOTE INDENTURES.....	61

ARTICLE 10

CONSOLIDATION, MERGER, SALE OR CONVEYANCE

SECTION 10.1	TRUST MAY MERGE, CONSOLIDATE, SELL OR CONVEY PROPERTY UNDER CERTAIN CIRCUMSTANCES.....	62
--------------	---	----

ARTICLE 11

SATISFACTION AND DISCHARGE OF INDENTURE; UNCLAIMED FUNDS

SECTION 11.1	SATISFACTION AND DISCHARGE OF INDENTURE.....	62
SECTION 11.2	APPLICATION BY FUNDING NOTE INDENTURE TRUSTEE OF FUNDS DEPOSITED FOR PAYMENT OF FUNDING NOTE.....	63
SECTION 11.3	REPAYMENT OF FUNDS HELD BY PAYING AGENT.....	63
SECTION 11.4	RETURN OF FUNDS HELD BY FUNDING NOTE INDENTURE TRUSTEE AND PAYING AGENT.....	63

ARTICLE 12

MEETINGS OF HOLDERS OF FUNDING NOTE

SECTION 12.1	PURPOSES FOR WHICH MEETINGS MAY BE CALLED.....	64
SECTION 12.2	CALL, NOTICE AND PLACE OF MEETINGS.....	64
SECTION 12.3	PERSONS ENTITLED TO VOTE AT MEETINGS.....	65
SECTION 12.4	QUORUM; ACTION.....	65
SECTION 12.5	DETERMINATION OF VOTING RIGHTS; CONDUCT OF ADJOURNMENT OF MEETINGS.....	66
SECTION 12.6	COUNTING VOTES AND RECORDING ACTION OF MEETINGS.....	67

iii

ARTICLE 13
MISCELLANEOUS PROVISIONS

SECTION 13.1	NO RECOURSE.....	67
SECTION 13.2	PROVISIONS OF INDENTURE FOR THE SOLE BENEFIT OF PARTIES AND HOLDERS.....	68
SECTION 13.3	SUCCESSORS AND ASSIGNS OF TRUST BOUND BY INDENTURE.....	68
SECTION 13.4	NOTICES AND DEMANDS ON TRUST, FUNDING NOTE INDENTURE TRUSTEE AND ANY HOLDER.....	68
SECTION 13.5	TRUST CERTIFICATES AND OPINIONS OF COUNSEL; STATEMENTS TO BE CONTAINED THEREIN.....	70
SECTION 13.6	GOVERNING LAW.....	71
SECTION 13.7	COUNTERPARTS.....	71
SECTION 13.8	TRUST INDENTURE ACT TO CONTROL.....	72
SECTION 13.9	JUDGMENT CURRENCY.....	72

ARTICLE 14
SECURITY INTEREST

SECTION 14.1	SECURITY INTEREST.....	73
SECTION 14.2	REPRESENTATIONS AND WARRANTIES.....	74
SECTION 14.3	ADDITIONAL REPRESENTATIONS AND WARRANTIES.....	74
SECTION 14.4	FURTHER ASSURANCES; COVENANTS.....	76
SECTION 14.5	GENERAL AUTHORITY.....	77
SECTION 14.6	REMEDIES UPON EVENT OF DEFAULT.....	78
SECTION 14.7	LIMITATION ON DUTIES OF FUNDING NOTE INDENTURE TRUSTEE WITH RESPECT TO COLLATERAL.....	78
SECTION 14.8	CONCERNING THE FUNDING NOTE INDENTURE TRUSTEE.....	79
SECTION 14.9	TERMINATION OF SECURITY INTEREST.....	79

- EXHIBIT A-1 FORM OF FUNDING NOTE RELATED TO SECURED MEDIUM TERM NOTES
ISSUED UNDER THE SECURED MEDIUM TERM NOTES PROGRAM
EXHIBIT A-2 FORM OF FUNDING NOTE RELATED TO SECURED MEDIUM TERM NOTES ISSUED
UNDER THE ALLSTATE LIF(SM) CORENOTES(M) PROGRAM
EXHIBIT B FORM OF CERTIFICATE OF AUTHENTICATION

iv

RECONCILIATION TABLE

Trust Indenture Act Section Funding Note Indenture Section Section 310(a)	
(1).....	6.7 (a)
(2).....	6.7
(b).....	6.8
Section	
311(a).....	6.11
Section 312(a)	
.....	7.1
(b).....	7.2
(c).....	7.2
Section	
313(a).....	7.3(b)
(b).....	7.3(c)
(c).....	7.3(d)
(d).....	7.3(d)
Section 314(a)	
.....	7.4
(b).....	7.3(f)
(c)(1)	
.....	13.5(a) (c)
(2).....	13.5(a)
(e).....	13.5(b)
(f).....	13.5(a)
Section 315(c)	
.....	6.1(b) Section
316(a) (last sentence).....	8.5 (a)(1)
(A).....	5.8 (a)
(1)(B).....	5.9
(b).....	5.6
Section 317(a)	
(1).....	5.2(c) (a)(2)
.....	5.2(c)
(b).....	4.4(a)
Section 318(a)	
.....	13.8 (c)
.....	13.8

This reconciliation table shall not be deemed to be part of the Funding Note Indenture for any purpose.

Attention should also be directed to Section 318(c) of the Trust Indenture Act, which provides that certain provisions of Sections 310 to and including 317 are a part of and govern every qualified indenture, whether or not physically contained in the Funding Note Indenture.

This document constitutes the Standard Funding Note Indenture Terms, which will be incorporated by reference in the Funding Note Indenture (as defined below), by and among Global Funding (as defined below) and the Indenture Trustee (as defined below).

These Standard Funding Note Indenture Terms shall be of no force and effect unless and until incorporated by reference into, and then only to the extent not modified by, such Funding Note Indenture.

The following Standard Funding Note Indenture Terms shall govern the Funding Note subject to contrary terms and provisions expressly adopted in the Funding Note Indenture, any Supplemental Funding Note Indenture or the Funding Note, which contrary terms shall be controlling.

ARTICLE 1 DEFINITIONS

SECTION 1.1 CERTAIN TERMS DEFINED. The following terms shall have the meanings specified in this Section for all purposes of the Funding Note Indenture and the Funding Note, unless otherwise expressly provided. All other terms used in the Funding Note Indenture which are defined in the Trust Indenture Act or which are by reference therein defined in the Securities Act shall have the meanings (except as otherwise expressly provided in the Funding Note Indenture or unless the context otherwise clearly requires) assigned to such terms in the Trust Indenture Act and in the Securities Act as in force at the date of the Funding Note Indenture as originally executed.

"ADDITIONAL AMOUNTS" means any additional amounts which may be required by the Funding Note, under circumstances specified in the Funding Note Certificate or Supplemental Funding Note Indenture, to be paid by Global Funding in respect of certain taxes, assessments or other governmental charges imposed on Holders specified therein and which are owing to such Holders.

"ADMINISTRATIVE SERVICES AGREEMENT" means that certain administrative services agreement included in Section - of the Series Instrument, by and between the Issuing Trust and the Administrator, as the same may be amended, modified, restated, supplemented and/or replaced from time to time.

"ADMINISTRATOR" means AMACAR Pacific Corp., a Delaware corporation, in its capacity as the sole administrator of the Issuing Trust, and its permitted successors and assigns.

"AFFILIATE" means, as applied to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, that Person and, in the case of an individual, any spouse or other member of that individual's immediate family. For the purposes of this definition, "control" (including with correlative meanings, the terms "controlling", "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities or by contract or otherwise.

1

"AGENTS" has the meaning set forth in the Distribution Agreement.

"AMENDED AND RESTATED ADMINISTRATIVE SERVICES AGREEMENT" means that certain Amended and Restated Administrative Services Agreement dated as of - , 2004, between the Global Funding Administrator and Global Funding, as the same may be amended, restated, modified, supplemented or replaced from time to time.

"AMENDED AND RESTATED SUPPORT AGREEMENT" means that certain Amended and Restated Support Agreement dated as of - , 2004, between the Funding Agreement Provider and Global Funding, as the same may be amended, restated, modified, supplemented or replaced from time to time.

"AMENDED AND RESTATED TRUST AGREEMENT" means that certain Amended and Restated Trust Agreement dated as of - , 2004, pursuant to which Global Funding is created, as the same may be amended, restated, modified, supplemented or replaced from time to time.

"ANNUAL REDEMPTION PERCENTAGE REDUCTION" has the meaning specified in the Funding Note Certificate.

"BUSINESS DAY" means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which commercial banks are authorized or required by law, regulation or executive order to close in The City of New York; PROVIDED, HOWEVER, that, with respect to a Foreign Currency Funding Note, the day must also not be a day on which commercial banks are authorized or required by law, regulation or executive order to close in the Principal Financial Center of the country issuing the Specified Currency (or, if the Specified Currency is Euro, the day must also be a day on which the Target System is open).

"CALCULATION AGENT" means the Funding Note Indenture Trustee in its

capacity as calculation agent or any other Person specified as calculation agent with respect to the Funding Note in the Funding Note Certificate.

"CLOSING INSTRUMENT" means the closing instrument of the Issuing Trust, pursuant to which the Indenture and the Funding Note Indenture are entered into, and certain other documents are executed, in connection with the issuance of the Notes by the Issuing Trust and the issuance of the Funding Note by Global Funding.

"CODE" means the United States Internal Revenue Code of 1986, as amended, including any successor statutes and any applicable rules, regulations, notices or orders promulgated thereunder.

"COLLATERAL" means, with respect to the Funding Note, the right, title and interest of the Trust in and to (i) each Funding Agreement held in the Trust, (ii) all Proceeds in respect of each such Funding Agreement and (iii) all books and records (including without limitation, computer programs, printouts and other computer materials and files) of Global Funding pertaining to the Funding Agreement(s).

"COMMISSION" means the Securities and Exchange Commission, as from time to time constituted, created under the Securities Exchange Act of 1934, as amended, or, if at any time

2

after the execution of the Funding Note Indenture such Commission is not existing and performing the duties now assigned to it under the Trust Indenture Act, then the body performing such duties at such time.

"COORDINATION AGREEMENT" means that certain Coordination Agreement included in Section - of the Series Instrument, among the Funding Agreement Provider, the Issuing Trust and the Indenture Trustee, as the same may be amended, modified or supplemented from time to time.

"CORPORATE TRUST OFFICE" means the office of the Funding Note Indenture Trustee at which the Funding Note Indenture shall, at any particular time, be principally administered, which office is, at the date as of the Funding Note Indenture located at 201 North Central Avenue, Phoenix, AZ 85004, except that for the purposes of Section 4.2 it shall be 55 Water Street, 1st Floor, Jeannette Park Entrance, New York, New York 10041, or such other location as may be specified in or pursuant to the Funding Note Certificate.

"DEBT" of any Person means, at any date, without duplication, (i) all obligations of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business, all obligations of such Person as lessee which are capitalized in accordance with generally accepted accounting principles, (iv) all contingent and non-contingent obligations of such Person to reimburse any bank or other Person in respect of amounts paid under a letter of credit or similar instrument, (v) all Debt secured by a Lien on any asset of such Person, whether or not such Debt is otherwise an obligation of such Person, and (vi) all Guarantees by such Person of Debt of another Person (each such Guarantee to constitute Debt in an amount equal to the amount of such other Person's Debt Guaranteed thereby).

"DEFAULTED INTEREST" has the meaning specified in Section 2.8(b).

"DELAWARE TRUSTEE" means Wilmington Trust Company, a Delaware banking corporation not in its individual capacity but solely as trustee and its successors.

"DISTRIBUTION AGREEMENT" means that certain Distribution Agreement dated as of -, 2004, by and among Global Funding and the Agents named therein, as the same may be amended, restated, modified or supplemented from time to time.

"EURO" means the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the treaty establishing the European Community, as amended by the Treaty on European Union.

"EVENT OF DEFAULT" means any event or condition specified as such in Section 5.1 which shall have continued for the period of time, if any, therein designated.

"EXCHANGE ACT" means the Securities Exchange Act of 1934, as amended.

3

"EXCHANGE RATE AGENT" means the Funding Note Indenture Trustee in its capacity as exchange rate agent or any other person specified as exchange rate agent with respect to the Funding Note in the Funding Note Certificate.

"FOREIGN CURRENCY FUNDING NOTE" means a Funding Note the Specified Currency of which is other than U.S. Dollars.

"FUNDING AGREEMENT" means each funding agreement issued by the Funding Agreement Provider to Global Funding, which is immediately sold to and deposited into, the Issuing Trust by Global Funding, and immediately pledged and collaterally assigned by the Issuing Trust to the Indenture Trustee for the benefit of the Holders of the Notes, as the same may be modified, restated, replaced, supplemented or otherwise amended from time to time in accordance with the terms thereof.

"FUNDING AGREEMENT PROVIDER" means Allstate Life Insurance Company, a stock life insurance company organized under the laws of the State of Illinois.

"FUNDING NOTE" means each funding note issued by Global Funding and authenticated by the Funding Note Indenture Trustee under the Funding Note Indenture, each in an authorized denomination and represented, individually, or collectively, by the Funding Note Certificate.

"FUNDING NOTE CERTIFICATE" means a security certificate representing the Funding Note.

"FUNDING NOTE INDENTURE" means that certain Funding Note Indenture included in Section - of the Closing Instrument, between Global Funding and the Funding Note Indenture Trustee, as the same may be amended, restated or supplemented from time to time.

"FUNDING NOTE INDENTURE TRUSTEE" means J.P. Morgan Trust Company, National Association, and its successors.

"FUNDING NOTE REGISTER" has the meaning specified in Section 2.6(a).

"FUNDING NOTE REGISTRAR" has the meaning specified in Section 2.6(a).

"GLOBAL FUNDING" means Allstate Life Global Funding, a statutory trust formed under the laws of the State of Delaware.

"GLOBAL FUNDING ADMINISTRATOR" means AMACAR Pacific Corp., a Delaware corporation, in its capacity as the sole administrator of Global Funding, and its permitted successors and assigns.

"GLOBAL FUNDING TRUST BENEFICIAL OWNER" means AMACAR Pacific Corp., in its capacity as the sole beneficial owner of Global Funding, and its successors.

"GUARANTEE" by any Person means any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing any Debt of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such

4

Debt (whether arising by virtue of partnership arrangements, by virtue of an agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise), (ii) to reimburse a bank for amounts drawn under a letter of credit for the purpose of paying such Debt or (iii) entered into for the purpose of assuring in any other manner the holder of such Debt of the payment thereof or to protect such holder against loss in respect thereof (in whole or in part); PROVIDED that the term "GUARANTEE" shall not include endorsements for collection or deposit in the ordinary course of business.

The term "GUARANTEE" used as a verb has a corresponding meaning.

"HOLDER" means, with respect to the Funding Note, the Person in whose name such Funding Note is registered in the Funding Note Register.

"HOLDER REPRESENTATIVE" has the meaning set forth in Section 5.8(a).

"IMMEDIATE REDEMPTION PRICE" has the meaning set forth in Section 3.1(i).

"INCORPORATED PROVISION" has the meaning set forth in Section 13.8.

"INDENTURE" means that certain Indenture included in Section - of the Closing Instrument, between the Issuing Trust and the Indenture Trustee, as the same may be amended, restated or supplemented from time to time.

"INDENTURE TRUSTEE" means J.P. Morgan Trust Company, National Association, and its successors.

"INITIAL REDEMPTION DATE" means, with respect to the Funding Note or portion thereof to be redeemed pursuant to Section 3.1(b), the date on or after which such Funding Note or portion thereof may be redeemed as determined by or pursuant to the Funding Note Indenture or the Funding Note Certificate or Supplemental Funding Note Indenture.

"INITIAL REDEMPTION PERCENTAGE" has the meaning specified in the Funding Note Certificate.

"INTEREST PAYMENT DATE" has the meaning specified in Section 2.8(a).

"INTEREST RESET DATE" has the meaning specified in the Funding Note Certificate.

"ISSUING TRUST" means the Allstate Life Global Funding Trust specified in the Series Instrument, together with its permitted successors and assigns.

"LIBOR", has the meaning ascribed in the Funding Note Certificate.

"LIBOR CURRENCY" means the currency specified in the Funding Note Certificate as to which LIBOR shall be calculated or, if no currency is specified in the applicable Funding Note Certificate, United States dollars.

5

"LIEN" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind, or any other type of preferential arrangement that has substantially the same practical effect as a security interest, in respect of such asset. For purposes hereof, Global Funding shall be deemed to own subject to a Lien any asset which it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement relating to such asset.

"MARKET EXCHANGE RATE" for a Specified Currency other than United States dollars means the noon dollar buying rate in The City of New York for cable transfers for the Specified Currency as certified for customs purposes (or, if not so certified, as otherwise determined) by the Federal Reserve Bank of New York.

"MATURITY DATE" means, with respect to the principal (or any installment of principal) of the Funding Note, any date prior to the Stated Maturity Date on which the principal (or such installment of principal) of the Funding Note becomes due and payable whether, as applicable, by the declaration of acceleration of maturity, notice of redemption at the option of Global Funding, notice of the Holder's option to elect repayment or otherwise.

"NAME LICENSING AGREEMENT" means that certain Name Licensing Agreement included in Section - of the Series Instrument, between Allstate Insurance Company and the Issuing Trust, as the same may be amended, restated, modified, supplemented or replaced from time to time.

"NONRECOURSE PARTIES" has the meaning set forth in Section 13.1.

"NOTE" means each medium term note issued by the Issuing Trust and authenticated by the Indenture Trustee under the Indenture, each in an authorized denomination and represented, individually or collectively, by the Note Certificate.

"NOTE CERTIFICATE" means a security certificate representing one or more Notes.

"OBLIGATIONS" means the obligations of Global Funding secured under the Funding Note and the Funding Note Indenture, including (a) all principal of, any premium and interest payable (including, without limitation, any interest which accrues after the commencement of any case, proceeding or other action relating to the bankruptcy, insolvency or reorganization of Global Funding, whether or not allowed or allowable as a claim in any such proceeding) on, and any Additional Amounts with respect to, the Funding Note or pursuant to the Funding Note Indenture, (b) all other amounts payable by Global Funding under the Funding Note Indenture or under the Funding Note including all costs and expenses (including attorneys' fees) incurred by the Funding Note Indenture Trustee or any Holder thereof in realizing on the Collateral to satisfy such obligations and (c) any renewals or extensions of the foregoing.

"OPINION OF COUNSEL" means an opinion in writing signed by legal counsel who may be an employee of or counsel to Global Funding or the Funding Note Indenture Trustee or who may be other counsel satisfactory to the Funding Note Indenture Trustee. Each such opinion shall include the statements provided for in Section 13.5 hereof, if and to the extent required hereby.

"ORIGINAL ISSUE DATE" shall have the meaning set forth in the Pricing Supplement.

6

["OUTSTANDING" shall, subject to the provisions of Section 8.5, mean, as of any particular time, the Funding Note represented by the Funding Note Certificate executed by Global Funding and authenticated and delivered by the Funding Note Indenture Trustee under the Funding Note Indenture, except (a) the Funding Note represented by the Funding Note Certificate theretofore cancelled by the Funding Note Indenture Trustee or delivered to the Funding Note Indenture Trustee for cancellation; (b) the Funding Note as to which funds for the full payment or redemption of which in the necessary amount shall have been deposited in trust with the Funding Note Indenture Trustee or with any Paying Agent;

PROVIDED that if such Funding Note is to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as provided in or pursuant to the Funding Note Indenture, or provision satisfactory to the Funding Note Indenture Trustee shall have been made for giving such notice; and (c) the Funding Note represented by the Funding Note Certificate in substitution for which one or more other Funding Note Certificates shall have been authenticated and delivered pursuant to the terms of Section 2.5 or which shall have been paid (unless proof satisfactory to the Funding Note Indenture Trustee is presented that any of such Funding Note is held by a Person in whose hands such Funding Note is a legal, valid and binding obligation of Global Funding).]

"OWNER" shall, with respect to each Funding Agreement, have the meaning specified in such Funding Agreement.

"PAYING AGENT" means the Funding Note Indenture Trustee in its capacity as paying agent and its successors, and any other Person specified as paying agent with respect to the Funding Note in the Funding Note Certificate.

"PERSON" means any natural person, corporation, limited partnership, general partnership, joint stock company, joint venture, association, company, limited liability company, trust (including any beneficiary thereof), bank, trust company, land trust, trust or other organization, whether or not a legal entity, and any government or any agency or political subdivision thereof.

"PRICING SUPPLEMENT" means the pricing supplement included as Exhibit - to the Series Instrument.

"PRINCIPAL AMOUNT" with respect to a Funding Agreement, has the meaning ascribed in such Funding Agreement.

"PRINCIPAL FINANCIAL CENTER" means, as applicable (i) the capital city of the country issuing the Specified Currency; or (ii) the capital city of the country to which the LIBOR Currency relates; PROVIDED, HOWEVER, that with respect to United States dollars, Australian dollars, Canadian dollars, Portuguese escudos, South African rands and Swiss francs, the "Principal Financial Center" shall be The City of New York, Sydney, Toronto, London (solely in the case of the LIBOR Currency), Johannesburg and Zurich, respectively.

"PROCEEDS" means all of the proceeds of, and all other profits, products, rents, principal payments, interest payments or other receipts, in whatever form, arising from the collection, sale, lease, exchange, assignment, licensing or other disposition or maturity of, or other realization upon, a Funding Agreement, including without limitation all claims of Global Funding against

7

third parties for loss of, damage to or destruction of, or for proceeds payable under, such Funding Agreement, in each case whether now existing or hereafter arising.

"REDEMPTION DATE" means, with respect to a Funding Note to be redeemed, pursuant to Section 3.1(b) or Section 3.1(c), the date of redemption of such Funding Note specified in the relevant notice of redemption provided to the Funding Note Indenture Trustee pursuant to Section 3.1(d).

"REDEMPTION PRICE" means, with respect to the Funding Note, an amount equal to the Initial Redemption Percentage specified in the Funding Note Certificate (as adjusted by the Annual Redemption Percentage Reduction, if applicable) multiplied by the unpaid principal amount thereof to be redeemed.

"REGULAR INTEREST RECORD DATE" has the meaning set forth in Section 2.8(a).

"REPAYMENT DATE" means, with respect to a Funding Note or portion thereof to be repaid pursuant to Section 3.2, the date for the repayment of such Funding Note or portion thereof as determined by or pursuant to the Funding Note Indenture or the Funding Note Certificate or Supplemental Funding Note Indenture.

"REPAYMENT PRICE" means, with respect to a Funding Note or portion thereof to be repaid pursuant to Section 3.2, the price for repayment of such Funding Note or portion thereof as determined by, or pursuant to, the Funding Note Indenture or the Funding Note Certificate or Supplemental Funding Note Indenture.

"RESPONSIBLE OFFICER" when used with respect to any Person means the chairman of the board of directors or any vice chairman of the board of directors or the president or any vice president (whether or not designated by a number or numbers or a word or words added before or after the title "vice president") of such Person. With respect to Global Funding, Responsible Officer means any Responsible Officer (as defined in the preceding sentence) plus any assistant secretary and any financial services officer of the Delaware Trustee, and with respect to the Delaware Trustee or the Funding Note Indenture Trustee, Responsible Officer means any Responsible Officer (as defined in the first sentence of this definition) plus the chairman of the trust committee, the chairman of the executive committee, any vice chairman of the executive committee, the cashier, the secretary, the treasurer, any trust officer, any assistant trust officer, any assistant vice president, any assistant cashier,

any assistant secretary, any assistant treasurer, or any other authorized officer of the Delaware Trustee or Funding Note Indenture Trustee customarily performing functions similar to those performed by the Persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of his knowledge of and familiarity with the particular subject.

"SECURITIES ACT" means the Securities Act of 1933, as amended.

"SECURITY INTEREST" has the meaning set forth in Section 14.1(a).

"SERIES INSTRUMENT" means the series instrument of the Issuing Trust, pursuant to which the Administrative Services Agreement, the Coordination Agreement, the Name Licensing Agreement, the Support Agreement, the Terms Agreement and the Trust Agreement are entered

8

into, and certain other documents are executed, in connection with the issuance of the Notes by the Issuing Trust.

"SPECIAL INTEREST RECORD DATE" has the meaning set forth in Section 2.8(b).

"SPECIFIED CURRENCY" has the meaning specified in Section 2.4.

"STATED MATURITY DATE," means with respect to the Funding Note, any installment of principal thereof, or interest thereon, any premium thereon or any Additional Amounts with respect thereto, the date established by or pursuant to the Funding Note Indenture or Funding Note Certificate or Supplemental Funding Note Indenture as the date on which the principal of such Funding Note or such installment of principal or interest or such premium is, or such Additional Amounts are, due and payable.

"SUPPLEMENTAL FUNDING NOTE INDENTURE" has the meaning specified in Section 9.1(a).

"SUPPORT AGREEMENT" means that certain Support and Expenses Agreement included in Section - of the Series Instrument, by and between the Funding Agreement Provider and the Issuing Trust, as the same may be amended, modified or supplemented from time to time.

"TARGET SYSTEM" means the Trans-European Automated Real Time Gross Settlement Express Transfer (TARGET) System.

"TAX EVENT" has the meaning specified in Section 3.1(c).

"TERMS AGREEMENT" means that certain Terms Agreement included in Section - of the Series Instrument, by and among Global Funding, the Issuing Trust and each Agent named therein, which will incorporate by reference the terms of the Distribution Agreement.

"TRUST AGREEMENT" means that certain Trust Agreement included in Section - of the Series Instrument, among the Delaware Trustee, the Administrator and the Trust Beneficial Owner.

"TRUST BENEFICIAL OWNER" means Global Funding, in its capacity as the sole beneficial owner of the Issuing Trust, and its successors.

"TRUST CERTIFICATE" means a certificate signed by the Global Funding Administrator on behalf of Global Funding and delivered to the Funding Note Indenture Trustee. Each such certificate shall include the statements provided for in Section 13.5.

"TRUST INDENTURE ACT" shall mean the Trust Indenture Act of 1939, as amended.

"UCC" means the Uniform Commercial Code, as from time to time in effect in the State of New York; PROVIDED THAT, with respect to the perfection, effect of perfection or non-perfection, or priority of any security interest in the Collateral, "UCC" shall mean the applicable jurisdiction whose law governs such perfection, non-perfection or priority.

9

"UNITED STATES", except as otherwise provided in or pursuant to the Funding Note Indenture or the Funding Note Certificate, means the United States of America (including the states thereof and the District of Columbia), its territories and possessions and other areas subject to its jurisdiction.

"UNITED STATES DOLLARS", "U.S. DOLLARS" or "\$" means lawful currency of the United States.

SECTION 1.2 INTERPRETATION. For all purposes of the Funding Note Indenture except as otherwise expressly provided or unless the context otherwise requires:

- (a) the terms defined in this Article shall have the meanings ascribed to them in this Article and shall include the plural as well as the singular;
- (b) all accounting terms used and not expressly defined shall have the meanings given to them in accordance with United States generally accepted accounting principles, and the term "generally accepted accounting principles" shall mean such accounting principles which are generally accepted at the date or time of any computation or at the date of the Funding Note Indenture;
- (c) references to Exhibits, Articles, Sections, paragraphs, subparagraphs and clauses shall be construed as references to the Exhibits, Articles, Sections, paragraphs, subparagraphs and clauses of the Funding Note Indenture;
- (d) the words "include", "includes" and "including" shall be construed to be followed by the words "without limitation"; and
- (e) Article and Section headings are for the convenience of the reader and shall not be considered in interpreting the Funding Note Indenture or the intent of the parties.

ARTICLE 2
THE FUNDING NOTE

SECTION 2.1 AMOUNT UNLIMITED. The aggregate principal amount of the Funding Note that may be authenticated and delivered under the Funding Note Indenture is unlimited.

SECTION 2.2 STATUS OF FUNDING NOTE. The Funding Note constitutes a direct, unconditional, unsubordinated and secured non-recourse obligation of Global Funding.

SECTION 2.3 FORMS GENERALLY.

- (a) The Funding Note Certificates, shall be in, or substantially in, the form set forth in Exhibit A-1 and Exhibit A-2, attached hereto, as applicable, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by the Funding Note Indenture or as may in Global Funding's judgment be necessary,

10

appropriate or convenient to permit the Funding Note to be issued and sold, or to comply, or facilitate compliance, with applicable laws, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with the rules of any securities exchange on which the Funding Note may be listed, or as may, consistently herewith, be determined by the Responsible Officer of Global Funding executing such Funding Note Certificate, with the approval of the Funding Note Indenture Trustee, as evidenced by his or her execution thereof.

- (b) The Funding Note Certificate may be printed, lithographed, engraved, typewritten, photocopied or otherwise produced in any manner as the Responsible Officer of Global Funding executing such Funding Note may determine.
- (c) The terms and provisions contained in the Funding Note Certificate and in any Supplemental Funding Note Indenture shall constitute, and are expressly made, a part of the Funding Note Indenture and, to the extent applicable, Global Funding and the Funding Note Indenture Trustee, by their execution and delivery of the Funding Note Indenture, expressly agree to such terms and provisions and to be bound thereby.

SECTION 2.4 CURRENCY; DENOMINATIONS.

- (a) Unless otherwise specified in the Funding Note Certificate or in any Supplemental Funding Note Indenture, the Funding Note will be denominated in, and payments of principal of, premium and interest on, and Additional Amounts in respect to, the Funding Note will be made in, U.S. dollars. The currency in which the Funding Note is denominated (or, if such currency is no longer legal tender for the payment of public and private debts in the country issuing such currency or, in the case of Euro, in the member states of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union, such currency which is then such legal tender) is in the Funding Note Indenture referred to as the "SPECIFIED CURRENCY".
- (b) Global Funding appoints the Funding Note Indenture Trustee as Exchange Rate Agent with respect to the Funding Note and the

Funding Note Indenture Trustee accepts such appointment.

- (c) If the Specified Currency for a Foreign Currency Funding Note is not available for any required payment of principal, premium, if any, and/or interest, if any, due to the imposition of exchange controls or other circumstances beyond the control of Global Funding, Global Funding will be entitled to satisfy the obligations to the registered holders of such Foreign Currency Funding Note by making payments in United States

11

dollars on the basis of the Market Exchange Rate, computed by the Exchange Rate Agent as described above, on the second business day prior to the particular payment or, if the Market Exchange Rate is not then available, on the basis of the most recently available market exchange rate.

- (d) Unless otherwise specified in the Funding Note Certificate or in a Supplemental Funding Note Indenture, the Funding Note shall be issued in minimum denominations of \$1,000 and integral multiples of \$1,000 in excess thereof or equivalent denominations in other currencies.
- (e) Global Funding may (if so specified in the Funding Note Certificate or Supplemental Funding Note Indenture) without the consent of the Holder of the Funding Note, redenominate the Funding Note on or after the date on which the member state of the European Union in whose national currency the Funding Note is denominated has become a participant member in the third stage of the European economic and monetary union as more fully set out in the Funding Note Certificate or Supplemental Funding Note Indenture.
- (f) Unless otherwise specified in the Funding Note Certificate or Supplemental Funding Note Indenture, Global Funding shall not sell a Foreign Currency Funding Note in, or to residents of, the country issuing the Specified Currency.

SECTION 2.5 EXECUTION, AUTHENTICATION, DELIVERY AND DATE.

- (a) The Funding Note Certificate shall be executed on behalf of Global Funding by any Responsible Officer of the Delaware Trustee. The signature of any Responsible Officer of the Delaware Trustee may be manual, in facsimile form, imprinted or otherwise reproduced and may, but need not, be attested.
- (b) The Funding Note Certificate bearing the signature of a Person who was at any time a Responsible Officer of the Delaware Trustee shall bind Global Funding, notwithstanding that such Person has ceased to hold such office prior to the authentication and delivery of such Funding Note Certificate or did not hold such office at the date of such Funding Note Certificate.
- (c) At any time, and from time to time, after the execution and delivery of the Funding Note Indenture, Global Funding may deliver the Funding Note Certificate executed by or on behalf of Global Funding to the Funding Note Indenture Trustee for authentication, and the Funding Note Indenture Trustee shall thereupon authenticate and deliver such Funding Note Certificate as provided in the Funding Note Indenture and not otherwise.
- (d) The Funding Note Indenture Trustee shall have the right to decline to authenticate and deliver the Funding Note Certificate under this Section if the Funding Note Indenture Trustee has obtained an Opinion of Counsel

12

reasonably acceptable to Global Funding, to the effect that the issuance of the Funding Note will adversely affect the Funding Note Indenture Trustee's own rights, duties or immunities under the Funding Note Indenture.

- (e) The Funding Note Certificate shall be dated the date of its authentication.
- (f) The Funding Note shall not be entitled to any benefit under the Funding Note Indenture or be valid or obligatory for any purpose, unless there appears on the Funding Note Certificate representing such Funding Note a certificate of authentication substantially in the form attached as Exhibit B executed by the Funding Note Indenture Trustee by manual signature of one of its authorized signatories. Such certificate upon the Funding Note Certificate shall be conclusive evidence, and the only evidence, that such Funding Note Certificate has been duly authenticated and

delivered under the Funding Note Indenture.

SECTION 2.6 REGISTRATION, TRANSFER AND EXCHANGE.

- (a) The Funding Note Indenture Trustee will serve initially as registrar (in such capacity, and together with any successor registrar, the "FUNDING NOTE REGISTRAR") for the Funding Note. In such capacity, the Funding Note Indenture Trustee will cause to be kept at the Corporate Trust Office of the Funding Note Indenture Trustee a register (the "FUNDING NOTE REGISTER") in which, subject to such reasonable regulations as it may prescribe, the Funding Note Indenture Trustee will provide for the registration of the Funding Note and of transfers of the Funding Note. The Funding Note Register shall be in written form in the English language or in any other form capable of being converted into such form within a reasonable time.
- (b) Upon surrender of the Funding Note Certificate for registration of transfer of the Funding Note represented thereby, together with the form of transfer endorsed thereon duly completed and executed, at the designated office of the Funding Note Registrar or of any applicable transfer agent, each as provided in the Funding Note Certificate or Supplemental Funding Note Indenture, the Delaware Trustee, on behalf of Global Funding shall execute, and the Funding Note Indenture Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, a new Funding Note Certificate of any authorized denomination representing an aggregate principal amount equal to the aggregate principal amount of the Funding Note represented by such Funding Note Certificate surrendered for registration of transfer.
- (c) [At the option of the applicable Holder, the Funding Note Certificate may be exchanged for one or more new Funding Note Certificates, representing one or more Funding Notes in an aggregate principal amount equal to the

13

aggregate principal amount of the Funding Notes represented by the Funding Note Certificate duly presented for exchange. The Funding Note Certificate to be exchanged shall be surrendered at the designated office of the Funding Note Registrar or of any applicable transfer agent, each as provided in the Funding Note Certificate or Supplemental Funding Note Indenture. Whenever the Funding Note Certificate is so surrendered for exchange, the Delaware Trustee, on behalf of Global Funding shall execute, and the Funding Note Indenture Trustee shall authenticate and deliver, the Funding Note Certificate or Funding Note Certificates which the applicable Holder is entitled to receive, bearing numbers, letters or other designating marks not contemporaneously outstanding.]

- (d) Each Funding Note Certificate executed, authenticated and delivered upon any transfer or exchange shall be a valid obligation of Global Funding, evidencing the same debt, and entitled to the same benefits under the Funding Note Indenture, as the Funding Note Certificate surrendered in connection with any such transfer or exchange. Upon surrender, transfer or exchange of the Funding Note Certificate pursuant to this Section 2.6, each new Funding Note Certificate will, within three Business Days of the receipt of the applicable form of transfer or the applicable surrender, as the case may be, be delivered to the designated office of the Funding Note Registrar or of any applicable transfer agent, each as provided in the Funding Note Certificate or Supplemental Funding Note Indenture, or mailed at the risk of the Person entitled to such Funding Note Certificate to such address as may be specified in the form of transfer or in written instructions of the applicable Holder upon surrender for exchange.
- (e) A Funding Note Certificate presented or surrendered in connection with a transfer or exchange shall (if so required by Global Funding or the Funding Note Indenture Trustee) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to Global Funding and the Funding Note Indenture Trustee duly executed by, the applicable Holder or his attorney duly authorized in writing.
- (f) No service charge shall be made in connection with any transfer of the Funding Note or exchange of Funding Note Certificate, but Global Funding or the Funding Note Indenture Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with a transfer of the Funding Note or exchange of the Funding Note Certificate.
- (g) Except as otherwise provided in or pursuant to the Funding Note

Indenture, Global Funding and the Funding Note Indenture Trustee shall not be required to (i) upon presentation or surrender of a Funding Note Certificate in connection with any transfer or exchange during a period beginning at the opening of business 15 days before the day of the selection for redemption of the Funding Note under Section 3.1 and

14

ending at the close of business on the day of such selection, exchange a Funding Note Certificate representing the Funding Note selected for redemption, register the transfer of such Funding Note, or portion thereof, except in the case of a Funding Note to be redeemed in part, with respect to the portion of such Funding Note not to be redeemed, or (ii) exchange a Funding Note Certificate representing the Funding Note the Holder or Holders of which shall have exercised the option pursuant to Section 3.2 to require Global Funding to repay such Funding Note prior to its Stated Maturity Date or register the transfer of such Funding Note except, in the case of the Funding Note to be repaid in part, with respect to the portion of such Funding Note not to be repaid.

SECTION 2.7 MUTILATED, DESTROYED, LOST OR STOLEN FUNDING NOTE CERTIFICATES.

- (a) If (i) a mutilated Funding Note Certificate is surrendered to the Funding Note Indenture Trustee or Global Funding, or the Funding Note Indenture Trustee and Global Funding receive evidence to their satisfaction of the destruction, loss or theft of the Funding Note Certificate, and (ii) there is delivered to Global Funding and the Funding Note Indenture Trustee such security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice to Global Funding or the Funding Note Indenture Trustee that such Funding Note Certificate has been acquired by a protected purchaser, Global Funding shall execute and upon its request the Funding Note Indenture Trustee shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Funding Note Certificate, a new Funding Note Certificate representing a Funding Note of like tenor and principal amount, bearing a number not contemporaneously outstanding.
- (b) If the Funding Note represented by any such mutilated or apparently destroyed, lost or stolen Funding Note Certificate has become or is about to become due and payable, Global Funding in its discretion may, instead of issuing a new Funding Note Certificate, pay such amounts in respect of the Funding Note represented by such Funding Note Certificate.
- (c) Upon the execution, authentication and delivery of the new Funding Note Certificate under this Section, the Funding Note Indenture Trustee or Global Funding may require the Holder to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Funding Note Indenture Trustee) connected therewith.
- (d) The Funding Note represented by the Funding Note Certificate executed, authenticated and delivered pursuant to this Section in lieu of any apparently destroyed, lost or stolen Funding Note Certificate shall constitute an original additional contractual obligation of Global Funding, whether or not any obligation with respect to the Funding Note

15

represented by the apparently destroyed, lost or stolen Funding Note Certificate shall be at any time enforceable by any Person, and shall be entitled to all of the benefits of the Funding Note Indenture equally and proportionately with the Funding Note duly issued under the Funding Note Indenture.

- (e) The provisions of this Section are exclusive with respect to the replacement of any mutilated or apparently destroyed, lost or stolen Funding Note Certificate or the payment of the Funding Note represented thereby and shall preclude all other rights and remedies with respect to the replacement of any mutilated or apparently destroyed, lost or stolen Funding Note Certificate or the payment of the Funding Note represented thereby.

SECTION 2.8 INTEREST RECORD DATES.

- (a) Interest on and Additional Amounts with respect to the Funding Note which is payable, on any interest payment date specified in the Funding Note Certificate or in any Supplemental Funding Note

Indenture (each such date, an "INTEREST PAYMENT DATE") shall be paid to the Holder of such Funding Note at the close of business on the date specified as the regular interest record date in the Funding Note Certificate or Supplemental Funding Note Indenture (the "REGULAR INTEREST RECORD DATE") or, if no such date is specified, the date that is 15 calendar days preceding such Interest Payment Date.

- (b) Unless otherwise provided in the Funding Note Certificate or in any Supplemental Funding Note Indenture, any interest on, and any Additional Amounts with respect to, the Funding Note which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date specified in the Funding Note Certificates or Supplemental Funding Note Indenture (the "DEFAULTED INTEREST") shall forthwith cease to be payable to the Holder of such Funding Note on the relevant Regular Interest Record Date by virtue of having been such Holder, and such Defaulted Interest shall be paid by Global Funding to the Holder of such Funding Note at the close of business on a special record date (the "SPECIAL INTEREST RECORD DATE") established by Global Funding by notice to each applicable Holder and the Funding Note Indenture Trustee in accordance with Section 13.4, which Special Interest Record Date shall be not more than 15 nor less than 10 days prior to the date of the proposed payment of Defaulted Interest and not less than 10 days after the receipt by the Funding Note Indenture Trustee of the notice of the proposed payment of Defaulted Interest.

SECTION 2.9 CANCELLATION.

- (a) The Funding Note shall be cancelled immediately upon the transfer by Global Funding to, or as directed by, the Issuing Trust of each funding

16

agreement identified on Annex A to the Series Instrument, and such cancellation shall operate as a redemption of, and satisfaction of indebtedness represented by, the Funding Note.

- (b) A Funding Note Certificate surrendered for exchange or in connection with any payment, redemption, transfer of the Funding Note represented thereby shall be delivered to the Funding Note Indenture Trustee and, if not already cancelled, shall be promptly cancelled by it. Global Funding may at any time deliver to the Funding Note Indenture Trustee for cancellation the Funding Note Certificate previously authenticated and delivered under the Funding Note Indenture which Global Funding may have acquired in any manner whatsoever, and each Funding Note Certificate so delivered shall be promptly cancelled by the Funding Note Indenture Trustee. No Funding Note Certificates shall be authenticated in lieu of or in exchange for the Funding Note Certificate cancelled as provided in this Section, except as expressly permitted by the Funding Note Indenture. The Funding Note Indenture Trustee shall destroy the cancelled Funding Note Certificate held by it and deliver a certificate of destruction to Global Funding. If Global Funding shall acquire the Funding Note, such acquisition shall not operate as a redemption or satisfaction of the indebtedness represented by such Funding Note unless and until the Funding Note Certificate representing such Funding Note is delivered to the Funding Note Indenture Trustee for cancellation.

SECTION 2.10 WITHHOLDING TAX. All amounts due in respect of the Funding Note will be made without withholding or deduction for or on account of any present or future taxes, duties, levies, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of any governmental authority in the United States having the power to tax payments on the Funding Note unless the withholding or deduction is required by law. Unless otherwise specified in the Funding Note Certificate, Global Funding will not pay any Additional Amounts to the Holders of the Funding Note in the event that any withholding or deduction is so required by law, regulation or official interpretation thereof, and the imposition of a requirement to make any such withholding or deduction will not give rise to any independent right or obligation to redeem or repay the Funding Note and shall not constitute an Event of Default.

17

SECTION 2.11 TAX TREATMENT. The parties agree, and each Holder and beneficial owner of the Funding Note by purchasing the Funding Note agrees, for all United States Federal, state and local income and franchise tax purposes (i) to treat the Funding Note as indebtedness of the Funding Agreement Provider, (ii) Global Funding and Global Funding will be ignored and will not be treated as an association or a publicly traded partnership taxable as a corporation and (iii) to not take any action inconsistent with the treatment described in (i) and (ii) unless otherwise required by law.

ARTICLE 3
REDEMPTION, REPAYMENT AND REPURCHASE OF FUNDING NOTE; SINKING FUNDS

SECTION 3.1 REDEMPTION OF FUNDING NOTE.

- (a) Redemption of the Funding Note by Global Funding as permitted or required by the Funding Note Indenture and the Funding Note Certificate will be made in accordance with the terms of the Funding Note and (except as otherwise provided in the Funding Note Indenture or pursuant to the Funding Note Indenture) this Section.
- (b) If any Initial Redemption Date is specified in the Funding Note Certificate, Global Funding may redeem the Funding Note prior to the Stated Maturity Date at its option, on, or on any Business Day after, the Initial Redemption Date in whole or from time to time in part in increments of \$1,000 or any other integral multiple of an authorized denomination of the Funding Note at the applicable Redemption Price together with any unpaid interest accrued thereon, any Additional Amounts and other amounts payable with respect thereto, as of the Redemption Date.
- (c) If (i) Global Funding is required at any time to pay Additional Amounts or if Global Funding is obligated to withhold or deduct any United States taxes with respect to any payment under the Funding Note, as set forth in the Funding Note Certificate, or if there is a material probability that Global Funding will become obligated to withhold or deduct any such United States taxes or otherwise pay Additional Amounts (in the opinion of independent legal counsel selected by the Funding Agreement Provider), in each case pursuant to any change in or amendment to any United States tax laws (or any regulations or rulings thereunder) or any change in position of the Internal Revenue Service regarding the application or interpretation thereof (including, but not limited to, the Funding Agreement Provider's or Global Funding's receipt of a written adjustment from the Internal Revenue Service in connection with an audit) (a "TAX EVENT"), and (ii) the Funding Agreement Provider, pursuant to the terms of the relevant Funding Agreement, has delivered to the Owner notice that the Funding Agreement Provider intends to terminate the relevant Funding Agreement pursuant to the terms of such Funding Agreement, then Global Funding will redeem the Funding Note on the

18

Redemption Date at the Redemption Price together with any unpaid interest accrued thereon, any Additional Amounts and other amounts payable with respect thereto, as of the Redemption Date.

- (d) Unless a shorter notice shall be satisfactory to the Funding Note Indenture Trustee, Global Funding shall provide to the Funding Note Indenture Trustee a notice of redemption of the Funding Note (i) in case of any redemption at the election of Global Funding, not more than 60 days nor less than 35 days prior to the Redemption Date and (ii) in case of any mandatory redemption pursuant to Section 3.1(c), at least 75 days prior to the Redemption Date.
- (e) Unless otherwise specified in the Funding Note Indenture or the Funding Note Certificate Global Funding shall give a notice of redemption to the Holder of the Funding Note to be redeemed at Global Funding's option (i) in case of any redemption at the election of Global Funding, not more than 60 nor less than 30 days prior to the Redemption Date and (ii) in case of any mandatory redemption pursuant to Section 3.1(c), not more than 75 days nor less than 30 days prior to the Redemption Date; PROVIDED, that in the case of any notice of redemption given pursuant to clause (ii) no such notice of redemption may be given earlier than 90 days prior to the earliest day on which Global Funding would become obligated to pay the applicable Additional Amounts were a payment in respect of the Funding Note then due. Failure to give such notice to the Holder of the Funding Note designated for redemption in whole or in part, or any defect in the notice to any such Holder, shall not affect the validity of the proceedings for the redemption of any other Note or any portion thereof.

Any notice that is mailed to the Holder of the Funding Note in the manner provided for in Section 13.4 shall be conclusively presumed to have been duly given, whether or not such Holder receives the notice.

All notices of redemption shall state:

- (i) the Redemption Date,
- (ii) the Redemption Price or, if not then ascertainable, the

manner of calculation thereof,

- (iii) in case of any redemption at the election of Global Funding, if the Outstanding Funding Note is to be redeemed, the identification (and, in the case of partial redemption, the principal amount) of the Funding Note to be redeemed,
- (iv) in case the Funding Note is to be redeemed in part only at the election of Global Funding, the notice which relates to such Funding Note shall state that on and after the Redemption Date, upon surrender of the Funding Note Certificate representing such

19

Funding Note, the Holder of such Funding Note will receive, without charge, a new Funding Note Certificate representing an authorized denomination of the principal amount of such Funding Note remaining unredeemed,

- (v) that, on the Redemption Date, the Redemption Price shall become due and payable upon each such Funding Note or portion thereof to be redeemed, and, if applicable, that interest thereon shall cease to accrue on and after the Redemption Date,
 - (vi) the place or places where the Funding Note Certificate representing such Funding Note is to be surrendered for payment of the Redemption Price together with any unpaid interest accrued thereon through the Redemption Date and any Additional Amounts payable with respect thereto,
 - (vii) if applicable, in case of any redemption at the election of Global Funding, that the redemption is for a sinking fund, and
 - (viii) the CUSIP number or any other numbers used to identify such Funding Note.
- (f) On or prior to any Redemption Date, Global Funding shall deposit, with respect to the Funding Note called for redemption pursuant to this Section, with the Paying Agent an amount of money in the Specified Currency sufficient to pay the Redemption Price of, and (except if the Redemption Date shall be an Interest Payment Date, unless otherwise specified in the Funding Note Certificate) any unpaid interest accrued through the Redemption Date on, and any Additional Amounts payable with respect to, such Funding Note or portions thereof which are to be redeemed on the Redemption Date.
- (g) On the Redemption Date, the Funding Note to be redeemed shall, become due and payable at the Redemption Price together with any unpaid interest accrued through the Redemption Date on, and any Additional Amounts payable with respect to, such Funding Note, and from and after such date (unless Global Funding shall default in the payment of the Redemption Price and any unpaid interest accrued on such Funding Note through the Redemption Date) such Funding Note shall cease to bear interest. Upon surrender of the Funding Note Certificate for redemption of the Funding Note represented thereby in accordance with the applicable notice of redemption, such Funding Note shall be paid by Global Funding at the Redemption Price, together with any unpaid interest accrued thereon through the Redemption Date and any Additional Amounts payable with respect thereto.

20

- (h) If the Funding Note called for redemption shall not be so paid upon surrender of the Funding Note Certificate for redemption, the principal and any premium, until paid, shall bear interest from the Redemption Date at the rate specified in the Funding Note Certificate.
- (i) Notwithstanding anything herein to contrary, Global Funding may redeem the Funding Note on the Original Issue Date without notice at a price equal to the principal amount of the Funding Note (the "Immediate Redemption Price"). Global Funding may pay the Redemption Price or the Immediate Redemption Price in cash or Funding Agreement(s).

Upon surrender of the Funding Note Certificate for partial redemption of the Funding Note represented thereby in accordance with this Section, Global Funding shall execute and the Funding Note Indenture Trustee shall authenticate and deliver one or more new Funding Note Certificates of any authorized denomination representing an aggregate principal amount equal to the unredeemed portion of the applicable Funding Note.

SECTION 3.2 REPAYMENT AT THE OPTION OF THE HOLDER.

- (a) If so specified in the Funding Note Certificate, the Holder or Holders of the Funding Note may require Global Funding to repay the Funding Note prior to the Stated Maturity Date in whole or from time to time in part in increments of \$1,000 or any other integral multiple of an authorized denomination specified in the Funding Note Certificate (provided that any remaining principal amount thereof shall be at least \$1,000 or other minimum authorized denomination applicable thereto).
- (b) A Funding Note which is repayable at the option of the Holder or Holders thereof before the Stated Maturity Date shall be repaid in accordance with the terms of such Funding Note.
- (c) The repayment of any principal amount of the Funding Note pursuant to any option of the applicable Holder or Holders to require repayment of the Funding Note before the Stated Maturity Date shall not operate as a payment, redemption or satisfaction of the indebtedness represented by such Funding Note unless and until Global Funding, at its option, shall deliver or surrender each Funding Note Certificate representing such Funding Note to the Funding Note Indenture Trustee with a directive that such Funding Note Certificate be cancelled.
- (d) Notwithstanding anything to the contrary contained in this Section, in connection with any repayment of the Funding Note, Global Funding may arrange for the purchase of the Funding Note by an agreement with one or more investment bankers or other purchasers to purchase such Funding Note by paying the Holder or Holders of such Funding Note on or before the close of business on the Repayment Date an amount not less than the Repayment Price payable by Global Funding on repayment of such

21

Funding Note, and the obligation of Global Funding to pay the Repayment Price of such Funding Note shall be satisfied and discharged to the extent such payment is so paid by such purchasers.

- (e) Any exercise of the repayment option will be irrevocable.

SECTION 3.3 REPURCHASE OF FUNDING NOTE.

- (a) Global Funding may purchase the Funding Note in the open market or otherwise at any time, and from time to time, with the prior written consent of the Funding Agreement Provider as to both the making of such purchase and the purchase price to be paid for such Funding Note.
- (b) If the Funding Agreement Provider, in its sole discretion, consents to such purchase of the Funding Note by Global Funding, the parties to the Funding Note Indenture agree to take such actions as may be necessary or desirable to effect the prepayment of such portion, or the entirety, of the current Principal Amount, under each applicable Funding Agreement as may be necessary to provide for the payment of the purchase price for such Funding Note. Upon such payment, the Principal Amount under each Funding Agreement shall be reduced (i) if the Funding Note bear interest at fixed or floating rates, by an amount equal to the aggregate principal amount of the Funding Note so purchased (or the portion thereof applicable to such Funding Agreement) and (ii) if the Funding Note does not bear interest at fixed or floating rates, by an amount to be agreed between Global Funding and the Funding Agreement Provider to reflect such prepayment under the Funding Agreement(s).
- (c) The parties acknowledge and agree that (i) notwithstanding anything to the contrary in the Funding Note Indenture, any repurchase of the Funding Note in compliance with this Section 3.3 shall not violate any provision of the Funding Note Indenture or the Trust Agreement and (ii) no Opinion of Counsel, Trust Certificate or any other document or instrument shall be required to be provided in connection with any repurchase of the Funding Note pursuant to this Section 3.3.

- (d) If applicable, Global Funding will comply with the requirements of Section 14(e) of the Exchange Act, and the rules promulgated thereunder, and any other applicable securities laws or regulations in connection with any repurchase pursuant to this Section 3.3.

SECTION 3.4 SINKING FUNDS.

Unless otherwise provided in the Funding Note Certificate, the Funding Note will not be subject to, or entitled to the benefit of, any sinking fund.

ARTICLE 4
PAYMENTS; PAYING AGENTS AND CALCULATION AGENT; COVENANTS

SECTION 4.1 PAYMENT OF PRINCIPAL AND INTEREST.

- (a) Global Funding will duly and punctually pay or cause to be paid the principal of, any premium and interest on, and any Additional Amounts

22

with respect to, the Funding Note, in accordance with the terms of the Funding Note and the Funding Note Indenture.

- (b) Unless otherwise specified in the Funding Note Certificate, upon the receipt of the funds necessary therefor, the applicable Paying Agent shall duly and punctually make payments, payable on the Maturity Date, of principal in respect of, any premium and interest on, and any Additional Amounts payable with respect to, the Funding Note in immediately available funds against presentation and surrender of the applicable Funding Note Certificate (and in the case of any repayment of the Funding Note pursuant to Section 3.2, upon submission of a duly completed election form at an office or agency of such Paying Agent maintained for such purpose pursuant to Section 4.2). The applicable Paying Agent (unless such Paying Agent is the Funding Note Indenture Trustee) shall promptly forward the Funding Note Certificate surrendered to it in connection with any payment pursuant to this Section for cancellation in accordance with Section 2.9. Unless otherwise specified in the Funding Note Certificate, upon the receipt of the funds necessary therefor, the applicable Paying Agent shall duly and punctually make payments of principal of, any premium and interest on, and any Additional Amounts in respect of, the Funding Note payable on any date other than the Maturity Date by check mailed to the Holder (or to the first named of joint Holders) of such Funding Note at the close of business on the Regular Interest Record Date or Special Interest Record Date, as the case may be, at its address appearing in the applicable Funding Note Register. Notwithstanding the foregoing, the applicable Paying Agent shall make payments of principal, any interest, any premium, and any Additional Amounts on any date other than the Maturity Date to each Holder entitled thereto (or to the first named of joint Holders) at the close of business on the applicable Regular Interest Record Date or Special Interest Record Date, as the case may be, of \$10,000,000 (or, if the Specified Currency is other than United States dollars, the equivalent thereof in the particular Specified Currency) or more in aggregate principal amount of the Funding Note by wire transfer of immediately available funds if the applicable Holder has delivered appropriate wire transfer instructions in writing to the applicable Paying Agent not less than 15 days prior to the date on which the applicable payment of principal, interest, premium or Additional Amounts is scheduled to be made. Any wire transfer instructions received by the applicable Paying Agent shall remain in effect until revoked by the applicable Holder.
- (c) Unless otherwise specified in the Funding Note Certificate, Global Funding shall be obligated to make, or cause to be made, payments of principal of, any premium and interest on, and any Additional Amounts with respect to, a Foreign Currency Note in the Specified Currency. Any amounts so payable by Global Funding in the Specified Currency will be converted by the Exchange Rate Agent into United States dollars for

23

payment to the Holder or Holders thereof unless otherwise specified in the Funding Note Certificate or a Holder elects to receive such amounts in the Specified Currency as provided below.

- (d) Any United States dollar amount to be received by the Holder or Holders of a Foreign Currency Funding Note will be based on the highest bid quotation in The City of New York received by the Exchange Rate Agent at approximately 11:00 a.m. (New York City time) on the second Business Day preceding the applicable payment date from three recognized foreign exchange dealers (one of whom may be the Exchange Rate Agent) selected by the Exchange Rate Agent and approved by Global Funding for the purchase by the quoting dealer of the Specified Currency for United States dollars for settlement on that payment date in the aggregate amount of the Specified Currency payable to all Holder or Holders of a Foreign Currency Funding Note scheduled to receive United States dollar payments and at which the applicable dealer commits to execute a contract. All currency exchange costs will be borne by the relevant Holder or Holders of a Foreign Currency Funding Note by deductions from any payments. If three bid quotations are not available, payments will be made in the Specified Currency.
- (e) Holders of a Foreign Currency Funding Note may elect to receive

all or a specified portion of any payment of principal and/or any interest, premium and Additional Amounts in the Specified Currency by submitting a written request to the Funding Note Indenture Trustee at its Corporate Trust Office in The City of New York on or prior to the applicable Regular Interest Record Date or Special Interest Record Date or at least 15 calendar days prior to the Maturity Date, as the case may be. Such written request may be mailed or hand delivered or sent by cable, telex or other form of facsimile transmission. Such election will remain in effect until revoked by written notice delivered to the Funding Note Indenture Trustee on or prior to the applicable Regular Interest Record Date or Special Interest Record Date or at least 15 calendar days prior to the Maturity Date, as the case may be.

- (f) If the Specified Currency for a Foreign Currency Funding Note is not available for any required payment of principal and/or any interest, premium and Additional Amounts due to the imposition of exchange controls or other circumstances beyond Global Funding's control, Global Funding will be entitled to satisfy its obligations with respect to such Foreign Currency Funding Note by making payments in United States dollars on the basis of the Market Exchange Rate, computed by the Exchange Rate Agent as described above, on the second Business Day prior to the particular payment or, if the Market Exchange Rate is not then available, on the basis of the most recently available Market Exchange Rate.

24

- (g) All determinations made by the Exchange Rate Agent shall be at its sole discretion and shall, in the absence of manifest error, be conclusive for all purposes and binding on the Holder or Holders of a Foreign Currency Funding Note.

SECTION 4.2 OFFICES FOR PAYMENTS, ETC. So long as the Funding Note remains Outstanding, Global Funding will maintain in New York and in any other city that may be required by any stock exchange on which the Funding Note may be listed, and in any city specified in the Funding Note Certificate the following: (i) an office or agency where the Funding Note may be presented for payment, (ii) an office or agency where the Funding Note may be presented for registration of transfer and for exchange as provided in the Funding Note Indenture and (iii) an office or agency where notices and demands to or upon Global Funding in respect of the Funding Note or of the Funding Note Indenture may be served. Global Funding will give to the Funding Note Indenture Trustee written notice of the location of any such office or agency and of any change of location thereof. Global Funding initially designates the Corporate Trust Office of the Funding Note Indenture Trustee as the office or agency for each such purpose. In case Global Funding shall fail to maintain any such office or agency or shall fail to give such notice of the location or of any change in the location thereof, presentations and demands may be made and notices may be served at the Corporate Trust Office.

SECTION 4.3 APPOINTMENT TO FILL A VACANCY IN OFFICE OF FUNDING NOTE INDENTURE TRUSTEE. Global Funding, whenever necessary to avoid or fill a vacancy in the office of the Funding Note Indenture Trustee, will appoint, in the manner provided in Section 6.8, a trustee, so that there shall at all times be a trustee under the Funding Note Indenture.

SECTION 4.4 PAYING AGENTS.

- (a) Global Funding appoints the Funding Note Indenture Trustee as Paying Agent with respect to the Funding Note and the Funding Note Indenture Trustee accepts such appointment. The Funding Note Indenture Trustee, in its capacity as Paying Agent, agrees, and, whenever Global Funding shall appoint a Paying Agent other than the Funding Note Indenture Trustee with respect to the Funding Note, Global Funding will cause such Paying Agent to execute and deliver to Global Funding and the Funding Note Indenture Trustee an instrument in which such Paying Agent shall agree with Global Funding and the Funding Note Indenture Trustee, subject to the provisions of this Section, that it will:

- (i) hold all sums received by it as such agent for the payment of the principal of, any premium or interest on, or any Additional Amounts with respect to, the Funding Note (whether such sums have been paid to it by the Funding Agreement Provider, Global Funding or by any other obligor on the Funding Note) in trust for the benefit of each Holder of the Funding Note and will (and will cause each of its agents and Affiliates to) deposit all cash amounts received by it (or such agents or Affiliates, as applicable) that are derived from the Collateral for the benefit of the Holders of the

25

Funding Note in a segregated non-interest bearing account maintained or controlled by the Funding Note Indenture Trustee, consistent with the rating of the Outstanding Funding Note;

- (ii) give the Funding Note Indenture Trustee notice of any failure by Global Funding (or by any other obligor on the Funding Note) to make any payment of the principal of, any premium and interest on, or any Additional Amounts with respect to, the Funding Note when the same shall be due and payable;
 - (iii) pay any such sums so held in trust by it to the Funding Note Indenture Trustee upon the Funding Note Indenture Trustee's written request at any time during the continuance of the failure referred to in clause (ii) above;
 - (iv) in the absence of the failure referred in clause (ii) above, pay any such sums so held in trust by it in accordance with the Funding Note Indenture and the terms of the Funding Note; and
 - (v) comply with all agreements of Paying Agents in, and perform all functions and obligations imposed on Paying Agents by or pursuant to, the Funding Note Indenture and the Funding Note Certificate or Supplemental Funding Note Indenture.
- (b) Global Funding will, at or prior to 9:30 a.m. (New York City time) on each due date of the principal of, any premium and interest on, or any Additional Amounts with respect to, the Funding Note, deposit or cause to be deposited with the applicable Paying Agent a sum sufficient to pay such principal, any interest or premium, and any Additional Amounts, and (unless such Paying Agent is the Funding Note Indenture Trustee) Global Funding will promptly notify the Funding Note Indenture Trustee of any failure to take such action.
- (c) Anything in this Section to the contrary notwithstanding, Global Funding may at any time, for the purpose of obtaining a satisfaction and discharge of the Funding Note under the Funding Note Indenture, pay or cause to be paid to the Funding Note Indenture Trustee all sums held in trust by Global Funding or any Paying Agent under the Funding Note Indenture, as required by this Section, such sums to be held by the Funding Note Indenture Trustee upon the terms contained in the Funding Note Indenture; PROVIDED, HOWEVER, in order to obtain such satisfaction or discharge of the Funding Note, that such sums paid to the Funding Note Indenture Trustee must be at least equal to the amounts due and owing on the Funding Note, including outstanding principal, premium, accrued but unpaid interest and Additional Amounts.
- 26
- (d) Anything in this Section to the contrary notwithstanding, the agreement to hold sums in trust as provided in this Section are subject to the provisions of Sections 11.3 and 11.4.
- (e) The applicable Paying Agent shall (i) collect all forms from Holders of the Funding Note (or from such other Persons as are relevant) that are required to exempt payments under the Funding Note and/or the related Funding Agreement(s) from United States Federal income tax withholding, (ii) withhold and pay over to the Internal Revenue Service or other taxing authority with respect to payments under the Funding Note any amount of taxes required to be withheld by any United States Federal, state or local statute, rule or regulation and (iii) forward copies of such forms to Global Funding and the Funding Agreement Provider.
- (f) Each Paying Agent shall forward to Global Funding at least monthly a bank statement in its possession with respect to the performance of its functions and obligations with respect to the Funding Note.
- (g) Global Funding shall pay the compensation of each Paying Agent at such rates as shall be agreed upon in writing by Global Funding and the relevant Paying Agent from time to time and shall reimburse each Paying Agent for reasonable expenses properly incurred by such Paying Agent in connection with the performance of its duties upon receipt of such invoices as Global Funding shall reasonably require.
- (h) Subject as provided below, each Paying Agent may at any time resign as Paying Agent by giving not less than 60 days' written notice to Global Funding and the Funding Note Indenture Trustee

(unless the Funding Note Indenture Trustee is such Paying Agent) of such intention on it part, specifying the date on which its resignation shall become effective. Except as provided below, Global Funding may remove a Paying Agent by giving not less than 20 days' written notice specifying such removal and the date when it shall become effective. Any such resignation or removal shall take effect upon:

- (i) the appointment by Global Funding of a successor Paying Agent; and
- (ii) the acceptance of such appointment by such successor Paying Agent,

PROVIDED that with respect to any Paying Agent who timely receives any amount with respect to the Funding Note and fails duly to pay any such amounts when due and payable in accordance with the terms of the Funding Note Indenture and such Funding Note, any such removal will take effect immediately upon such appointment of, and acceptance thereof by, a successor Paying Agent approved by the Funding Note Indenture

27

Trustee (unless the Funding Note Indenture Trustee is such Paying Agent), in which event notice of such appointment shall be given to each Holder of the Funding Note as soon as practicable thereafter. Global Funding agrees with each Paying Agent that if, by the day falling 10 days before the expiration of any notice given pursuant to this Section 4.4(i), Global Funding has not appointed a replacement Paying Agent, then the Paying Agent shall be entitled, on behalf of Global Funding, to appoint in its place a reputable financial institution of good standing reasonably acceptable to Global Funding and the Funding Note Indenture Trustee (unless the Funding Note Indenture Trustee is such Paying Agent); PROVIDED, HOWEVER, that notwithstanding the foregoing, the resignation or removal of the relevant Paying Agent shall not be effective unless, upon the expiration of the notice given pursuant to this Section 4.5(i), the successor Paying Agent shall have accepted its appointment. Upon its resignation or removal becoming effective, the retiring Paying Agent shall be entitled to the payment of its compensation and reimbursement of all expenses incurred by such retiring Paying Agent pursuant to Section 4.4(h) up to the effective date of such resignation or removal.

- (i) If at any time a Paying Agent shall resign or be removed, or shall become incapable of acting with respect to the Funding Note, or shall be adjudged as bankrupt or insolvent, or a receiver or liquidator of such Paying Agent or of its property shall be appointed, or any public officer shall take charge or control of such Paying Agent or its property or affairs for the purpose of rehabilitation, conservation or liquidation, then a successor Paying Agent shall be appointed by Global Funding by an instrument in writing filed with the successor Paying Agent. Upon any such appointment of, and the acceptance of such appointment by, a successor Paying Agent and (except in cases of removal for failure to timely pay any amounts as required by or pursuant to the Funding Note Indenture or the Funding Note Certificate or Supplemental Funding Note Indenture) the giving of notice to each Holder of the Funding Note, the retiring Paying Agent shall cease to be Paying Agent under the Funding Note Indenture.
- (j) Any successor Paying Agent appointed under the Funding Note Indenture shall execute and deliver to its predecessor, Global Funding and the Funding Note Indenture Trustee (unless the Funding Note Indenture Trustee is such Paying Agent) a reasonably acceptable instrument accepting such appointment under the Funding Note Indenture, and thereupon such successor Paying Agent, without any further act, deed or conveyance, shall become vested with all the authority, rights, powers, trusts, immunities, duties and obligations of such predecessor with like effect as if originally named as a Paying Agent under the Funding Note Indenture, and such predecessor, upon payment of any amounts due pursuant to Section 4.4(h) and unpaid, shall thereupon become obliged to transfer and deliver, and such successor Paying Agent shall be entitled to

28

receive, copies of any relevant records maintained by such predecessor Paying Agent.

- (k) Any corporation into which a Paying Agent may be merged or converted or with which it may be consolidated or any corporation resulting from any merger, conversion or consolidation to which

such Paying Agent shall be a party, or any corporation succeeding to all or substantially all of the paying agency business of such Paying Agent shall be a successor Paying Agent under the Funding Note Indenture without the execution or filing of any paper or any further act on the part of any of the parties, anything in the Funding Note Indenture to the contrary notwithstanding. At least 30 days' prior notice of any such merger, conversion or consolidation shall be given to Global Funding and the Funding Note Indenture Trustee (unless the Funding Note Indenture Trustee is such Paying Agent).

SECTION 4.5 CALCULATION AGENT.

- (a) Global Funding appoints the Funding Note Indenture Trustee as Calculation Agent, and the Funding Note Indenture Trustee accepts such appointment.
- (b) The relevant Calculation Agent shall perform all functions and obligations imposed on such Calculation Agent by or pursuant to the Funding Note Indenture, and the Funding Note Certificate or supplemental Funding Note Indenture.
- (c) Each Calculation Agent, excluding the Funding Note Indenture Trustee, shall forward to Global Funding at least monthly a report providing details with respect to the performance of its functions and obligations with respect to the Funding Note which shall include dates and amounts of forthcoming payments with respect to the Funding Note.
- (d) The relevant Calculation Agent shall, upon the request of any relevant Holder of the Funding Note, provide the interest rate then in effect and, if determined, the interest rate that will become effective as a result of a determination made for the next succeeding Interest Reset Date with respect to the Funding Note.
- (e) All determinations of interest by the Calculation Agent shall, in the absence of manifest errors, be conclusive for all purposes and binding on the Holders of the Funding Note.
- (f) Global Funding shall pay the compensation of each Calculation Agent at such rates as shall be agreed upon in writing by Global Funding and the relevant Calculation Agent from time to time and shall reimburse each Calculation Agent for reasonable expenses properly incurred by such Calculation Agent in connection with the performance of its duties upon receipt of such invoices as Global Funding shall reasonably require.

29

- (g) Subject as provided below, each Calculation Agent may at any time resign as Calculation Agent by giving not less than 60 days' written notice to Global Funding and the Funding Note Indenture Trustee (unless the Funding Note Indenture Trustee is such Calculation Agent) of such intention on its part, specifying the date on which its resignation shall become effective. Except as provided below, Global Funding may remove a Calculation Agent by giving not less than 20 days' written notice specifying such removal and the date when it shall become effective. Any such resignation or removal shall take effect upon:
 - (i) the appointment by Global Funding of a successor Calculation Agent; and
 - (ii) the acceptance of such appointment by such successor Calculation Agent,

PROVIDED that with respect to any Calculation Agent who fails duly to establish the interest rate or amount for any Interest Reset Period, any such removal will take effect immediately upon such appointment of, and acceptance thereof by, a successor Calculation Agent approved by the Funding Note Indenture Trustee (unless the Funding Note Indenture Trustee is such Calculation Agent), in which event notice of such appointment shall be given to each Holder of the Funding Note as soon as practicable thereafter. Global Funding agrees with each Calculation Agent that if, by the day falling 10 days before the expiration of any notice given pursuant to this Section 4.5(g), Global Funding has not appointed a replacement Calculation Agent, then the Calculation Agent shall be entitled, on behalf of Global Funding, to appoint in its place a reputable financial institution of good standing reasonably acceptable to Global Funding and the Funding Note Indenture Trustee (unless the Funding Note Indenture Trustee is such Calculation Agent); PROVIDED, HOWEVER, that notwithstanding the foregoing, the resignation or removal of the relevant Calculation Agent shall not be effective unless, upon the expiration of the notice given pursuant to this Section 4.5(g), the successor Calculation Agent shall have accepted its

appointment. Upon its resignation or removal becoming effective, the retiring Calculation Agent shall be entitled to the payment of its compensation and reimbursement of all expenses incurred by such retiring Calculation Agent pursuant to Section 4.5(f) up to the effective date of such resignation or removal.

- (h) If at any time a Calculation Agent shall resign or be removed, or shall become incapable of acting with respect to the Funding Note, or shall be adjudged as bankrupt or insolvent, or a receiver or liquidator of such Calculation Agent or of its property shall be appointed, or any public officer shall take charge or control of such Calculation Agent or its property or affairs for the purpose of rehabilitation, conservation or liquidation, then a successor Calculation Agent shall be appointed by

30

Global Funding by an instrument in writing filed with the successor Calculation Agent. Upon any such appointment of, and the acceptance of such appointment by, a successor Calculation Agent and (except in cases of removal for failure to establish the amount of interest) the giving of notice to each Holder of the Funding Note, the retiring Calculation Agent shall cease to be Calculation Agent under the Funding Note Indenture.

- (i) Any successor Calculation Agent appointed under the Funding Note Indenture shall execute and deliver to its predecessor, Global Funding and the Funding Note Indenture Trustee (unless the Funding Note Indenture Trustee is such Calculation Agent) a reasonably acceptable instrument, accepting such appointment under the Funding Note Indenture, and thereupon such successor Calculation Agent, without any further act, deed or conveyance, shall become vested with all the authority, rights, powers, trusts, immunities, duties and obligations of such predecessor with like effect as if originally named as a Calculation Agent under the Funding Note Indenture, and such predecessor, upon payment of any amounts due pursuant to Section 4.5(f) and unpaid, shall thereupon become obliged to transfer and deliver, and such successor Calculation Agent shall be entitled to receive, copies of any relevant records maintained by such predecessor Calculation Agent.
- (j) Any corporation into which a Calculation Agent may be merged or converted or with which it may be consolidated or any corporation resulting from any merger, conversion or consolidation to which such Calculation Agent shall be a party, or a corporation succeeding to all or substantially all of the paying agency business of such Calculation Agent shall be a successor Calculation Agent under the Funding Note Indenture without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything in the Funding Note Indenture to the contrary notwithstanding. At least 30 days' prior notice of any such merger, conversion or consolidation shall be given to Global Funding and the Funding Note Indenture Trustee (unless the Funding Note Indenture Trustee is such Calculation Agent).

SECTION 4.6 CERTIFICATE TO FUNDING NOTE INDENTURE TRUSTEE. Global Funding will furnish to the Funding Note Indenture Trustee on or before - in each year (beginning with -) a brief certificate (which need not comply with Section 13.5) as to its knowledge of Global Funding's compliance with all conditions and covenants under the Funding Note Indenture (such compliance to be determined without regard to any period of grace or requirement of notice provided under the Funding Note Indenture).

SECTION 4.7 NEGATIVE COVENANTS. So long as the Funding Note is Outstanding, Global Funding will not, except as otherwise expressly permitted under the Funding Note Indenture or under the Trust Agreement:

31

- (i) sell, transfer, exchange, assign, lease, convey or otherwise dispose of any of its assets (whenever acquired), including, without limitation, any portion of the Collateral securing its Obligations under the Funding Note and the Funding Note Indenture;
- (ii) engage in any business or activity other than in connection with, or relating to the execution and delivery of, and the performance of its obligations under, the Amended and Restated Trust Agreement, the Funding Note Indenture, the Amended and Restated Administrative Services Agreement, the Distribution Agreement, the Amended and Restated Support Agreement, the Series Instrument, the Closing Instrument and each

Funding Agreement; the issuance and sale of the Funding Note pursuant to the Funding Note Indenture; and the transactions contemplated by, and the activities necessary or incidental to, any of the foregoing;

- (iii) incur, directly or indirectly, any Debt except for the Funding Note or as otherwise contemplated under the Funding Note Indenture or under the Amended and Restated Trust Agreement;
- (iv) (A) permit the validity or effectiveness of the Funding Note Indenture or the Security Interest securing the Funding Note to be impaired, or permit such Security Interest to be amended, hypothecated, subordinated, terminated or discharged, (B) permit any Person to be released from any covenants or obligations under any Funding Agreement securing the Funding Note, except as expressly permitted thereunder, under the Funding Note Indenture, the Amended and Restated Trust Agreement, or each applicable Funding Agreement, (C) create, incur, assume, or permit any Lien or other encumbrance (other than the Security Interests securing the Funding Note) on any of its properties or assets (whenever acquired), or any interest therein or the proceeds thereof, or (D) permit a lien with respect to the Collateral not to constitute a valid first priority perfected security interest in the Collateral securing the Funding Note;
- (v) amend, modify or fail to comply with any material provision of the Amended and Restated Trust Agreement, except for any amendment or modification of the Amended and Restated Trust Agreement expressly permitted thereunder or under the Funding Note Indenture or the relevant Funding Agreement(s);
- (vi) own any subsidiary or lend or advance any funds to, or make any investment in, any Person, except for (A) the investment of any funds of Global Funding in the Funding Note and (B) the investment of any funds of Global Funding held by the Funding Note Indenture Trustee, a Paying Agent, the Delaware Trustee or

32

the Global Funding Administrator as provided in the Funding Note Indenture or the Amended and Restated Trust Agreement;

- (vii) directly or indirectly declare or pay a distribution or make any distribution or other payment, or redeem or otherwise acquire or retire for value any securities other than the Funding Note, PROVIDED that Global Funding may declare or pay a distribution or make any distribution or other payment to the Global Funding Trust Beneficial Owner in compliance with the Amended and Restated Trust Agreement if Global Funding has paid or made provision for the payment of all amounts due to be paid on the Funding Note, and pay all of its debt, liabilities, obligations and expenses, the payment of which is provided for under the Amended and Restated Support Agreement;
- (viii) become required to register as an "investment company" under and as such term is defined in the Investment Company Act of 1940, as amended;
- (ix) enter into any transaction of merger or consolidation, or liquidate or dissolve itself (or, to the fullest extent permissible by law, suffer any liquidation or dissolution), or acquire by purchase or otherwise all or substantially all the business or assets of, or any stock or other evidence of beneficial ownership of, any Person;
- (x) take any action that would cause Global Funding not to be either ignored or treated as a grantor trust for United States Federal income tax purposes;
- (xi) issue the Funding Note unless the Funding Agreement Provider has affirmed in writing to Global Funding that it has made changes to its books and records to reflect the grant of a security interest in, and the making of an assignment for collateral purposes of, the relevant Funding Agreement(s) by Global Funding to the Funding Note Indenture Trustee in accordance with the terms of such Funding Agreement(s) and the Funding Note Indenture and Global Funding has taken such other steps as may be necessary to cause the Security Interest in or assignment

for all collateral purposes of, the Collateral to be perfected for purposes of the UCC or effective against its creditors and subsequent purchasers of the Collateral pursuant to insurance or other state laws;

- (xii) make any deduction or withholding from any payment of principal of or interest on the Funding Note (other than amounts that may be required to be withheld or deducted from such payments under the Code or any other applicable tax law) by reason of the payment of any taxes levied or assessed upon any portion of the Collateral

33

except to the extent specified in the Funding Note Indenture or the Funding Note Certificate or Supplemental Funding Note Indenture;

- (xiii) have any employees other than the Delaware Trustee and the Global Funding Administrator or any other persons necessary to conduct its business and enter into transactions contemplated under the Funding Note Indenture, the Amended and Restated Trust Agreement, the Amended and Restated Administrative Services Agreement, the Distribution Agreement, the Amended and Restated Support Agreement, the Series Instrument, the Closing Instrument or any Funding Agreement;
- (xiv) have an interest in any bank account other than the accounts required under the Funding Note Indenture, the Amended and Restated Trust Agreement, the Distribution Agreement or any Funding Agreement and those accounts expressly permitted by the Funding Note Indenture Trustee; PROVIDED that any such further accounts or such interest of Global Funding therein shall be charged or otherwise secured in favor of the Funding Note Indenture Trustee on terms acceptable to the Funding Note Indenture Trustee;
- (xv) permit any Affiliate, employee or officer of the Funding Agreement Provider or any Agent to be a trustee of Global Funding; or
- (xvi) commingle any of its assets with any assets of any of Global Funding's Affiliates, or guarantee any obligation of any of Global Funding's Affiliates.

SECTION 4.8 ADDITIONAL AMOUNTS.

If the Funding Note Certificate provide for the payment of Additional Amounts, Global Funding agrees to pay to the Holder of any such Funding Note Additional Amounts as provided in the Funding Note Certificate. Whenever in the Funding Note Indenture there is mentioned, in any context, the payment of the principal of, or interest or premium on, or in respect of, the Funding Note or the net proceeds received on the sale or exchange of the Funding Note, such reference shall be deemed to include reference to the payment of Additional Amounts provided by the terms established by the Funding Note Indenture or pursuant to the Funding Note Indenture to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof pursuant to such terms, and express reference to the payment of Additional Amounts in any provision of the Funding Note Indenture shall not be construed as excluding Additional Amounts in those provisions hereof where such express reference is not made.

If the Funding Note Certificate provides for the payment of Additional Amounts, the Funding Note Certificate will provide that Global Funding will pay, or cause to be paid,

34

Additional Amounts to a Holder of the Funding Note to compensate for any withholding or deduction for or on account of any present or future taxes, duties, levies, assessments or governmental charges of whatever nature imposed or levied on payments on the Funding Note by or on behalf of any governmental authority in the United States having the power to tax, so that the net amount received by the Holder of the Funding Note, after giving effect to such withholding or deduction, whether or not currently payable, will equal the amount that would have been received under the Funding Note were no such deduction or withholding required; provided that no such Additional Amounts shall be required for or on account of:

- (a) any tax, duty, levy, assessment or other governmental charge imposed which would not have been imposed but for a Holder or beneficial owner of the Funding Note, (i) having any present or former connection with the United States, including, without limitation, being or having been a citizen or resident thereof,

or having been present, having been incorporated in, having engaged in a trade or business or having (or having had) a permanent establishment or principal office therein, (ii) being a controlled foreign corporation within the meaning of Section 957(a) of the Code related within the meaning of Section 864(d)(4) of the Code, to the Funding Agreement Provider, (iii) being a bank for United States Federal income tax purposes whose receipt of interest on the Funding Note is described in Section 881(c)(3)(A) of the Code, (iv) being an actual or constructive owner of 10 percent or more of the total combined voting power of all classes of stock of the Funding Agreement Provider entitled to vote within the meaning of Section 871(h)(3) of the Code and Treasury Regulations promulgated thereunder or (v) being subject to backup withholding as of the date of the purchase by the Holder of the Funding Note;

- (b) any tax, duty, levy, assessment or other governmental charge which would not have been imposed but for the presentation of the Funding Note (where presentation is required) for payment on a date more than 30 days after the date on which such payment becomes due and payable or the date on which payment is duly provided for, whichever occurs later;
- (c) any tax, duty, levy, assessment or other governmental charge which is imposed or withheld solely by reason of the failure of the beneficial owner or a Holder of the Funding Note to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of the beneficial owner or a Holder of the Funding Note, if compliance is required by statute, by regulation of the United States Treasury Department, judicial or administrative interpretation, other law or by an applicable income tax treaty to which the United States is a party as a condition to exemption from such tax, duty, levy, assessment or other governmental charge;

35

- (d) any inheritance, gift, estate, personal property, sales, transfer or similar tax, duty, levy, assessment, or similar governmental charge;
- (e) any tax, duty, levy, assessment or other governmental charge that is payable otherwise than by withholding from payments in respect of the Funding Note;
- (f) any tax, duty, levy, assessment or other governmental charge imposed by reason of payments on the Funding Note being treated as contingent interest described in Section 871(h)(4) of the Code for United States Federal income tax purposes provided that such treatment was described in the Pricing Supplement;
- (g) any tax, duty, levy, assessment or other governmental charge that would not have been imposed but for an election by the Holder of the Funding Note, the effect of which is to make payment in respect of the Funding Note subject to United States Federal income tax or withholding tax provisions; or
- (h) any combination of items (a), (b), (c), (d), (e), (f) or (g) above.

ARTICLE 5

REMEDIES OF THE FUNDING NOTE INDENTURE TRUSTEE AND HOLDERS ON EVENT OF DEFAULT

SECTION 5.1 EVENT OF DEFAULT DEFINED; ACCELERATION OF MATURITY; WAIVER OF DEFAULT.

- (a) "EVENT OF DEFAULT" with respect to the Funding Note wherever used in the Funding Note Indenture, means each of the following events which shall have occurred and be continuing (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):
 - (i) default in the payment when due and payable of the principal of, or any premium on, the Funding Note;
 - (ii) default in the payment, when due and payable, of any interest on, or any Additional Amounts with respect to, the Funding Note and continuance of such default for a period of five Business Days;
 - (iii) any "Event of Default", as such term is defined in any Funding Agreement securing the Funding Note, by the Funding Agreement Provider under such Funding Agreement;

- (iv) Global Funding shall fail to observe or perform any covenant contained in the Funding Note or in the Funding Note Indenture for a period of 30 days after the date on which written notice

36

specifying such failure, stating that such notice is a "Notice of Default" under the Funding Note Indenture and demanding that Global Funding remedy the same, shall have been given by registered or certified mail, return receipt requested, to Global Funding by the Funding Note Indenture Trustee, or to Global Funding and the Funding Note Indenture Trustee by the Holder or Holders of at least 25% in aggregate principal amount of the Funding Note Outstanding; or

- (v) the Funding Note Indenture for any reason shall cease to be in full force and effect or shall be declared null and void, or the Funding Note Indenture Trustee shall fail to have or maintain a validly created and first priority perfected security interest (or the equivalent thereof) in the Collateral; or any Person shall successfully claim, as finally determined by a court of competent jurisdiction that any Lien for the benefit of the Holders of the Funding Note and any other Person for whose benefit the Funding Note Indenture Trustee is or will be holding the Collateral, that the Collateral is void or is junior to any other Lien or that the enforcement thereof is materially limited because of any preference, fraudulent transfer, conveyance or similar law;
- (vi) an involuntary case or other proceeding shall be commenced against Global Funding seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency, reorganization or other similar law or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of 60 days; or an order for relief shall be entered against Global Funding under the Federal bankruptcy laws as now or hereafter in effect;
- (vii) Global Funding shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency, reorganization or other similar law or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any action to authorize any of the foregoing; or
- (viii) any other Event of Default provided in any Supplemental Funding Note Indenture or in the Funding Note Certificate.

37

- (b) If one or more Events of Default shall have occurred and be continuing with respect to the Funding Note, then, and in every such event, unless the principal of all of the Funding Note shall have already become due and payable, either the Funding Note Indenture Trustee or the Holder or Holders of not less than 25% in aggregate principal amount of the Funding Note Outstanding under the Funding Note Indenture by notice in writing to Global Funding (and to the Funding Note Indenture Trustee if given by such Holder or Holders), may declare the entire principal and premium (if any) of the Funding Note, any interest accrued thereon, and any Additional Amounts due and owing and any other amounts payable with respect thereto, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable; PROVIDED that, if any Event of Default specified in Section 5.1(a)(vi) or 5.1(a)(vii) occurs with respect to Global Funding, or if any Event of Default specified in Section 5.1(a)(iii) that would cause any Funding Agreement securing the Funding Note to become immediately due and payable occurs with respect to the Funding Agreement Provider, then without any notice to Global Funding or any other act by the

Funding Note Indenture Trustee or any Holder of the Funding Note, the entire principal and premium (if any) of the Funding Note, any interest accrued thereon, and any Additional Amounts due and owing, and any other amounts payable with respect thereto, shall become immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by Global Funding.

- (c) Notwithstanding Section 5.1(b), if at any time after the principal and premium of the Funding Note, any interest accrued thereon, and any Additional Amounts due and owing and any other amounts payable with respect thereto shall have been so declared due and payable and before any judgment or decree for the payment of the funds due shall have been obtained or entered as provided in the Funding Note Indenture, Global Funding shall pay or shall deposit with the Funding Note Indenture Trustee a sum sufficient to pay all due and payable interest on, and any Additional Amounts due and owing and any other amounts payable with respect to, the Funding Note and the principal and premium (if any) of the Funding Note which shall have become due and payable otherwise than by acceleration pursuant to Section 5.1(b) above (with interest on such principal and, to the extent that payment of such interest is enforceable under applicable law, on any overdue interest and any other amounts payable, at the same rate as the rate of interest specified in the Funding Note Certificate to the date of such payment or deposit) and such amount as shall be sufficient to cover reasonable compensation to the Funding Note Indenture Trustee and each predecessor Funding Note Indenture Trustee, their respective agents, attorneys and counsel, and all other expenses and liabilities incurred, and all advances made, by the Funding Note Indenture Trustee and each predecessor Funding Note Indenture Trustee except as a result of negligence or bad faith, and if any and all

38

Events of Default under the Funding Note Indenture, other than the non-payment of the principal of and premium (if any) on the Funding Note which shall have become due by acceleration, shall have been cured, waived or otherwise remedied as provided in the Funding Note Indenture, then and in every such case the Holder Representative (as defined in Section 5.8(a) hereof), by written notice to Global Funding and to the Funding Note Indenture Trustee, may waive all defaults and rescind and annul such declaration and its consequences, but no such waiver or rescission and annulment shall extend to or shall affect any subsequent default or shall impair any right consequent thereon.

SECTION 5.2 COLLECTION OF INDEBTEDNESS BY FUNDING NOTE INDENTURE TRUSTEE; FUNDING NOTE INDENTURE TRUSTEE MAY PROVE DEBT.

- (a) Subject to Section 5.1(c), if any Event of Default contained in Section 5.1(a)(i) or (ii) shall have occurred and be continuing, Global Funding will, upon demand by the Funding Note Indenture Trustee, pay to the Funding Note Indenture Trustee for the benefit of each Holder of the Funding Note the whole amount that then shall have become due and payable of the principal of, any premium and interest on, and any Additional Amounts due and owing and any other amounts payable with respect to, the Funding Note (with interest to the date of such payment upon the overdue principal and, to the extent that payment of such interest is enforceable under applicable law, on overdue interest and any other amounts payable at the same rate as the rate of interest specified in the Funding Note); and in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including reasonable compensation to the Funding Note Indenture Trustee and each predecessor Funding Note Indenture Trustee, their respective agents, attorneys and counsel, and any expenses and liabilities incurred, and all advances made, by the Funding Note Indenture Trustee and each predecessor Funding Note Indenture Trustee except as a result of its negligence or bad faith.
- (b) Until such demand is made by the Funding Note Indenture Trustee, Global Funding may pay the principal of, any premium and interest on, and any Additional Amounts due and owing and any other amounts payable with respect to, the Funding Note to the Holders, whether or not the Funding Note be overdue.
- (c) If Global Funding shall fail to pay such amounts upon such demand, the Funding Note Indenture Trustee, in its own name and as trustee of an express trust, shall be entitled and empowered to institute any action or proceedings at law or in equity for the collection of the sums so due and unpaid, and may prosecute any such action or proceedings to judgment or final decree, and may enforce any such judgment or final decree against Global Funding or other obligor upon the Funding Note and collect in the

manner provided by law out of the property of Global Funding or other obligor upon the Funding Note, wherever the funds adjudged or decreed to be payable are situated. If there shall be pending proceedings relative to Global Funding or any other obligor upon the Funding Note under Title 11 of the United States Code or any other applicable Federal or state bankruptcy, insolvency or other similar law, or if a receiver, assignee or trustee in bankruptcy or reorganization, liquidator, sequestrator or similar official shall have been appointed for or taken possession of Global Funding or its property or such other obligor, or in case of any other comparable judicial proceedings relative to Global Funding or other obligor upon the Funding Note, or to the creditors or property of Global Funding or such other obligor, the Funding Note Indenture Trustee, irrespective of whether the principal of the Funding Note shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Funding Note Indenture Trustee shall have made any demand pursuant to the provisions of this Section, shall be entitled and empowered, by intervention in such proceedings or otherwise:

- (i) to file such proofs of a claim or claims and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Funding Note Indenture Trustee (including any claim for reasonable compensation to the Funding Note Indenture Trustee and each predecessor Funding Note Indenture Trustee, and their respective agents, attorneys and counsel, and for reimbursement of all expenses and liabilities incurred, and all advances made, by the Funding Note Indenture Trustee and each predecessor Funding Note Indenture Trustee, except as those adjudicated in a court of competent jurisdiction to be the result of any such Funding Note Indenture Trustee's negligence or bad faith) and of the Holders allowed in any judicial proceedings relative to Global Funding or other obligor upon the Funding Note, or to the creditors or property of Global Funding or such other obligor,
- (ii) unless prohibited by applicable law and regulations, to vote on behalf of the Holders of the Funding Note in any election of a trustee or a standby trustee in arrangement, reorganization, liquidation or other bankruptcy or insolvency proceedings or Person performing similar functions in comparable proceedings, and
- (iii) to collect and receive any funds or other property payable or deliverable on any such claims, and to distribute all amounts received with respect to the claims of each Holder and of the Funding Note Indenture Trustee on each Holder's behalf; and any trustee, receiver, or liquidator, custodian or other similar official is hereby authorized by each Holder to make payments to the

Funding Note Indenture Trustee, and, in the event that the Funding Note Indenture Trustee shall consent to the making of payments directly to any Holder, to pay to the Funding Note Indenture Trustee such amounts as shall be sufficient to cover reasonable compensation to the Funding Note Indenture Trustee, each predecessor Funding Note Indenture Trustee and their respective agents, attorneys and counsel, and all other expenses and liabilities incurred, and all advances made, by the Funding Note Indenture Trustee and each predecessor Funding Note Indenture Trustee except as those adjudicated in a court of competent jurisdiction to be the result of any such Funding Note Indenture Trustee's negligence or bad faith.

- (d) Nothing contained in the Funding Note Indenture shall be deemed to authorize the Funding Note Indenture Trustee to authorize or consent to or vote for or accept or adopt on behalf of any Holder any plan or reorganization, arrangement, adjustment or composition affecting the Funding Note or the rights of any Holder thereof, or to authorize the Funding Note Indenture Trustee to vote in respect of the claim of any Holder in any such proceeding except, as aforesaid, to vote for the election of a trustee in bankruptcy or similar Person.
- (e) All rights of action and of asserting claims under the Funding

Note Indenture, or under the Funding Note, may be enforced by the Funding Note Indenture Trustee without the possession of the Funding Note or the production thereof on any trial or other proceedings relative thereto, and any such action or proceedings instituted by the Funding Note Indenture Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment, subject to the payment of the expenses, disbursements and compensation of the Funding Note Indenture Trustee, each predecessor Funding Note Indenture Trustee and their respective agents and attorneys, shall be for the ratable benefit of each Holder.

- (f) In any proceedings brought by the Funding Note Indenture Trustee (and also any proceedings involving the interpretation of any provision of the Funding Note Indenture to which the Funding Note Indenture Trustee shall be a party) the Funding Note Indenture Trustee shall be held to represent every Holder of the Funding Note, and it shall not be necessary to make any Holder of the Funding Note party to any such proceedings.

SECTION 5.3 APPLICATION OF PROCEEDS.

- (a) Any funds collected by the Funding Note Indenture Trustee following an Event of Default pursuant to this Article or otherwise under the Funding Note Indenture and any applicable Supplemental Funding Note Indenture in respect of the Funding Note shall be applied in the following order at the date or dates fixed by the Funding Note Indenture Trustee and, in case

41

of the distribution of such funds on account of principal, any premium and interest and any Additional Amounts, upon presentation of the Funding Note Certificate [or Funding Note Certificates] representing the Funding Note and the notation thereon of the payment if only partially paid or upon the surrender thereof if fully paid:

FIRST: To the payment of costs and expenses, including reasonable compensation to the Funding Note Indenture Trustee and each predecessor Funding Note Indenture Trustee and their respective agents and attorneys and of all expenses and liabilities incurred, and all advances made, by the Funding Note Indenture Trustee and each predecessor Funding Note Indenture Trustee except as those adjudicated in a court of competent jurisdiction to be the result of any such Funding Note Indenture Trustee's negligence or bad faith, in an aggregate amount of no more than \$250,000 to the extent not paid pursuant to the Amended and Restated Support Agreement;

SECOND: To the payment of principal, any premium and interest, any Additional Amounts and any other amounts then due and owing on the Funding Note, ratably, without preference or priority of any kind, according to the aggregate principal amounts due and payable on the Funding Note;

THIRD: To the payment of any other Obligations then due and owing with respect to the Funding Note, ratably, without preference or priority of any kind; and

FOURTH: To the payment of any remaining balance to Global Funding.

- (b) Any funds collected by the Funding Note Indenture Trustee where no Event of Default exists pursuant to Article 5 or otherwise under the Funding Note Indenture and any applicable Supplemental Funding Note Indenture in respect of the Funding Note shall be applied in the following order at the date or dates fixed by the Funding Note Indenture Trustee and, in case of the distribution of such funds on account of principal, any premium and interest, and any Additional Amounts, upon presentation, if applicable, of the Funding Note Certificate representing the Funding Note and the notation thereon of the payment if only partially paid or upon the surrender thereof if fully paid:

FIRST: To the payment of principal, any premium and interest, any Additional Amounts, and any other amounts then due and owing on the Funding Note, ratably, without preference or priority of any kind, according to the aggregate principal amounts due and payable on the Funding Note;

SECOND: To the payment of any other Obligations then due and owing with respect to the Funding Note, ratably, without preference or priority of any kind; and

THIRD: To the payment of any remaining balance to Global Funding.

SECTION 5.4 SUITS FOR ENFORCEMENT. If an Event of Default has occurred, has not been waived and is continuing, the Funding Note Indenture Trustee may in its discretion proceed

to protect and enforce the rights vested in it by the Funding Note Indenture by such appropriate judicial proceedings as the Funding Note Indenture Trustee shall deem most effectual to protect and enforce any of such rights, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in the Funding Note Indenture or in aid of the exercise of any power granted in the Funding Note Indenture or to enforce any other legal or equitable right vested in the Funding Note Indenture Trustee by the Funding Note Indenture or by law.

SECTION 5.5 RESTORATION OF RIGHTS ON ABANDONMENT OF PROCEEDINGS. If the Funding Note Indenture Trustee shall have proceeded to enforce any right under the Funding Note Indenture and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Funding Note Indenture Trustee, then and in every such case Global Funding and the Funding Note Indenture Trustee shall be restored respectively to their former positions and rights under the Funding Note Indenture, and all rights, remedies and powers of Global Funding, the Funding Note Indenture Trustee and each Holder shall continue as though no such proceedings had been taken.

SECTION 5.6 LIMITATIONS ON SUITS BY HOLDERS. No Holder of the Funding Note shall have any right by virtue or by availing of any provision of the Funding Note Indenture to institute any action or proceeding at law or in equity or in bankruptcy or otherwise upon or under or with respect to the Funding Note Indenture, or for the appointment of a trustee, receiver, liquidator, custodian or other similar official or for any other remedy under the Funding Note Indenture, unless:

- (i) such Holder has previously given written notice to the Funding Note Indenture Trustee of a continuing Event of Default;
- (ii) the Holder or Holders of the Funding Note representing not less than 25% of the aggregate principal amount of the Outstanding Funding Note of such series shall have made written request to the Funding Note Indenture Trustee to institute proceedings in respect of such Event of Default in its own name as the Funding Note Indenture Trustee;
- (iii) such Holder or Holders have offered to the Funding Note Indenture Trustee indemnity or security satisfactory to it against the costs, expenses and liabilities to be incurred in compliance with such request;
- (iv) the Funding Note Indenture Trustee for 60 days after its receipt of such notice, request and offer of indemnity shall have failed to institute any such action or proceedings; and
- (v) no direction inconsistent with such written request shall have been given to the Funding Note Indenture Trustee during such 60-day period by the Holder or Holders of the Funding Note representing

at least 66 2/3% of the aggregate principal amount of the Funding Note then Outstanding;

it being understood and intended, and being expressly covenanted by each Holder of the Funding Note with each other Holder of the Funding Note and the Funding Note Indenture Trustee, that no Holder or Holders of the Funding Note shall have any right in any manner whatever by virtue of, or by availing of, any provision of the Funding Note Indenture to affect, disturb or prejudice the rights of any other Holder of the Funding Note, or to obtain or seek to obtain priority over or preference to any other Holder of the Funding Note or to enforce any right under the Funding Note Indenture, except in the manner provided herein and for the equal, ratable and common benefit of all the Holders of the Funding Note. For the protection and enforcement of the provisions of this Section, each Holder and the Funding Note Indenture Trustee shall be entitled to such relief as can be given either at law or in equity.

Notwithstanding any other provisions in the Funding Note Indenture, however, the right of any Holder of the Funding Note, which is absolute and unconditional, to receive payment of the principal of (and premium, if any), and interest on, if any, and Additional Amounts with respect to, if any, such Funding Note, on or after the respective due dates expressed in such Funding Note, or to institute suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder.

SECTION 5.7 POWERS AND REMEDIES CUMULATIVE; DELAY OR OMISSION NOT WAIVER OF DEFAULT.

- (a) Except as provided in Section 2.7, no right or remedy in the Funding Note Indenture conferred upon or reserved to the Funding Note Indenture Trustee or to any Holder is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given under the Funding Note Indenture or existing at law or in equity or otherwise. The assertion or employment of any right or remedy under the Funding Note Indenture, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.
- (b) No delay or omission of the Funding Note Indenture Trustee or of any Holder of the Funding Note to exercise any right or power accruing upon any Event of Default occurring and continuing as aforesaid shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein; and, subject to Section 5.6, every power and remedy given by the Funding Note Indenture or by law to the Funding Note Indenture Trustee or to any Holder may be exercised from time to time, and as often as shall be deemed expedient, by the Funding Note Indenture Trustee or by such Holder.

44

SECTION 5.8 CONTROL BY THE HOLDERS.

- (a) The Holders of a majority in aggregate principal amount of the Funding Note at the time Outstanding shall have the right to elect a holder representative (the "HOLDER REPRESENTATIVE") who shall have binding authority upon all the Holders and who shall direct the time, method, and place of conducting any proceeding for any remedy available to the Funding Note Indenture Trustee, or exercising any trust or power conferred on the Funding Note Indenture Trustee by the Funding Note Indenture, PROVIDED that:
 - (i) such direction shall not be otherwise than in accordance with law and the provisions of the Funding Note Indenture; and
 - (ii) subject to the provisions of Section 6.1, the Funding Note Indenture Trustee shall have the right to decline to follow any such direction if the Funding Note Indenture Trustee, being advised by counsel, shall determine that the action or proceeding so directed may not lawfully be taken or if the Funding Note Indenture Trustee in good faith by its board of directors, the executive committee, or a trust committee of directors or Responsible Officers of the Funding Note Indenture Trustee shall determine that the action or proceedings so directed would involve the Funding Note Indenture Trustee in personal liability.
- (b) Nothing in the Funding Note Indenture shall impair the right of the Funding Note Indenture Trustee in its discretion to take any action deemed proper by the Funding Note Indenture Trustee and which is not inconsistent with such direction by the Holders.

SECTION 5.9 WAIVER OF PAST DEFAULTS. Prior to the declaration of the maturity of the Funding Note as provided in Section 5.1, the Holder Representative may on behalf of the Holders of the Funding Note waive any past default or Event of Default under the Funding Note Indenture and its consequences, except a default:

- (i) in the payment of principal of, any premium or interest on, or any Additional Amounts with respect to, the Funding Note; or
- (ii) in respect of a covenant or provision of the Funding Note Indenture which cannot be modified or amended without the consent of the Holder of the Funding Note.

Upon any such waiver, such default shall cease to exist and be deemed to have been cured and not to have occurred, and any Event of Default arising therefrom shall be deemed to have been cured, and not to have occurred for every purpose of the Funding Note Indenture; but no such waiver shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon.

45

ARTICLE 6 THE FUNDING NOTE INDENTURE TRUSTEE

SECTION 6.1 CERTAIN DUTIES AND RESPONSIBILITIES.

- (a) Except if an Event of Default has occurred and is continuing (and

it has not been cured or waived), the Funding Note Indenture Trustee undertakes to perform in a prudent manner such duties and only such duties with respect to the Funding Note as are specifically set forth in the Funding Note Indenture. No implied covenants or obligations shall be read into the Funding Note Indenture against the Funding Note Indenture Trustee.

- (b) If an Event of Default has occurred and is continuing (and it has not been cured or waived), the Funding Note Indenture Trustee shall exercise such of the rights and powers with respect to the Funding Note vested in it by the Funding Note Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.
- (c) No provision of the Funding Note Indenture shall be construed to relieve the Funding Note Indenture Trustee from liability for its own negligent action, its own negligent failure to act or its own willful misconduct, except that:
 - (i) this subsection (c) shall not be construed to limit the effect of subsection (a) of this Section;
 - (ii) in the absence of bad faith on its part, the Funding Note Indenture Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Funding Note Indenture Trustee and conforming to the requirements of the Funding Note Indenture unless a Responsible Officer of the Funding Note Indenture Trustee has actual knowledge that such statements or opinions are false; provided that the Funding Note Indenture Trustee must examine such certificates and opinions to determine whether they conform to the requirements of the Funding Note Indenture;
 - (iii) the Funding Note Indenture Trustee shall not be liable for any error of judgment made in good faith by any Responsible Officer of the Funding Note Indenture Trustee, unless it is proved that the Funding Note Indenture Trustee was negligent in ascertaining the pertinent facts;
 - (iv) the Funding Note Indenture Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holder Representative relating to the time, method and place of conducting any proceeding for

46

any remedy available to the Funding Note Indenture Trustee, or exercising any trust or power conferred upon the Funding Note Indenture Trustee, under the Funding Note Indenture with respect to the Funding Note; and

- (v) no provision of the Funding Note Indenture shall require the Funding Note Indenture Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties under the Funding Note Indenture, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such liability is not reasonably assured to it.
- (d) Whether or not therein expressly so provided, every provision of the Funding Note Indenture relating to the conduct or affecting the liability of or affording protection to the Funding Note Indenture Trustee shall be subject to the provisions of this Section.

SECTION 6.2 CERTAIN RIGHTS OF THE FUNDING NOTE INDENTURE TRUSTEE.

Subject to Section 6.1:

- (a) the Funding Note Indenture Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, debenture, note, coupon, security or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;
- (b) any request, direction, order or demand of Global Funding mentioned in the Funding Note Indenture shall be sufficiently evidenced by a Trust Certificate (unless other evidence in

respect thereof be specifically prescribed in the Funding Note Indenture);

- (c) the Funding Note Indenture Trustee may consult with counsel and any advice or Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted to be taken by it under the Funding Note Indenture in good faith and in reliance on such advice or Opinion of Counsel;
- (d) the Funding Note Indenture Trustee shall be under no obligation to exercise any of the trusts or powers vested in it by the Funding Note Indenture at the request, order or direction of any Holder Representative pursuant to the provisions of the Funding Note Indenture, unless such Holder Representative shall have offered to the Funding Note Indenture Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request, order or direction;

47

- (e) whenever in the administration of the Funding Note Indenture the Funding Note Indenture Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering or omitting any action under the Funding Note Indenture, such matter (unless other evidence in respect thereof be specifically prescribed in the Funding Note Indenture) may, in the absence of negligence or bad faith on its part, be deemed to be conclusively proved and established by a Trust Certificate delivered to the Funding Note Indenture Trustee;
- (f) the Funding Note Indenture Trustee shall not be liable for any action taken or omitted by it in good faith and believed by it to be authorized or within the discretion, rights or powers conferred upon it by the Funding Note Indenture;
- (g) the Funding Note Indenture Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, appraisal, bond, debenture, note, coupon, security, or other paper or document unless requested in writing so to do by the Holder Representative; PROVIDED that, if the payment within a reasonable time to the Funding Note Indenture Trustee of the costs, expenses or liabilities likely to be incurred by it in the making of such investigation is, in the opinion of the Funding Note Indenture Trustee, not reasonably assured to the Funding Note Indenture Trustee by the security afforded to it by the terms of the Funding Note Indenture, the Funding Note Indenture Trustee may require reasonable indemnity against such expenses or liabilities as a condition to proceeding; the reasonable expenses of every such examination shall be paid by Global Funding or, if paid by the Funding Note Indenture Trustee or any predecessor trustee, shall be repaid by Global Funding upon demand; and
- (h) the Funding Note Indenture Trustee may execute any of the trusts or powers under the Funding Note Indenture or perform any duties under the Funding Note Indenture either directly or by or through agents or attorneys not regularly in its employ and the Funding Note Indenture Trustee shall not be responsible for any misconduct or negligence on the part of any such agent or attorney appointed with due care by it under the Funding Note Indenture.

SECTION 6.3 NOT RESPONSIBLE FOR RECITALS, VALIDITY OF THE FUNDING NOTE OR APPLICATION OF THE PROCEEDS. The recitals contained in the Funding Note Indenture and in the Funding Note, except the Funding Note Indenture Trustee's certificates of authentication, shall be taken as the statements of Global Funding, and the Funding Note Indenture Trustee assumes no responsibility for the correctness of the same. The Funding Note Indenture Trustee makes no representation as to the validity or sufficiency of the Funding Note Indenture or of the Funding Note. The Funding Note Indenture Trustee shall not be accountable for the use or application by Global Funding of the Funding Note or of the proceeds thereof.

48

SECTION 6.4 MAY HOLD FUNDING NOTE; COLLECTIONS, ETC. The Funding Note Indenture Trustee or any agent of Global Funding or the Funding Note Indenture Trustee, in its individual or any other capacity, may become the owner or pledgee of the Funding Note with the same rights it would have if it were not the Funding Note Indenture Trustee or such agent and, subject to Section 6.7 and Section 311(a) of the Trust Indenture Act, may otherwise deal with Global Funding and receive, collect, hold and retain collections from Global Funding with the same rights it would have if it were not the Funding Note Indenture

Trustee or such agent.

SECTION 6.5 FUNDS HELD BY FUNDING NOTE INDENTURE TRUSTEE. Subject to the provisions of Section 11.4, all funds received by the Funding Note Indenture Trustee shall, until used or applied as provided in the Funding Note Indenture, be held in trust for the purposes for which they were received. The Funding Note Indenture Trustee (and each of its agents and Affiliates) shall deposit all cash amounts received by it (or any such agents or Affiliates) that are derived from the Collateral for the benefit of the Holders of the Funding Note in a segregated account maintained or controlled by the Funding Note Indenture Trustee, consistent with the rating of the Outstanding Funding Note. Neither the Funding Note Indenture Trustee nor any agent of Global Funding or the Funding Note Indenture Trustee shall be under any liability for interest on any funds received by it under the Funding Note Indenture.

SECTION 6.6 COMPENSATION; REIMBURSEMENT; INDEMNIFICATION.

(a) Global Funding covenants and agrees:

- (i) to pay to the Funding Note Indenture Trustee from time to time, and the Funding Note Indenture Trustee shall be entitled to, reasonable compensation for all services rendered by it under the Funding Note Indenture (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);
- (ii) except as otherwise provided in the Funding Note Indenture, to pay or reimburse the Funding Note Indenture Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Funding Note Indenture Trustee in accordance with any provision of the Funding Note Indenture (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except any such expense, disbursement or advance as may arise from its negligence or bad faith; and
- (iii) to indemnify the Funding Note Indenture Trustee for, and to hold it harmless against, any loss, liability or expense incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of the Funding Note Indenture or the trusts under the Funding Note Indenture and its duties under the Funding Note Indenture, including the costs and expenses of defending itself against or investigating any claim of

49

liability in connection with the exercise or performance of any of its powers or duties under the Funding Note Indenture.

- (b) The obligations of Global Funding under this Section to compensate and indemnify the Funding Note Indenture Trustee and to pay or reimburse the Funding Note Indenture Trustee for expenses, disbursements and advances shall constitute additional indebtedness under the Funding Note Indenture and shall survive the satisfaction and discharge of the Funding Note Indenture and any resignation or removal of the Funding Note Indenture Trustee.

SECTION 6.7 CORPORATE TRUSTEE REQUIRED; ELIGIBILITY.

(a) There shall at all times be a Funding Note Indenture Trustee under the Funding Note Indenture which shall:

- (i) be a banking corporation authorized under its laws of incorporation and the laws of the jurisdiction in which it administers the Funding Note Indenture and any Supplemental Funding Note Indenture to exercise corporate trust powers, having an aggregate capital, surplus of at least \$50,000,000; provided that if such banking corporation publishes reports of condition at least annually, pursuant to law or to the requirements of its Federal, State or other governmental supervisor, then for the purposes of this Section, the aggregate capital, surplus and undivided profits of such banking corporation shall be deemed to be its aggregate capital, surplus and undivided profits as set forth in its most recent report of condition so published;
- (ii) not be affiliated (as such term is defined in Rule 405 under the Securities Act) with Global Funding or with any Person involved in the organization or operation of Global Funding; and

(iii) not offer or provide credit or credit enhancement to Global Funding.

- (b) If at any time the Funding Note Indenture Trustee shall cease to be eligible in accordance with the provisions of Section 6.7(a) or the requirements of Section 310 of the Trust Indenture Act, the Funding Note Indenture Trustee shall resign immediately in the manner and with the effect specified in Section 6.8.

SECTION 6.8 RESIGNATION AND REMOVAL; APPOINTMENT OF SUCCESSOR TRUSTEE.

- (a) The Funding Note Indenture Trustee may at any time resign by giving not less than 90 days' prior written notice of resignation to Global Funding and to the Holders of the Funding Note as provided in the Funding Note Indenture. Upon receiving such notice of resignation, Global Funding

50

shall promptly cause a successor trustee with respect to the applicable series to be appointed by written instrument in duplicate, executed by Global Funding, one copy of which instrument shall be delivered to the resigning trustee and one copy to the successor trustee. If no successor trustee shall have been so appointed and have accepted appointment within 30 days after the giving of such notice of resignation, the resigning trustee may petition any court of competent jurisdiction for the appointment of a successor trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor trustee.

- (b) If at any time:

- (i) the Funding Note Indenture Trustee shall cease to be eligible in accordance with the provisions of Section 6.7(a) or the requirements of Section 310 of the Trust Indenture Act or any applicable Supplemental Funding Note Indenture and shall fail to resign pursuant to Section 6.7(b) or following written request therefor by Global Funding or by any such Holder pursuant to Section 6.8(c);
- (ii) the Funding Note Indenture Trustee shall become incapable of acting with respect to the Funding Note, or shall be adjudged as bankrupt or insolvent, or a receiver or liquidator of the Funding Note Indenture Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Funding Note Indenture Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation; or
- (iii) the Funding Note Indenture Trustee shall fail to comply with the obligations imposed upon it under Section 310(b) of the Trust Indenture Act with respect to the Funding Note after written request therefor by Global Funding or any Holder of the Funding Note who has been a bona fide Holder of the Funding Note for at least six months;

then, in any such case, except during the existence of an Event of Default, Global Funding may remove the Funding Note Indenture Trustee and appoint a successor trustee by written instrument, in duplicate, one copy of which instrument shall be delivered to the Funding Note Indenture Trustee so removed and one copy to the successor trustee.

- (c) In addition to the right of petition given to the resigning trustee and the right of removal given to Global Funding under Sections 6.8(a) and 6.8(b), respectively, any Holder who has been a Holder of the Funding Note for at least six months may, on behalf of itself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor trustee or the removal of the Funding Note Indenture Trustee

51

and the appointment of a successor trustee, as the case may be. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor trustee or remove the Funding Note Indenture Trustee and appoint a successor trustee, as the case may be.

- (d) The Holder Representative may at any time remove the Funding Note Indenture Trustee and appoint a successor trustee by delivering to the Funding Note Indenture Trustee so removed, to the successor trustee so appointed and to Global Funding the evidence provided for in Section 8.1 of the action in that regard taken by

a Holder.

- (e) Any resignation or removal of the Funding Note Indenture Trustee and any appointment of a successor trustee pursuant to any of the provisions of this Section 6.8 shall only become effective upon acceptance of appointment by the successor trustee as provided in Section 6.9.

SECTION 6.9 ACCEPTANCE OF APPOINTMENT BY SUCCESSOR TRUSTEE.

- (a) Every successor trustee appointed as provided in Section 6.8 shall execute, acknowledge and deliver to Global Funding and to its predecessor trustee an instrument accepting such appointment, and thereupon the resignation or removal of the predecessor trustee shall become effective and such successor trustee, without any further act, deed or conveyance, shall become vested with all rights, powers, duties and obligations of its predecessor under the Funding Note Indenture, with like effect as if originally named as trustee under the Funding Note Indenture; but, nevertheless, on the written request of Global Funding or of the successor trustee, upon payment of its charges then unpaid, the trustee ceasing to act shall, subject to Section 11.4, pay over to the successor trustee all funds at the time held by it under the Funding Note Indenture and shall execute and deliver an instrument transferring to such successor trustee all such rights, powers, duties and obligations. Upon request of any such successor trustee, Global Funding shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor trustee all such rights and powers. Subject to the Lien created under the Funding Note Indenture, any trustee ceasing to act shall, nevertheless, retain a claim upon all property or funds held or collected by such trustee to secure any amounts then due it pursuant to the provisions of Section 6.6.
- (b) Upon acceptance of appointment by a successor Funding Note Indenture Trustee as provided in this Section 6.9, Global Funding shall notify each Holder of the Funding Note and each rating agency then rating the Funding Note at the request of Global Funding. If the acceptance of appointment is substantially contemporaneous with the resignation, then the notice called for by the preceding sentence may be combined with the notice called for by Section 6.8. If Global Funding fails to make such

52

notice within 10 days after acceptance of appointment by the successor Funding Note Indenture Trustee, the successor Funding Note Indenture Trustee shall cause such notice to be mailed at the expense of Global Funding.

SECTION 6.10 MERGER, CONVERSION, CONSOLIDATION OR SUCCESSION TO BUSINESS OF FUNDING NOTE INDENTURE TRUSTEE.

- (a) Any corporation into which the Funding Note Indenture Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Funding Note Indenture Trustee shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Funding Note Indenture Trustee, shall be the successor of the Funding Note Indenture Trustee under the Funding Note Indenture, PROVIDED that such corporation shall be eligible under the provisions of Section 6.7, without the execution or filing of any paper or any further act on the part of any of the parties to the Funding Note Indenture, anything in the Funding Note Indenture to the contrary notwithstanding.
- (b) In case at the time such successor to the Funding Note Indenture Trustee shall succeed to the trusts created by the Funding Note Indenture the Funding Note shall have been authenticated but not delivered, any such successor to the Funding Note Indenture Trustee may adopt the certificate of authentication of any predecessor Funding Note Indenture Trustee and deliver such Funding Note so authenticated; and, in case at that time the Funding Note shall not have been authenticated, any successor to the Funding Note Indenture Trustee may authenticate such Funding Note either in the name of any predecessor under the Funding Note Indenture or in the name of the successor Funding Note Indenture Trustee; and in all such cases such certificate shall have the full force; PROVIDED, that the right to adopt the certificate of authentication of any predecessor Funding Note Indenture Trustee or to authenticate the Funding Note in the name of any predecessor Funding Note Indenture Trustee shall apply only to its successor or successors by merger, conversion or consolidation.

SECTION 6.11 LIMITATIONS ON RIGHTS OF FUNDING NOTE INDENTURE TRUSTEE AS CREDITOR. The Funding Note Indenture Trustee shall comply with Section 311(a) of the Trust Indenture Act.

ARTICLE 7

HOLDERS' LISTS AND REPORTS BY FUNDING NOTE INDENTURE TRUSTEE AND TRUST

SECTION 7.1 GLOBAL FUNDING TO FURNISH FUNDING NOTE INDENTURE TRUSTEE NAMES AND ADDRESSES OF HOLDERS.

53

In accordance with Section 312(a) of the Trust Indenture Act, Global Funding shall furnish or cause to be furnished to the Funding Note Indenture Trustee:

- (a) semi-annually not later than June 30 and December 31 of the year or upon such other dates as are set forth in or pursuant to the Funding Note Certificate or Supplemental Funding Note Indenture, a list, in each case in such form as the Funding Note Indenture Trustee may reasonably require, of the names and addresses of Holders as of the applicable date, and
- (b) at such other times as the Funding Note Indenture Trustee may request in writing, within 30 days after the receipt by Global Funding of any such request, a list of similar form and content as of a date not more than 15 days prior to the time such list is furnished,

PROVIDED, HOWEVER, that so long as the Funding Note Indenture Trustee is the Funding Note Registrar no such list shall be required to be furnished.

SECTION 7.2 PRESERVATION OF INFORMATION; COMMUNICATION TO HOLDERS.

The Funding Note Indenture Trustee shall comply with the obligations imposed upon it pursuant to Section 312 of the Trust Indenture Act. Every Holder of the Funding Note, by receiving and holding the same, agrees with Global Funding and the Funding Note Indenture Trustee that neither Global Funding, the Funding Note Indenture Trustee, any Paying Agent or any Funding Note Registrar shall be held accountable by reason of the disclosure of any such information as to the names and addresses of the Holders of the Funding Note in accordance with Section 312(c) of the Trust Indenture Act, regardless of the source from which such information was derived, and that the Funding Note Indenture Trustee shall not be held accountable by reason of mailing any material pursuant to a request made under Section 312(b) of the Trust Indenture Act.

SECTION 7.3 REPORTS BY FUNDING NOTE INDENTURE TRUSTEE.

- (a) Within 60 days after May 15 of each year commencing with the first May 15 following the issuance of the Funding Note, if required by Section 313(a) of the Trust Indenture Act, the Funding Note Indenture Trustee shall transmit, pursuant to Section 313(c) of the Trust Indenture Act, a brief report dated as of May 15 with respect to any of the events specified in Section 313(a) of the Trust Indenture Act which may have occurred since the later of the immediately preceding May 15 and the date of the Funding Note Indenture.
- (b) The Funding Note Indenture Trustee shall transmit the reports required by Section 313(a) of the Trust Indenture Act at the time specified therein.
- (c) The Funding Note Indenture Trustee shall comply with Section 313(b) of the Trust Indenture Act.

54

- (d) Reports pursuant to this Section shall be transmitted in the manner and to the Persons required by Sections 313(c) and 313(d) of the Trust Indenture Act.
- (e) A copy of each such report shall, at the time of such transmission to Holders, be filed by the Funding Note Indenture Trustee with each stock exchange upon which the Funding Note is listed, with the Commission and Global Funding. Global Funding will notify the Funding Note Indenture Trustee whether the Funding Note is listed on any stock exchange.

SECTION 7.4 REPORTS BY TRUST.

Pursuant to Section 314(a) of the Trust Indenture Act, Global Funding shall:

- (a) file, or cause to be filed, with the Funding Note Indenture Trustee, within 15 days after Global Funding or Global Funding is required to file the same with the Commission and to the extent

available to Global Funding, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the Commission may from time to time by rules and regulations prescribe) which Global Funding or the Issuing Trust may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the Exchange Act; or, if Global Funding is not required to file information, documents or reports pursuant to either of said Sections, then it shall file, or cause to be filed, with the Funding Note Indenture Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such of the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of the Exchange Act in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations; PROVIDED that if, pursuant to any publicly available interpretations of the Commission, Global Funding or Global Funding would not be required to make such filings under Section 314(a) of the Trust Indenture Act, then Global Funding or Global Funding shall not be required to make such filings;

- (b) file, or cause to be filed on its behalf, with the Funding Note Indenture Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such additional information, documents and reports with respect to compliance by Global Funding, with the conditions and covenants of the Funding Note Indenture as may be required from time to time by such rules and regulations; and
- (c) transmit within 30 days after the filing thereof with the Funding Note Indenture Trustee, in the manner and to the extent provided in Section 313(c) of the Trust Indenture Act, such summaries of any information,

55

documents and reports required to be filed by or on behalf of Global Funding pursuant to paragraphs (1) and (2) of this Section as may be required by rules and regulations prescribed from time to time by the Commission.

ARTICLE 8
CONCERNING EACH HOLDER

SECTION 8.1 EVIDENCE OF ACTION TAKEN BY A HOLDER.

- (a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by the Funding Note Indenture to be given or taken by any Holder may be embodied in and evidenced (i) by any instrument or any number of instruments of similar tenor executed by Holders in person or by agent or proxy appointed in writing, or (ii) by the record of the Holders of the Funding Note voting in favor thereof at any meeting of Holders duly called and held in accordance with the provisions of Article 12, or (iii) by a combination of such instrument or instruments and any such record of such meeting of Holders. Except as otherwise expressly provided in the Funding Note Indenture, such action shall become effective when such instrument or instruments are delivered to the Funding Note Indenture Trustee. Proof of execution of any instrument or of a writing appointing any such agent shall be sufficient for any purpose of the Funding Note Indenture and (subject to Sections 6.1 and 6.2) conclusive in favor of the Funding Note Indenture Trustee and Global Funding, if made in the manner provided in this Article. The record of any meeting of Holders of the Funding Note shall be proved in the manner provided in Section 12.6.
- (b) Any request, demand, authorization, direction, notice, consent, waiver or other action of the Holder of the Funding Note shall bind every future Holder of the same Funding Note and the Holder of every Funding Note issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done, omitted or suffered to be done by the Funding Note Indenture Trustee or Global Funding in reliance thereon, whether or not notation of such action is made upon such Funding Note.

SECTION 8.2 PROOF OF EXECUTION OF INSTRUMENTS AND OF HOLDING OF FUNDING NOTE.

- (a) Subject to Sections 6.1 and 6.2, the execution of any instrument by a Holder or its agent or proxy may be proved in accordance with such reasonable rules and regulations as may be prescribed by the Funding Note Indenture Trustee or in such manner as shall be satisfactory to the Funding Note Indenture Trustee.

56

- (b) The ownership, principal amount and CUSIP number of the Funding Note shall be proved by the Funding Note Register or by a certificate of the Funding Note Indenture Trustee.

SECTION 8.3 VOTING RECORD DATE. Global Funding may set a record date for purposes of determining the identity of each Holder of the Funding Note entitled to vote or consent to any action referred to in Section 8.1, which record date may be set at any time or from time to time by notice to the Funding Note Indenture Trustee, for any date or dates (in the case of any adjournment or resolicitation) not more than 60 days nor less than 5 days prior to the proposed date of such vote or consent, and thereafter, notwithstanding any other provisions of the Funding Note Indenture, only a Holder of the Funding Note on such record date shall be entitled to so vote or give such consent or to withdraw such vote or consent.

SECTION 8.4 PERSONS DEEMED TO BE OWNERS. Global Funding, the Funding Note Indenture Trustee and any agent of Global Funding or the Funding Note Indenture Trustee may deem and treat the Holder of the Funding Note of as the absolute owner of such Funding Note (whether or not such Funding Note shall be overdue and notwithstanding any notation of ownership or other writing thereon) for the purpose of receiving payment of or on account of the principal of, any premium on, and, subject to the provisions of the Funding Note Indenture, any interest on, and any Additional Amounts with respect to, such Funding Note and for all other purposes; and neither Global Funding nor the Funding Note Indenture Trustee nor any agent of Global Funding or the Funding Note Indenture Trustee shall be affected by any notice to the contrary. All such payments so made to any such Person, or upon such Person's order, shall be valid, and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for funds payable upon any such Funding Note.

SECTION 8.5 FUNDING NOTE OWNED BY TRUST DEEMED NOT OUTSTANDING. In determining whether the Holders of the requisite aggregate principal amount of the Funding Note have concurred in any direction, consent or waiver under the Funding Note Indenture, the Funding Note which is owned by Global Funding or any other obligor on the Funding Note or by any Person directly or indirectly controlling or controlled by or under direct or indirect common control with Global Funding or any other obligor on the Funding Note shall be disregarded and deemed not to be Outstanding for the purpose of any such determination, except that for the purpose of determining whether the Funding Note Indenture Trustee shall be protected in relying on any such direction, consent or waiver only a Funding Note which the Funding Note Indenture Trustee knows is so owned shall be so disregarded. A Funding Note so owned which has been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Funding Note Indenture Trustee the pledgee's right so to act with respect to such Funding Note and that the pledgee is not Global Funding or any other obligor upon the Funding Note or any Person directly or indirectly controlling or controlled by or under direct or indirect common control with Global Funding or any other obligor on the Funding Note. In case of a dispute as to such right, the advice of counsel shall be full protection in respect of any decision made by the Funding Note Indenture Trustee in accordance with such advice. Upon request of the Funding Note Indenture Trustee, Global Funding shall furnish to the Funding Note Indenture Trustee promptly a Trust Certificate listing and identifying the Funding Note, if any, known by Global Funding to be owned or held by or for the account of any of the above-described Persons; and, subject to Sections 6.1 and 6.2, the Funding Note Indenture Trustee shall

57

be entitled to accept such Trust Certificate as conclusive evidence of the facts therein set forth and of the fact that the Funding Note not listed therein is Outstanding for the purpose of any such determination.

SECTION 8.6 RIGHT OF REVOCATION OF ACTION TAKEN; BINDING EFFECT OF ACTIONS BY HOLDERS.

- (a) [At any time prior to (but not after) the evidencing to the Funding Note Indenture Trustee, as provided in Section 8.1, of the taking of any action by the Holders of the percentage in aggregate principal amount of the Funding Note specified in the Funding Note Indenture in connection with such action, any Holder of a Funding Note represented by a Funding Note Certificate the serial number of which is shown by the evidence to be included among the serial numbers of the Funding Note Certificate representing the Funding Note the Holders of which have consented to such action may, by filing written notice at the Corporate Trust Office and upon proof of holding as provided in this Article, revoke such action so far as concerns such Funding Note.
- (b) Any action taken by the Holders of the percentage in aggregate principal amount of the Funding Note specified in the Funding Note Indenture in connection with such action shall be conclusively binding upon Global Funding, the Funding Note Indenture Trustee and the Holders of the Funding Note affected by such action, of the Funding Note issued in exchange for the Funding Note affected by such action or the Funding Note

represented by the Funding Note Certificate executed, authenticated and delivered in exchange for the Funding Note Certificate representing the Funding Note affected by such action, in respective of whether or not any notation in regard of any such action is made on the applicable Funding Note Certificate.]

ARTICLE 9
SUPPLEMENTAL FUNDING NOTE INDENTURES

SECTION 9.1 SUPPLEMENTAL FUNDING NOTE INDENTURES WITHOUT CONSENT OF HOLDERS.

- (a) Global Funding and the Funding Note Indenture Trustee may from time to time and at any time enter into an indenture or indentures supplemental to the Funding Note Indenture (each, a "SUPPLEMENTAL FUNDING NOTE INDENTURE") (which shall conform to the provisions of the Trust Indenture Act) for one or more of the following purposes without the consent of any Holder:
- (i) for Global Funding to convey, transfer, assign, mortgage or pledge to the Funding Note Indenture Trustee as security for the Funding Note any property or assets;
 - (ii) to add to the covenants of Global Funding such further covenants, restrictions, conditions or provisions as Global Funding and the Funding Note Indenture Trustee shall consider to be for the protection of each Holder of the Funding Note, and to make the occurrence, or the occurrence and continuance, of a default in any such additional covenants, restrictions, conditions or provisions an Event of Default permitting the enforcement of all or any of the several remedies provided in the Funding Note Indenture as set forth in the Funding Note Indenture; PROVIDED, that in respect of any such additional covenant, restriction, condition or provision such Supplemental Funding Note Indenture may provide for a particular period of grace after default (which period may be shorter or longer than that allowed in the case of other defaults) or may provide for an immediate enforcement upon such an Event of Default or may limit the remedies available to the Funding Note Indenture Trustee upon such an Event of Default or may limit the right of the Holder Representative to waive such an Event of Default;
 - (iii) to cure any ambiguity or to correct or supplement any provision contained in the Funding Note Indenture or in any Supplemental Funding Note Indenture or the Funding Note Certificate which may be defective or inconsistent with any other provision contained in the Funding Note Indenture or in any Supplemental Funding Note Indenture or the Funding Note Certificate; or to make such other provisions in regard to matters or questions arising under the Funding Note Indenture or under any Supplemental Funding Note Indenture or the Funding Note Certificate as Global Funding may deem necessary or desirable and which shall not adversely affect the interests of the Holders of the Funding Note in any material respect; or
 - (iv) to evidence and provide for the acceptance of appointment under the Funding Note Indenture by a successor trustee and to add to or change any of the provisions of the Funding Note Indenture as shall be necessary to provide for or facilitate the administration of the trusts under the Funding Note Indenture by more than one trustee.
- (b) The Funding Note Indenture Trustee is authorized to join with Global Funding in the execution of any such Supplemental Funding Note Indenture, and to make any further appropriate agreements and stipulations which may be therein contained, but the Funding Note Indenture Trustee shall not be obligated to enter into any such Supplemental Funding Note Indenture which affects the Funding Note Indenture Trustee's own rights, duties or immunities under the Funding Note Indenture or otherwise.

- (c) Any Supplemental Funding Note Indenture authorized by the provisions of this Section may be executed without the consent of any Holder of the Funding Note at the time Outstanding, notwithstanding any of the provisions of Section 9.2.

- (a) With the consent (evidenced as provided in Article 8) of the Holders of not less than 66 2/3% in aggregate principal amount of the Funding Note at the time Outstanding, Global Funding and the Funding Note Indenture Trustee may, from time to time and at any time, enter into a Supplemental Funding Note Indenture for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Funding Note Indenture or of any Supplemental Funding Note Indenture or Funding Note Certificate or of modifying in any manner the rights of the Holders of the Funding Note; PROVIDED, that no such Supplemental Funding Note Indenture shall:
- (i) change the final maturity of the Funding Note, or reduce the principal amount thereof, or reduce the rate or extend the time of payment of interest or any other amount payable thereon, or impair or affect the right of any Holder to institute suit for the payment thereof without the consent of the Holder of the Funding Note so affected or modify any redemption or repayment provisions applicable to the Funding Note;
 - (ii) permit the creation of any Lien on the Collateral or any part thereof (other than the Security Interest in favor of the Funding Note Indenture Trustee on behalf of the Holders) or terminate the Security Interest as to any part of the Collateral, except as permitted by the Funding Note Indenture; or
 - (iii) modify any of the provisions of this Section 9.2 except to increase the aforementioned percentage of the Funding Note required to approve any Supplemental Funding Note Indenture.
- (b) Upon the request of Global Funding, and upon the filing with the Funding Note Indenture Trustee of evidence of the consent of each Holder and other documents, if any, required by Section 8.1 the Funding Note Indenture Trustee shall join with Global Funding in the execution of such Supplemental Funding Note Indenture unless such Supplemental Funding Note Indenture affects the Funding Note Indenture Trustee's own rights, duties or immunities under the Funding Note Indenture or otherwise, in which case the Funding Note Indenture Trustee may in its discretion, but shall not be obligated to, enter into such Supplemental Funding Note Indenture.
- (c) It shall not be necessary for the consent of the Holders under this Section to approve the particular form of any proposed Supplemental Funding Note Indenture, but it shall be sufficient if such consent shall approve the substance thereof.
- (d) Promptly after the execution by Global Funding and the Funding Note Indenture Trustee of any Supplemental Funding Note Indenture pursuant to the provisions of this Section, the Funding Note Indenture Trustee shall notify the Holders of the Funding Note, as provided in the Funding Note Indenture, setting forth in general terms the substance of such Supplemental Funding Note Indenture. Any failure of the Funding Note Indenture Trustee to provide such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such Supplemental Funding Note Indenture.

SECTION 9.3 COMPLIANCE WITH TRUST INDENTURE ACT; EFFECT OF SUPPLEMENTAL FUNDING NOTE INDENTURE. Any Supplemental Funding Note Indenture executed pursuant to the provisions of this Article shall comply with the Trust Indenture Act. Upon the execution of any Supplemental Funding Note Indenture pursuant to the provisions of the Funding Note Indenture, the Funding Note Indenture shall be and be deemed to be modified and amended in accordance therewith and the respective rights, limitations of rights, obligations, duties and immunities under the Funding Note Indenture of the Funding Note Indenture Trustee, Global Funding and each Holder of the Funding Note shall thereafter be determined, exercised and enforced under the Funding Note Indenture subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental Funding Note Indenture shall be and be deemed to be part of the terms and conditions of the Funding Note Indenture for any and all purposes.

SECTION 9.4 DOCUMENTS TO BE GIVEN TO FUNDING NOTE INDENTURE TRUSTEE. The Funding Note Indenture Trustee, subject to the provisions of Sections 6.1 and 6.2, may receive a Trust Certificate and an Opinion of Counsel as conclusive evidence that any such Supplemental Funding Note Indenture complies with the applicable provisions of the Funding Note Indenture.

SUPPLEMENTAL FUNDING NOTE INDENTURES. Any Funding Note Certificate authenticated and delivered after the execution of any Supplemental Funding Note Indenture pursuant to the provisions of this Article may bear a notation in form approved by the Funding Note Indenture Trustee as to any matter provided for by such Supplemental Funding Note Indenture or as to any action taken at any such meeting. If Global Funding or the Funding Note Indenture Trustee shall so determine, a new Funding Note Certificate representing the Funding Note so modified as to conform, in the opinion of the Funding Note Indenture Trustee and Global Funding, to any modification of the Funding Note Indenture contained in any such Supplemental Funding Note Indenture may be prepared by Global Funding, authenticated by the Funding Note Indenture Trustee and delivered in exchange for the Funding Note Certificate representing the Funding Note then Outstanding.

61

ARTICLE 10
CONSOLIDATION, MERGER, SALE OR CONVEYANCE

SECTION 10.1 TRUST MAY MERGE, CONSOLIDATE, SELL OR CONVEY PROPERTY UNDER CERTAIN CIRCUMSTANCES. Global Funding may not consolidate with, or merge into, any Person (whether or not affiliated with Global Funding), or sell, lease or convey the property of Global Funding as an entirety or substantially as an entirety, unless:

- (a) the entity formed by such consolidation or into which Global Funding is merged or the Person which acquires by conveyance or transfer the properties and assets of Global Funding substantially as an entirety shall be a statutory trust formed under the laws of the State of Delaware or a corporation or other entity organized and existing under the laws of the United States of America or any State or the District of Columbia, and shall expressly assume, by a Supplemental Funding Note Indenture, executed and delivered to the Funding Note Indenture Trustee, in form satisfactory to the Funding Note Indenture Trustee, the due and punctual payment of the principal of, any premium and interest on, and any Additional Amounts with respect to, the Funding Note and the performance of every covenant of the Funding Note Indenture on the part of Global Funding to be performed or observed;
- (b) immediately after giving effect to such transaction, no Event of Default, and no event which, after notice or lapse of time, or both, would become an Event of Default, shall have happened and be continuing;
- (c) Global Funding has received written confirmation from any rating agency then rating the Funding Note at the request of Global Funding that such consolidation, merger, conveyance or transfer shall not cause the rating on the then Outstanding Funding Note to be downgraded or withdrawn; and
- (d) Global Funding has delivered to the Funding Note Indenture Trustee a Trust Certificate and an Opinion of Counsel each stating that such consolidation, merger, conveyance or transfer and such Supplemental Funding Note Indenture comply with this Article and that all conditions precedent provided for in the Funding Note Indenture relating to such transaction have been complied with.

ARTICLE 11
SATISFACTION AND DISCHARGE OF INDENTURE; UNCLAIMED FUNDS

SECTION 11.1 SATISFACTION AND DISCHARGE OF INDENTURE. If at any time (a) Global Funding shall have paid or caused to be paid all outstanding principal of, any premium and interest on, and any Additional Amounts and other amounts payable with respect to, the Funding Note Outstanding under the Funding Note Indenture, as and when the same shall have become due and payable, or (b) Global Funding shall have delivered to the Funding Note Indenture Trustee for cancellation the Funding Note Certificate representing the Funding Note theretofore

62

authenticated (other than the Funding Note Certificate which shall have been destroyed, lost or stolen and which shall have been replaced or paid as provided in Section 2.7) or (c) Global Funding shall have irrevocably deposited or caused to be deposited with the Funding Note Indenture Trustee as trust funds the entire amount in cash (other than funds repaid by the Funding Note Indenture Trustee or any Paying Agent to Global Funding in accordance with Section 11.4) sufficient to pay at maturity all amounts payable at maturity on the Funding Note represented by the Funding Note Certificate not theretofore delivered to the Funding Note Indenture Trustee for cancellation, including any outstanding principal, interest, premium, Additional Amounts and other amounts due or to become due to such date of maturity as the case may be, and if, in any such case, Global Funding shall also pay or cause to be paid all other sums payable under the Funding Note Indenture by Global Funding, then the Funding Note

Indenture shall cease to be of further effect (except as to (i) rights of registration of transfer and exchange, (ii) substitution of an apparently mutilated, defaced, destroyed, lost or stolen Funding Note Certificate, (iii) rights of Holders to receive payments of principal of, any premium and interest on, and any Additional Amounts and other amounts payable with respect to, the Funding Note, (iv) the rights, obligations and immunities of the Funding Note Indenture Trustee under the Funding Note Indenture and (v) the rights of each Holder as beneficiary of the Funding Note Indenture with respect to the property so deposited with the Funding Note Indenture Trustee payable to all or any of them), and the Funding Note Indenture Trustee, on demand of Global Funding accompanied by a Trust Certificate and an Opinion of Counsel and at the cost and expense of Global Funding, shall execute proper instruments acknowledging such satisfaction of and discharging the Funding Note Indenture. Global Funding agrees to reimburse the Funding Note Indenture Trustee for any costs or expenses thereafter reasonably and properly incurred and to compensate the Funding Note Indenture Trustee for any services thereafter reasonably and properly rendered by the Funding Note Indenture Trustee in connection with the Funding Note Indenture or the Funding Note.

SECTION 11.2 APPLICATION BY FUNDING NOTE INDENTURE TRUSTEE OF FUNDS DEPOSITED FOR PAYMENT OF FUNDING NOTE. Subject to Section 11.4, all funds deposited with the Funding Note Indenture Trustee pursuant to Section 11.1 shall be held in trust in accordance with Section 6.5 and applied by it to the payment, either directly or through any Paying Agent (including Global Funding acting as its own paying agent), to each Holder of the Funding Note for the payment or redemption of which such funds have been deposited with the Funding Note Indenture Trustee, of all sums due and to become due thereon for any principal, interest, premium, Additional Amounts or other amounts.

SECTION 11.3 REPAYMENT OF FUNDS HELD BY PAYING AGENT. In connection with the satisfaction and discharge of the Funding Note Indenture, all funds then held by any Paying Agent under the provisions of the Funding Note Indenture shall, upon demand of Global Funding, be repaid to Global Funding or paid to the Funding Note Indenture Trustee and thereupon such Paying Agent shall be released from all further liability with respect to such funds.

SECTION 11.4 RETURN OF FUNDS HELD BY FUNDING NOTE INDENTURE TRUSTEE AND PAYING AGENT. Any funds deposited with or paid to the Funding Note Indenture Trustee or any Paying Agent for the payment of the principal of, any interest or premium on, or any Additional Amounts or any other amounts with respect to, the Funding Note and not applied but remaining

63

unclaimed for three years after the date upon which such principal, interest, premium, Additional Amounts or any other amount shall have become due and payable, shall, upon the written request of Global Funding and unless otherwise required by mandatory provisions of applicable escheat or abandoned or unclaimed property law, be repaid to Global Funding by the Funding Note Indenture Trustee or such Paying Agent, and the Holder of such Funding Note shall, unless otherwise required by mandatory provisions of applicable escheat or abandoned or unclaimed property laws, thereafter look only to Global Funding for any payment which such Holder may be entitled to collect, and all liability of the Funding Note Indenture Trustee or any Paying Agent with respect to such funds shall thereupon cease.

**ARTICLE 12
MEETINGS OF HOLDERS OF FUNDING NOTE**

SECTION 12.1 PURPOSES FOR WHICH MEETINGS MAY BE CALLED. A meeting of Holders of the Funding Note may be called at any time and from time to time pursuant to this Article to make, give or take any request, demand, authorization, direction, notice, consent, waiver or other action provided by the Funding Note Indenture to be made, given or taken by Holders of the Funding Note.

SECTION 12.2 CALL, NOTICE AND PLACE OF MEETINGS.

- (a) Unless otherwise provided in the Funding Note Certificate, the Funding Note Indenture Trustee may at any time call a meeting of Holders of the Funding Note for any purpose specified in Section 12.1, to be held at such time and at such place in the City of New York or the city in which the Corporate Trust Office is located. Notice of every meeting of Holders of the Funding Note, setting forth the time and the place of such meeting and in general terms the action proposed to be taken at such meeting, shall be given in the manner provided in Section 13.4, not less than 21 nor more than 180 days prior to the date fixed for the meeting.
- (b) In case at any time Global Funding or the Holder or Holders of at least 10% in principal amount of the Funding Note shall have requested the Funding Note Indenture Trustee to call a meeting of the Holders of the Funding Note for any purpose specified in Section 12.1, by written request setting forth in reasonable detail the action proposed to be taken at the meeting, and the Funding Note Indenture Trustee shall not have made the first

publication or mailing of the notice of such meeting within 21 days after receipt of such request or shall not thereafter proceed to cause the meeting to be held as provided in the Funding Note Indenture, then Global Funding or the Holder or Holders of the Funding Note in the amount above specified, as the case may be, may determine the time and the place in the City of New York or the city in which the Corporate Trust Office is located for such meeting and may call such meeting for such purposes by giving notice thereof as provided in Section 12.2.

64

SECTION 12.3 PERSONS ENTITLED TO VOTE AT MEETINGS. To be entitled to vote at any meeting of Holders of the Funding Note, a Person shall be (a) a Holder of the Funding Note then Outstanding, or (b) a Person appointed by an instrument in writing as proxy for a Holder or Holders of the Funding Note then Outstanding by such Holder or Holders. The only Persons who shall be entitled to be present or to speak at any meeting of Holders of the Funding Note shall be the Persons entitled to vote at such meeting and their counsel, any representatives of the Funding Note Indenture Trustee and its counsel and any representatives of Global Funding and its counsel.

SECTION 12.4 QUORUM; ACTION.

- (a) The Persons entitled to vote a majority in principal amount of the Funding Note then Outstanding shall constitute a quorum for a meeting of Holders of the Funding Note; PROVIDED, HOWEVER, that if any action is to be taken at such meeting with respect to a consent or waiver which the Funding Note Indenture expressly provides may be given by the Holders of not less than 66 2/3% in principal amount of the Outstanding Funding Note, then Persons entitled to vote 66 2/3% in principal amount of the Outstanding Funding Note shall constitute a quorum. In the absence of a quorum within 30 minutes after the time appointed for any such meeting, the meeting shall, if convened at the request of Holders of the Funding Note, be dissolved. In any other case the meeting may be adjourned for a period of not less than 10 days as determined by the chairman of the meeting prior to the adjournment of such meeting. In the absence of a quorum at any such adjourned meeting, such adjourned meeting may be further adjourned for a period of not less than 10 days as determined by the chairman of the meeting prior to the adjournment of such adjourned meeting. Notice of the reconvening of any adjourned meeting shall be given as provided in Section 12.2, except that such notice need be given only once not less than five days prior to the date on which the meeting is scheduled to be reconvened. Notice of the reconvening of an adjourned meeting shall state expressly the percentage, as provided above, of the principal amount of the Outstanding Funding Note which shall constitute a quorum.
- (b) Except as limited by the proviso to Section 9.2(a), any resolution presented to a meeting or adjourned meeting duly reconvened at which a quorum is present as aforesaid may be adopted only by the affirmative vote of the Holders of a majority in principal amount of the Outstanding Funding Note; PROVIDED, HOWEVER, that, except as limited by the proviso to Section 9.2(a), any resolution with respect to any consent or waiver which the Funding Note Indenture expressly provides may be given by the Holders of not less than 66 2/3% in principal amount of the Outstanding Funding Note may be adopted at a meeting or an adjourned meeting duly convened and at which a quorum is present as aforesaid only by the affirmative vote of the Holders of 66 2/3% in principal amount of the Outstanding Funding Note; and PROVIDED, FURTHER, that, except as limited by the proviso to Section 9.2(a), any resolution with respect to any

65

request, demand, authorization, direction, notice, consent, waiver or other action which the Funding Note Indenture expressly provides may be made, given or taken by the Holders of a specified percentage, which is less than a majority, in principal amount of the Outstanding Funding Note may be adopted at a meeting or an adjourned meeting duly reconvened and at which a quorum is present as aforesaid by the affirmative vote of the Holders of such specified percentage in principal amount of the Outstanding Funding Note.

- (c) Any resolution passed or decision taken at any meeting of Holders of the Funding Note duly held in accordance with this Section shall be binding on all the Holders of Funding Note, whether or not such Holders were present or represented at the meeting.

SECTION 12.5 DETERMINATION OF VOTING RIGHTS; CONDUCT OF ADJOURNMENT OF MEETINGS.

- (a) Notwithstanding any other provisions of the Funding Note Indenture, the Funding Note Indenture Trustee may make such reasonable regulations as it may deem advisable for any meeting of Holders of the Funding Note in regard to proof of the holding of the Funding Note and of the appointment of proxies and in regard to the appointment and duties of inspectors of votes, the submission and examination of proxies, certificates and other evidence of the right to vote, and such other matters concerning the conduct of the meeting as it shall deem appropriate. Except as otherwise permitted or required by any such regulations, the holding of the Funding Note shall be proved in the manner specified in Section 8.4 and the appointment of any proxy shall be proved in the manner specified in Section 8.2. Such regulations may provide that written instruments appointing proxies, regular on their face, may be presumed valid and genuine without the proof specified in Section 8.2 or other proof.
- (b) The Funding Note Indenture Trustee shall, by an instrument in writing, appoint a temporary chairman of the meeting, unless the meeting shall have been called by Global Funding or by Holders of the Funding Note as provided in Section 12.2(b), in which case Global Funding or the Holders of the Funding Note calling the meeting, as the case may be, shall in like manner appoint a temporary chairman. A permanent chairman and a permanent secretary of the meeting shall be elected by vote of the Persons entitled to vote a majority in principal amount of the Outstanding Funding Note represented at the meeting.
- (c) At any meeting, each Holder of the Funding Note or proxy shall be entitled to one vote for each \$1,000 of principal amount of the Funding Note held or represented by such Holder or proxy; PROVIDED, HOWEVER, that no vote shall be cast or counted at any meeting in respect of the Funding Note challenged as not Outstanding and ruled by the chairman of the

66

meeting to be not Outstanding. The chairman of the meeting shall have no right to vote, except as a Holder of the Funding Note or proxy.

- (d) Any meeting of Holders of the Funding Note duly called pursuant to Section 12.2 at which a quorum is present may be adjourned from time to time by Persons entitled to vote a majority in principal amount of the Outstanding Funding Note represented at the meeting; and the meeting may be held as so adjourned without further notice.

SECTION 12.6 COUNTING VOTES AND RECORDING ACTION OF MEETINGS. The vote upon any resolution submitted to any meeting of Holders of the Funding Note shall be (a) by written ballots on which shall be subscribed the signatures of the Holders of the Funding Note or of their representatives by proxy and the principal amounts and serial numbers of the Outstanding Funding Note held or represented by them or (b) by such other procedures adopted by the Funding Note Indenture Trustee in its discretion. The permanent chairman of the meeting shall appoint two inspectors of votes who shall count all votes cast at the meeting for or against any resolution and who shall make and file with the secretary of the meeting their verified written reports in triplicate of all votes cast at the meeting. A record, at least in triplicate, of the proceedings of each meeting of Holders of the Funding Note shall be prepared by the secretary of the meeting and there shall be attached to said record the original reports of the inspectors of votes on any vote by ballot taken thereat and affidavits by one or more persons having knowledge of the facts setting forth a copy of the notice of the meeting and showing that said notice was given as provided in Section 12.2 and, if applicable, Section 12.4. Each copy shall be signed and verified by the affidavits of the permanent chairman and secretary of the meeting and one such copy shall be delivered to Global Funding, and another to the Funding Note Indenture Trustee to be preserved by the Funding Note Indenture Trustee, the latter to have attached thereto the ballots voted at the meeting. Any record so signed and verified shall be conclusive evidence of the matters therein stated.

ARTICLE 13 MISCELLANEOUS PROVISIONS

SECTION 13.1 NO RECOURSE. Notwithstanding anything to the contrary contained in the Funding Note Indenture, or the Funding Note Certificate or Supplemental Funding Note Indenture, none of the Funding Agreement Provider, its officers, directors, affiliates, employees or agents, or any of the Delaware Trustee, the Funding Note Indenture Trustee or the Global Funding Trust Beneficial Owner, or any of their officers, directors, affiliates, employees or agents (the "NONRECOURSE PARTIES") will be personally liable for the payment of any principal, interest or any other sums at any time owing under the terms of the Funding Note. If any Event of Default shall occur with respect to the Funding Note, the right of the Holders of the Funding Note and the Funding Note Indenture Trustee on behalf of such Holders in connection with a claim on the Funding Note shall be limited solely to a proceeding against the Collateral.

Neither the Holders nor the Funding Note Indenture Trustee on behalf of the Holders will have the right to proceed against the Nonrecourse Parties to enforce the Funding Note (except that to the extent they exercise their rights, if any, to seize the relevant Funding Agreement, they may enforce the relevant Funding Agreement against the Funding Agreement Provider) or for any deficiency judgment remaining after foreclosure of any property included in the relevant Collateral.

67

It is expressly understood and agreed that nothing contained in this Section shall in any manner or way constitute or be deemed a release of the debt or other obligations evidenced by the Funding Note or otherwise affect or impair the enforceability against Global Funding of the liens, assignments, rights and the Security Interest created by or pursuant to the Funding Note Indenture, the relevant Collateral or any other instrument or agreement evidencing, securing or relating to the indebtedness or the obligations evidenced by the Funding Note. Nothing in this Section shall preclude the Holders from foreclosing upon any property included in the Collateral or any other rights or remedies in law or in equity against Global Funding.

SECTION 13.2 PROVISIONS OF INDENTURE FOR THE SOLE BENEFIT OF PARTIES AND HOLDERS. Nothing in the Funding Note Indenture or in the Funding Note, expressed or implied, shall give or be construed to give to any Person, other than the parties to the Funding Note Indenture and their successors and the Holders of the Funding Note, any legal or equitable right, remedy or claim under the Funding Note Indenture or under any covenant or provision contained in the Funding Note Indenture, all such covenants and provisions being for the sole benefit of the parties to the Funding Note Indenture and their successors and of the Holders of the Funding Note.

SECTION 13.3 SUCCESSORS AND ASSIGNS OF TRUST BOUND BY INDENTURE. All the covenants, stipulations, promises and agreements in the Funding Note Indenture contained by or in behalf of Global Funding shall bind its successors and assigns, whether so expressed or not.

SECTION 13.4 NOTICES AND DEMANDS ON TRUST, FUNDING NOTE INDENTURE TRUSTEE AND ANY HOLDER.

- (a) Except as otherwise provided by this Section, any notice or demand which by any provision of the Funding Note Indenture is required or permitted to be given or served by the Funding Note Indenture Trustee or by any Holder of the Funding Note to or on Global Funding may be given or served by being deposited postage prepaid, first-class mail (except as otherwise specifically provided in the Funding Note Indenture) addressed (until another address of Global Funding is filed by Global Funding with the Funding Note Indenture Trustee) to the Delaware Trustee. Any notice, direction, request or demand by Global Funding or any Holder to or upon the Funding Note Indenture Trustee shall be deemed to have been sufficiently given or made, for all purposes, if given or made at the Corporate Trust Office.
- (b) Where the Funding Note Indenture provides for notice to any Holder, such notice shall be sufficiently given (unless otherwise expressly provided in the Funding Note Indenture) if in writing and mailed, first-class postage prepaid, to each Holder entitled thereto, at such Holder's last address as it appears in the Note Register. In any case where notice to any Holder is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder shall affect the sufficiency of such notice with respect to any other Holder.

68

- (c) Where the Funding Note Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by any Holder shall be filed with the Funding Note Indenture Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.
- (d) If, by reason of the suspension of or irregularities in regular mail service, it shall be impracticable to mail notice to Global Funding and each Holder when such notice is required to be given pursuant to any provision of the Funding Note Indenture, then any manner of giving such notice as shall be satisfactory to the Funding Note Indenture Trustee shall be deemed to be a sufficient giving of such notice.
- (e) Global Funding shall deliver promptly to each rating agency then rating the Funding Note copies of each of the following:
 - (i) any repurchase of the Funding Note pursuant to Section

3.3;

- (ii) any notice of any default or Event of Default;
- (iii) any notice of redemption provided by Global Funding pursuant to Section 3.1(d);
- (iv) any notice of change in name, identity, organizational structure, chief executive office, or chief place of business of Global Funding provided by Global Funding pursuant to Section 14.4(a);
- (v) any Supplemental Funding Note Indenture;
- (vi) any resignation, removal or appointment under the Funding Note Indenture;
- (vii) any amendment to any Funding Agreement; and
- (viii) any other information reasonably requested by such rating agency.

Any such notice shall be addressed to:

Standard & Poor's Ratings Services,
a division of The McGraw-Hill Companies, Inc.
55 Water Street
New York, NY 10041
Attention: Capital Markets
Facsimile: (212) 438-5215

69

Moody's Investors Service Inc.
99 Church Street
New York, NY 10007
Attention: Life Insurance Group
Facsimile: (212) 553-4805

or such other address previously furnished in writing to Global Funding by the applicable rating agency.

SECTION 13.5 TRUST CERTIFICATES AND OPINIONS OF COUNSEL; STATEMENTS TO BE CONTAINED THEREIN.

- (a) Except as otherwise expressly provided in the Funding Note Indenture, upon any application or demand by Global Funding to the Funding Note Indenture Trustee to take any action under any of the provisions of the Funding Note Indenture, Global Funding shall furnish to the Funding Note Indenture Trustee a Trust Certificate stating that all conditions precedent, if any, provided for in the Funding Note Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of the applicable counsel all such conditions precedent, if any, have been complied with, except that in the case of any such application or demand as to which the furnishing of such documents is specifically required by any provision of the Funding Note Indenture relating to such particular application or demand, no additional certificate or opinion need be furnished.
- (b) Each certificate or opinion provided for in the Funding Note Indenture and delivered to the Funding Note Indenture Trustee with respect to compliance with a condition or covenant provided for in the Funding Note Indenture shall include:
 - (i) a statement that the Person making such certificate or opinion has read such covenant or condition;
 - (ii) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;
 - (iii) a statement that, in the opinion of such Person, he has made such examination or investigation or has received such certificates, opinions, representations or statements of counsel or accountants pursuant to paragraphs (c) or (d) of this Section, as are necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with; and
 - (iv) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been complied with.

- (c) Any certificate, statement or opinion of Global Funding may be based upon a certificate or opinion of or representations by counsel, unless Global Funding knows that the certificate or opinion or representations with respect to the matters upon which his certificate, statement or opinion may be based as aforesaid are erroneous, or in the exercise of reasonable care should know that the same are erroneous. Any certificate, statement or opinion of counsel may be based, insofar as it relates to factual matters information with respect to which is in the possession of Global Funding, upon the certificate, statement or opinion of or representations by Global Funding, unless such counsel knows that the certificate, statement or opinion or representations with respect to the matters upon which the certificate, statement or opinion may be based as aforesaid are erroneous, or in the exercise of reasonable care should know that the same are erroneous.
- (d) Any certificate, statement or opinion of Global Funding or of counsel may be based, insofar as it relates to accounting matters, upon a certificate or opinion of or representations by an accountant or firm of accountants in the employ of Global Funding, unless such officer or counsel, as the case may be, knows that the certificate or opinion or representations with respect to the accounting matters upon which the certificate, statement or opinion may be based as aforesaid are erroneous, or in the exercise of reasonable care should know that the same are erroneous.
- (e) Any certificate or opinion of any independent firm of public accountants filed with the Funding Note Indenture Trustee shall contain a statement that such firm is independent.

SECTION 13.6 GOVERNING LAW. Pursuant to Section 5-1401 of the General Obligations Law of the State of New York, the Funding Note Indenture and the Funding Note shall (unless specified otherwise in the Funding Note Certificate) be governed by, and construed in accordance with, the laws of the State of New York, except as required by mandatory provisions of law and except to the extent that the validity or perfection of Global Funding's ownership of and security interest in the Funding Agreement(s) or remedies under the Funding Note Indenture in respect thereof may be governed by the laws of a jurisdiction other than the State of New York. All judicial proceedings brought against Global Funding or the Funding Note Indenture Trustee arising out of or relating to the Funding Note Indenture, the Funding Note or any portion of the Collateral or other assets of Global Funding may be brought in any state or Federal court in the State of New York, provided that the Funding Note Certificate may specify other jurisdictions as to which Global Funding may consent to the nonexclusive jurisdiction of its courts with respect to the Funding Note.

SECTION 13.7 COUNTERPARTS. The Funding Note Indenture may be executed in any number of counterparts, each of which shall be an original; but such counterparts shall together constitute but one and the same instrument.

SECTION 13.8 TRUST INDENTURE ACT TO CONTROL. If and to the extent that any provision of the Funding Note Indenture limits, qualifies or conflicts with any duties under any required provision of the Trust Indenture Act imposed on the Funding Note Indenture by Section 318(c) of the Trust Indenture Act (each, an "INCORPORATED PROVISION"), such incorporated provision shall control.

SECTION 13.9 JUDGMENT CURRENCY. Global Funding agrees, to the fullest extent that it may effectively do so under applicable law, that:

- (a) if for the purposes of obtaining judgment in any court it is necessary to convert the sum due in respect of the Funding Note in the Specified Currency into a currency in which a judgment will be rendered (the "JUDGMENT CURRENCY"), the rate of exchange used (the "REQUIRED RATE OF EXCHANGE") shall be the rate at which in accordance with normal banking procedures the Funding Note Indenture Trustee could purchase in The City of New York the Specified Currency with the Judgment Currency on the date on which final unappealable judgment is entered, unless such day is not a New York Banking Day, then, to the extent permitted by applicable law, the rate of exchange used shall be the rate at which in accordance with normal banking procedures the Funding Note Indenture Trustee could purchase in The City of New York the Specified Currency with the Judgment Currency on the New York Banking Day preceding the day on which final unappealable judgment is entered;
- (b) its obligations under the Funding Note Indenture to make payments in the Specified Currency (i) shall not be discharged or satisfied by any tender, or any recovery pursuant to any judgment (whether or not entered in accordance with subsection (a)), in

any currency other than the Specified Currency, except to the extent that such tender or recovery shall result in the actual receipt, by the payee, of the full amount of the Specified Currency expressed to be payable in respect of such payments, (ii) shall be enforceable as an alternative or additional cause of action for the purpose of recovering in the Specified Currency the amount, if any, by which such actual receipt shall fall short of the full amount of the Specified Currency so expressed to be payable and (iii) shall not be affected by judgment being obtained for any other sum due under the Funding Note Indenture; and

- (c) it shall indemnify the Holder or Holders of the Funding Note against any loss incurred as a result of any variation between:
 - (i) the rate of exchange at which the Specified Currency amount is actually converted into the Judgment Currency for the purpose of that judgment or order; and
 - (ii) the Required Rate of Exchange.

72

For purposes of this Section, "NEW YORK BANKING DAY" means any day except a Saturday, Sunday or a legal holiday in The City of New York or a day on which banking institutions in The City of New York are authorized or required by law or executive order to close.

ARTICLE 14 SECURITY INTEREST

SECTION 14.1 SECURITY INTEREST.

- (a) To secure the full and punctual payment of the Obligations in accordance with the terms of the Funding Note Indenture and to secure the performance of Global Funding's obligations under the Funding Note and the Funding Note Indenture, Global Funding pledges and collaterally assigns to and with the Funding Note Indenture Trustee for the benefit of each Holder of the Funding Note and any other Person for whose benefit the Funding Note Indenture Trustee is or will be holding the Collateral (the "SECURED PARTIES"), and grants to the Funding Note Indenture Trustee for the benefit of each Secured Party, a security interest in the Collateral specified in the Pricing Supplement as securing the Obligations with respect to the Funding Note, and all of the rights and privileges of Global Funding in and to the Collateral (the "SECURITY INTEREST"), effective as of the Original Issue Date of the Funding Note.
- (b) It is expressly agreed that anything therein contained to the contrary notwithstanding, Global Funding shall remain liable under each Funding Agreement to perform all the obligations assumed by it thereunder, all in accordance with and pursuant to the terms and provisions thereof, and the Funding Note Indenture Trustee shall not have any obligations or liabilities by reason of or arising out of the Funding Note Indenture, nor shall the Funding Note Indenture Trustee be required or obligated in any manner to perform or fulfill any obligations of Global Funding under or pursuant to such Funding Agreement or to make any payment, to make any inquiry as to the nature or sufficiency of any payment received by it, or, prior to the occurrence and continuance of an Event of Default, to present or file any claim, or to take any action to collect or enforce the payment of any amounts that may have been assigned to it or to which it may be entitled at any time or times.
- (c) The Funding Note Indenture Trustee acknowledges the grant of the Security Interest upon the issuance of the Funding Note, accepts the trusts under the Funding Note Indenture in accordance with the provisions of the Funding Note Indenture and agrees to perform its duties in the Funding Note Indenture to the end that the interests of each Secured Party may be adequately and effectively protected.

73

SECTION 14.2 REPRESENTATIONS AND WARRANTIES. Global Funding represents and warrants (which representations and warranties shall be deemed to have been repeated as of the date of the Funding Note Certificate) as follows:

- (a) Global Funding owns each Funding Agreement that secures the Obligations and all of the rest of the Collateral, free and clear of any Liens other than the Security Interest in the Collateral.
- (b) Global Funding has not performed any acts which might prevent the Funding Note Indenture Trustee from enforcing any of the terms of

the Funding Note Indenture or which would limit the Funding Note Indenture Trustee in any such enforcement. Other than financing statements or other similar or equivalent documents or instruments with respect to the Security Interest, no financing statement, mortgage, security agreement or similar or equivalent document or instrument covering all or any part of the Collateral is on file or of record in any jurisdiction in which such filing or recording would be effective to perfect a Lien on such Collateral. No Collateral is in the possession of any Person (other than Global Funding or its agent) asserting any claim thereto or security interest therein, except that the Funding Note Indenture Trustee or its designee may have possession of Collateral as contemplated by the Funding Note Indenture.

- (c) Each Security Interest constitutes a valid security interest securing the Obligations. When (i) the financing statements shall have been filed in the appropriate offices in Illinois, Delaware and New York, (ii) the Funding Note Indenture Trustee or its agent shall have taken possession of each applicable Funding Agreement, (iii) Global Funding shall have pledged and collaterally assigned each applicable Funding Agreement to the Funding Note Indenture Trustee and given written notice to the Funding Agreement Provider of each such assignment to the Funding Note Indenture Trustee and (iv) the Funding Agreement Provider shall have given its express written consent to such pledge and collateral assignment and affirmed in writing that the Funding Agreement Provider has changed its books and records to reflect such pledge and collateral assignment to the Funding Note Indenture Trustee, such Security Interest shall constitute a first priority perfected security interest in the Collateral, enforceable against Global Funding, Global Funding's creditors and any purchaser from Global Funding.

SECTION 14.3 ADDITIONAL REPRESENTATIONS AND WARRANTIES. Global Funding represents and warrants that:

- (a) to the extent the creation of a security interest in any Funding Agreement is governed by the applicable UCC, the Funding Note Indenture creates a valid security interest (as defined in the applicable UCC) in each Funding Agreement in favor of the Funding Note Indenture Trustee for the benefit and security of the Secured Parties, which security interest is prior to all other Liens;
- (b) to the extent the UCC applies, each Funding Agreement consists of "general intangibles," "payment intangibles" and/or "instruments" within the meaning of the applicable UCC;
- (c) subject to the grant of security interest, pledge and collateral assignment of Global Funding's estate, right, title and interest in each Funding Agreement, Global Funding is a party to and is the Person entitled to payment under each Funding Agreement on the date of the Funding Note Indenture free and clear of any Lien, claim or encumbrance of any Person, other than the Lien created under the Funding Note Indenture or any Lien otherwise permitted under the Funding Note Indenture;
- (d) to the extent the UCC applies, Global Funding has caused or will have caused, within ten days after the date of the Funding Note Indenture, the filing of all appropriate financing statements in the proper filing office in the appropriate jurisdictions under applicable law in order to perfect the security interest in each Funding Agreement granted to the Funding Note Indenture Trustee for the benefit and security of the Secured Parties under the Funding Note Indenture;
- (e) all original executed copies of each instrument that constitutes or evidences each Funding Agreement have been delivered to the Funding Note Indenture Trustee or a custodian for the Funding Note Indenture Trustee (the "CUSTODIAN");
- (f) where all original executed copies of each instrument that constitutes or evidences each Funding Agreement have been delivered to the Custodian, Global Funding has received a written acknowledgment from the Custodian that the Custodian is holding the instruments that constitute or evidence each Funding Agreement solely on behalf of the Funding Note Indenture Trustee;
- (g) other than the security interest granted to the Funding Note Indenture Trustee for the benefit and security of the Secured Parties pursuant to the Funding Note Indenture, Global Funding has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed any of the Funding Agreements;
- (h) Global Funding has not authorized the filing of and is not aware

of any financing statements against Global Funding that include a description of collateral covering the Funding Agreement other than any financing statement relating to the security interest granted to the Funding Note Indenture Trustee for the benefit and security of the Secured Parties under the Funding Note Indenture or that has been terminated;

- (i) Global Funding is not aware of any judgment or tax lien filings against Global Funding; and

75

- (j) none of the instruments that constitute or evidence the Funding Agreements has any marks or notations indicating that they have been pledged, assigned or otherwise conveyed to any Person other than the Funding Note Indenture Trustee for the benefit and security of the Secured Parties.

The foregoing representations and warranties shall survive the execution and delivery of the Funding Note. No party to the Funding Note Indenture shall waive any of the foregoing representations and warranties. Global Funding shall maintain the perfection and priority of the security interest in each Funding Agreement.

SECTION 14.4 FURTHER ASSURANCES; COVENANTS.

- (a) Global Funding will not change its name, identity or organizational structure in any manner unless it shall have given the Funding Note Indenture Trustee at least 30 days' prior notice thereof. Global Funding will not change the location of its chief executive office or chief place of business unless it shall have given the Funding Note Indenture Trustee at least 30 days' prior notice thereof.
- (b) Global Funding will, from time to time and upon advice of counsel, at Global Funding's expense, execute, deliver, file and record any statement, assignment, instrument, document, agreement or other paper and take any other action, (including, without limitation, any filings of financing or continuation statements) that from time to time may be necessary or desirable, or that the Funding Note Indenture Trustee may reasonably request, in order to create, preserve, perfect, confirm or validate a Security Interest or to enable the Holders of the Funding Note to obtain the full benefits of the Funding Note Indenture, or to enable the Funding Note Indenture Trustee to exercise and enforce any of its rights, powers and remedies under the Funding Note Indenture with respect to any Collateral. To the extent permitted by applicable law, Global Funding authorizes the Funding Note Indenture Trustee to execute and file financing statements or continuation statements without Global Funding's signature appearing thereon. Global Funding agrees that a carbon, photographic, photostatic or other reproduction of the Funding Note Indenture or of a financing statement is sufficient as a financing statement. Global Funding shall pay the costs of, or incidental to, any recording or filing of any financing or continuation statements concerning any Collateral.
- (c) If any Collateral is at any time in the possession or control of any warehouseman, bailee or any of Global Funding's agents or processors, Global Funding shall notify such warehouseman, bailee, agent or processor of the Security Interest created by the Funding Note Indenture and to hold all such Collateral for the Funding Note Indenture Trustee's account subject to the Funding Note Indenture Trustee's instructions.

76

- (d) Global Funding will, promptly upon request, provide to the Funding Note Indenture Trustee all information and evidence it may reasonably request concerning the Collateral to enable the Funding Note Indenture Trustee to enforce the provisions of the Funding Note Indenture.
- (e) Not more than six months nor less than 30 days prior to each date on which Global Funding proposes to take any action contemplated by Section 14.4(a), Global Funding shall, at its cost and expense, cause to be delivered to the Funding Note Indenture Trustee an Opinion of Counsel, satisfactory to the Funding Note Indenture Trustee, to the effect that all financing statements and amendments or supplements thereto, continuation statements and other documents required to be recorded or filed in order to perfect and protect the Security Interest for a period, specified in such Opinion of Counsel, continuing until a date not earlier than 18 months from the date of such Opinion of Counsel, against all creditors of and purchasers from Global Funding have been filed in each filing office necessary for such purpose and that

all filing fees and taxes, if any, payable in connection with such filings have been paid in full.

- (f) From time to time upon request by the Funding Note Indenture Trustee, Global Funding shall, at its cost and expense, cause to be delivered to the Funding Note Indenture Trustee an Opinion of Counsel satisfactory to the Funding Note Indenture Trustee as to such matters relating to the Security Interest as the Funding Note Indenture Trustee or the Holder Representative may reasonably request.

SECTION 14.5 GENERAL AUTHORITY. Global Funding irrevocably appoints the Funding Note Indenture Trustee its true and lawful attorney, with full power of substitution, in the name of Global Funding, the Funding Note Indenture Trustee, the Holders of the Funding Note or otherwise, for the sole use and benefit of the Secured Parties, but at Global Funding's expense, to the extent permitted by law to exercise, at any time and from time to time while an Event of Default has occurred and is continuing, all or any of the following powers with respect to all or any of the Collateral:

- (a) to demand, sue for, collect, receive and give acquittance for any and all monies due or to become due thereon or by virtue thereof,
- (b) to settle, compromise, compound, prosecute or defend any action or proceeding with respect thereto,
- (c) to sell, transfer, assign or otherwise deal in or with the same or the proceeds or avails thereof, as fully and effectually as if the Funding Note Indenture Trustee were the absolute owner thereof, and
- (d) to extend the time of payment of any or all thereof and to make any allowance and other adjustments with reference thereto;

77

PROVIDED that the Funding Note Indenture Trustee shall give Global Funding not less than 10 days' prior notice of the time and place of any sale or other intended disposition of any of the Collateral, except any part of the Collateral which threatens to decline speedily in value or is of a type customarily sold on a recognized market.

SECTION 14.6 REMEDIES UPON EVENT OF DEFAULT. If any Event of Default has occurred and is continuing, the Funding Note Indenture Trustee may exercise on behalf of the Holders of the Funding Note all rights of a secured party under applicable law and, in addition, the Funding Note Indenture Trustee may, without being required to give any notice, except as provided in the Funding Note Indenture or as may be required by mandatory provisions of law, (i) apply all cash, if any, then held by it as all or part of the Collateral as specified in Section 5.3 and (ii) if there shall be no such cash or if such cash shall be insufficient to pay all the Obligations in full, sell the Collateral (including each applicable Funding Agreement) or any part thereof at public or private sale, for cash, upon credit or for future delivery, and at such price or prices as the Funding Note Indenture Trustee may deem satisfactory. Any Holder may be the purchaser of any or all of the Collateral so sold at any public sale (or, if the Collateral is of a type customarily sold in a recognized market or is of a type which is the subject of widely distributed standard price quotations, at any private sale). Global Funding will execute and deliver such documents and take such other action as the Funding Note Indenture Trustee deems necessary or advisable in order that any such sale may be made in compliance with law. Upon any such sale the Funding Note Indenture Trustee shall have the right to deliver, assign and transfer to the purchaser thereof the Collateral so sold. Each purchaser at any such sale shall hold the Collateral so sold to it absolutely and free from any claim or right of whatsoever kind, including any equity or right of redemption of Global Funding which may be waived, and Global Funding, to the extent permitted by law, specifically waives all rights of redemption, stay or appraisal which it has or may have under any law. The notice (if any) of such sale shall (A) in the case of a public sale, state the time and place fixed for such sale, and (B) in the case of a private sale, state the day after which such sale may be consummated. Any such public sale shall be held at such time or times within ordinary business hours and at such place or places as the Funding Note Indenture Trustee may fix in the notice of such sale. At any such sale the Collateral may be sold in one lot as an entirety or in separate parcels, as the Funding Note Indenture Trustee may determine. The Funding Note Indenture Trustee shall not be obligated to make any such sale pursuant to any such notice. The Funding Note Indenture Trustee may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for the sale, and such sale may be made at any time or place to which the same may be so adjourned. In the case of any sale of all or any part of the Collateral on credit or for future delivery, the Collateral so sold may be retained by the Funding Note Indenture Trustee until the selling price is paid by the purchaser thereof, but the Funding Note Indenture Trustee shall not incur any liability in the case of the failure of such purchaser to take up and pay for the Collateral so sold and, in the case of any such failure, such Collateral may again be sold upon like notice. The Funding Note Indenture Trustee, instead of exercising the power of sale conferred upon it in the Funding Note Indenture, may proceed by a

suit or suits at law or in equity to foreclose a Security Interest and sell any Collateral, or any portion thereof, under a judgment or decree of a court or courts of competent jurisdiction.

SECTION 14.7 LIMITATION ON DUTIES OF FUNDING NOTE INDENTURE TRUSTEE WITH RESPECT TO COLLATERAL. Beyond the exercise of reasonable care in the custody thereof, the Funding Note

78

Indenture Trustee shall have no duty as to any portion of the Collateral in its possession or control or in the possession or control of any agent or bailee or as to the preservation of rights against prior parties or any other rights pertaining thereto. The Funding Note Indenture Trustee shall be deemed to have exercised reasonable care in the custody of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which it accords its own property, and shall not be liable or responsible for any loss or damage to any of the Collateral, or for any diminution in the value thereof, by reason of the act or omission of any warehouseman, carrier, forwarding agency, consignee or other agent or bailee selected by the Funding Note Indenture Trustee in good faith.

SECTION 14.8 CONCERNING THE FUNDING NOTE INDENTURE TRUSTEE. In furtherance and not in derogation of the rights, privileges and immunities of the Funding Note Indenture Trustee specified in the Funding Note Indenture:

- (a) the Funding Note Indenture Trustee is authorized to take all such action as is provided to be taken by it as Funding Note Indenture Trustee under this Article and all other action reasonably incidental thereto. As to any matters not expressly provided for in this Article (including, without limitation, the timing and methods of realization upon any Collateral) the Funding Note Indenture Trustee shall act or refrain from acting in accordance with written instructions from the Holder or Holders of the required percentage of aggregate principal amount of the Funding Note for any instructions or, in the absence of such instructions, in accordance with its discretion; and
- (b) the Funding Note Indenture Trustee shall not be responsible for the existence, genuineness or value of any of the Collateral or for the validity, perfection, priority or enforceability of the Security Interest in any of the Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part under the Funding Note Indenture.

SECTION 14.9 TERMINATION OF SECURITY INTEREST. Upon the repayment in full of all Obligations, the Security Interest shall terminate and all rights to the Collateral shall revert to Global Funding. Upon such termination of a Security Interest, and delivery of a certificate by Global Funding to such effect, the Funding Note Indenture Trustee will, at the expense of Global Funding, execute and deliver to Global Funding such documents as Global Funding shall reasonably request to evidence the termination of the Security Interest.

79

EXHIBIT A-1

Form of Funding Note Related to Secured Medium Term Notes Issued under the Secured Medium Term Notes Program

A1-1

EXHIBIT A-2

Form of Funding Note Related to Secured Medium Term Notes Issued under the Allstate Lif(SM) CoreNotes(M) Program

A2-1

EXHIBIT B

FORM OF CERTIFICATE OF AUTHENTICATION

This Funding Note Certificate is the Funding Note Certificate representing the Funding Note described in the within-mentioned Funding Note Indenture and is being issued in accordance with Section 2.5(f) of the Funding Note Indenture.

J.P. MORGAN TRUST COMPANY, NATIONAL ASSOCIATION,
as Funding Note Indenture Trustee

By:

Authorized Signatory

Dated:

B-1

FORM OF GLOBAL SECURITY FOR
SECURED MEDIUM TERM NOTES PROGRAM

[FACE OF GLOBAL SECURITY]

[IF THE GLOBAL SECURITY IS REGISTERED IN THE NAME OF CEDE & CO., INSERT

UNLESS THIS NOTE CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS NOTE CERTIFICATE IS A GLOBAL SECURITY WITHIN THE MEANING OF THE STANDARD INDENTURE TERMS HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF CEDE & CO., OR SUCH OTHER NOMINEE OF DTC, OR ANY SUCCESSOR DEPOSITORY ("DEPOSITORY"), AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY. THE NOTES REPRESENTED BY THIS NOTE CERTIFICATE MAY NOT BE EXCHANGED IN WHOLE OR IN PART FOR NOTES REGISTERED, AND NO TRANSFER OF THE NOTES REPRESENTED BY THIS NOTE CERTIFICATE IN WHOLE OR IN PART MAY BE REGISTERED, IN THE NAME OF ANY PERSON OTHER THAN THE DEPOSITORY OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE STANDARD INDENTURE TERMS. EVERY NOTE CERTIFICATE AUTHENTICATED AND DELIVERED UPON REGISTRATION OF, TRANSFER OF, OR IN EXCHANGE FOR, OR IN LIEU OF, THIS NOTE CERTIFICATE WILL BE A GLOBAL SECURITY SUBJECT TO THE FOREGOING, EXCEPT IN SUCH LIMITED CIRCUMSTANCES.]

CUSIP No.:

ALLSTATE LIFE GLOBAL FUNDING TRUST [] - []

SECURED MEDIUM TERM NOTES

Title of Notes:

Principal Amount: \$ _____
(or principal amount of foreign or composite
currency)

Original Issue Date:

Issue Price:

Stated Maturity Date:

Settlement Date and Time:

Securities Exchange Listing: / / Yes / / No. If yes,
indicate name(s) of Securities Exchange(s):

1

Interest Rate or Formula:

Fixed Rate Note: / / Yes / / No. If yes,

Interest Rate:

Interest Payment Dates:

Day Count Convention:

Additional/Other Terms:

Amortizing Note: / / Yes / / No. If yes,

Amortization schedule or formula:

Additional/Other Terms:

Discount Note: / / Yes / / No. If yes,

Total Amount of Discount:

Initial Accrual Period of Discount:

Interest Payment Dates:

Additional/Other Terms:

Redemption Provisions: / / Yes / / No. If yes,

Initial Redemption Date:

Initial Redemption Percentage:

Annual Redemption Percentage Reduction,
if any:

Additional/Other Terms:

Repayment Provisions: / / Yes / / No. If yes,

Optional Repayment Date(s):

Optional Repayment Price:

Additional/Other Terms:

Regular Interest Record Date(s):

Sinking Fund:

Specified Currency:

Exchange Rate Agent:

Calculation Agent:

Depository:

Authorized Denominations:

Collateral: Allstate Life Insurance Company
Funding Agreement No(s). / /, all

Floating Rate Note: / / Yes / / No. If yes,

Regular Floating Rate Notes: / /

Inverse Floating Rate Notes: / /

Floating Rate/Fixed Rate Notes: / /

Interest Rate:

Interest Rate Basis(es):

LIBOR / /

/ / LIBOR Reuters Page:

/ / LIBOR Telerate Page:

LIBOR Currency:

Constant Maturity Treasury Rate / /

Designated CMT Telerate Page:

If Telerate Page 7052:

/ / Weekly Average

/ / Monthly Average

Designated CMT Maturity Index:

CD Rate / /

Commercial Paper Rate / /

Federal Funds Rate / /

Prime Rate / /

Treasury Rate / /

Eleventh District Cost of Funds Rate / /

EURIBOR Rate / /

Other / / See attached.

Index Maturity:

Spread and/or Spread Multiplier, if any:

Initial Interest Rate, if any:

Initial Interest Reset Date:

Interest Reset Dates:

Interest Determination Date(s):

Interest Payment Dates:

proceeds of such Funding Agreement(s), all books and records pertaining to such Funding Agreement(s) and all rights of the Trust pertaining to the foregoing.

Additional Amounts to be Paid: / / Yes / / No
Additional/Other Terms:

Maximum Interest Rate, if any:
Minimum Interest Rate, if any:
Fixed Rate Commencement Date, if any:
Fixed Interest Rate, if any:
Day Count Convention:
Additional/Other Terms:

This Note Certificate is a Global Security in respect of a duly authorized issue of Notes (the "Notes") of the Allstate Life Global Funding Trust designated above, a statutory trust organized under the laws of the State of Delaware (the "Trust"). The Notes are issued under the Indenture, dated as of the date hereof (as amended or supplemented from time to time, the "Indenture") between the Trust and J.P. Morgan Trust Company, National Association, as indenture trustee (including any successor, the "Indenture Trustee"). Capitalized terms used

2

herein and not otherwise defined shall have the respective meanings ascribed in the Standard Indenture Terms, dated as of [] (as amended or supplemented from time to time, the "Standard Indenture Terms").

The Trust, for value received, hereby promises to pay to Cede & Co. or its registered assigns, on the Stated Maturity Date (or on the date of redemption or repayment by the Trust prior to maturity pursuant to redemption or repayment provisions, in each case, if provided for above) the principal amount specified above and, if so specified above, to pay interest from time to time on the Notes represented by this Note Certificate from the Original Issue Date specified above (the "Original Issue Date") or from the most recent Interest Payment Date to which interest has been paid or duly provided for at the rate per annum determined in accordance with the provisions on the reverse hereof and as specified above, until the principal of the Notes represented by this Note Certificate is paid or made available for payment and to pay such other amounts due and owing with respect to the Notes represented by this Note Certificate.

On any exchange or purchase and cancellation of any of the Notes represented by this Note Certificate, details of such exchange or purchase and cancellation shall be entered in the records of the Indenture Trustee. Upon any such exchange or purchase and cancellation, the principal amount of the Notes represented by this Note Certificate shall be charged by the principal amount so exchanged or purchased and cancelled, as provided in the Standard Indenture Terms.

Unless otherwise set forth above, if the Notes are subject to an Annual Redemption Percentage Reduction as specified above, the Redemption Price of the Notes represented by this Note Certificate shall initially be the Initial Redemption Percentage of the principal amount of the Notes represented by this Note Certificate on the Initial Redemption Date and shall decline at each anniversary of the Initial Redemption Date (each such date, a "Redemption Date") by the Annual Redemption Percentage Reduction of such principal amount until the Redemption Price is 100% of such principal amount.

The Notes will mature on the Stated Maturity Date, unless their principal (or, any installment of their principal) becomes due and payable prior to the Stated Maturity Date, whether, as applicable, by the declaration of acceleration of maturity, notice of redemption at the option of the Trust, notice of the Holder's option to elect repayment or otherwise (the Stated Maturity Date or any date prior to the Stated Maturity Date on which the Notes become due and payable, as the case may be, are referred to as the "Maturity Date" with respect to principal of the Notes repayable on such date).

Unless otherwise provided above and except as provided in the following paragraph, the Trust will pay interest on each Interest Payment Date specified above, commencing with the first Interest Payment Date next succeeding the Original Issue Date, and on the Maturity Date; PROVIDED that any payment of principal, premium, if any, interest or other amounts to be made on any Interest Payment Date or on a Maturity Date that is not a Business Day shall be made on the next succeeding Business Day, PROVIDED, HOWEVER, with respect to an Interest Payment Date other than the Maturity Date, if the Notes are LIBOR Notes (as defined in Section 3 on the reverse hereof) and that next succeeding Business Day falls in the next succeeding calendar month, such payment shall be made on the immediately preceding Business Day.

3

Unless otherwise specified above, the interest payable on each Interest Payment Date or on the Maturity Date will be the amount equal to the interest accrued from and including the immediately preceding Interest Payment Date in respect of which interest has been paid or from and including the date of issue, if no interest has been paid, to but excluding the applicable Interest Payment Date or the Maturity Date, as the case may be (each, an "Interest Period").

Reference is hereby made to the further provisions of the Notes set forth on the reverse hereof and, if so specified on the face hereof, in an Addendum hereto, which further provisions shall for all purposes have the same force and

effect as if set forth on the face hereof.

Notwithstanding the foregoing, if an Addendum is attached hereto or "Other/Additional Provisions" apply to the Notes as specified above, the Notes shall be subject to the terms set forth in such Addendum or such "Other/Additional Provisions."

The Notes represented by this Note Certificate shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been executed by the Indenture Trustee pursuant to the Indenture.

4

IN WITNESS WHEREOF, the Trust has caused this instrument to be duly executed on its behalf.

Dated: Original Issue Date

THE ALLSTATE LIFE GLOBAL FUNDING TRUST
SPECIFIED ON THE FACE OF THIS NOTE
CERTIFICATE,
as Issuer

By: WILMINGTON TRUST COMPANY,
not in its individual capacity
but solely as Delaware Trustee.

By: _____
Name:
Title:

CERTIFICATE OF AUTHENTICATION

This Note Certificate is one of the Note Certificates representing Notes described in the within-mentioned Indenture and is being issued in accordance with Section [2.5(f)] of the Standard Indenture Terms.

Dated: Original Issue Date

J.P. MORGAN TRUST COMPANY, NATIONAL
ASSOCIATION,
as Indenture Trustee

By: _____
Authorized Signatory

5

[REVERSE OF GLOBAL SECURITY]

SECTION 1. GENERAL. This Note Certificate is a Global Security in respect of a duly authorized issue of Notes of the Trust. The Notes are issued pursuant to the Indenture.

SECTION 2. CURRENCY. The Notes are denominated in, and payments of principal of, premium, if any, and interest on, if any, and other amounts in respect of, the Notes will be in the Specified Currency designated on the face hereof. If the Notes are Foreign Currency Notes, any amounts so payable by the Trust in the Specified Currency will be converted by the exchange rate agent designated on the face hereof (the "Exchange Rate Agent") into United States dollars for payment to the registered holders hereof unless otherwise specified on the face hereof or a registered holder elects, in the manner described below, to receive payments in the Specified Currency.

If the Specified Currency for Foreign Currency Notes is not available for any required payment of principal, premium, if any, and/or interest, if any, due to the imposition of exchange controls or other circumstances beyond the control of the Trust, the Trust will be entitled to satisfy the obligations to the registered holders of such Foreign Currency Notes by making payments in United States dollars based on the highest bid quotation in The City of New York received by the Exchange Rate Agent at approximately 11:00 A.M., New York City time, on the second Business Day preceding the applicable payment date from three recognized foreign exchange dealers (one of whom may be the Exchange Rate Agent) selected by the Exchange Rate Agent and approved by the Trust for the purchase by the quoting dealer of the Specified Currency for United States dollars for settlement on that payment date in the aggregate amount of the Specified Currency payable to all registered holders of such Foreign Currency Notes scheduled to receive United States dollar payments and at which the applicable dealer commits to execute a contract. All currency exchange costs will be borne by the relevant registered holders of such Foreign Currency Notes by deductions from any payments. If three bid quotations are not available, payments will be made in the Specified Currency.

Registered holders of Foreign Currency Notes may elect to receive all or a specified portion of any payment of principal, premium, if any, and/or interest,

if any, in the Specified Currency by submitting a written request to the Indenture Trustee at its corporate trust office in The City of New York on or prior to the applicable Regular Interest Record Date or at least fifteen calendar days prior to the Maturity Date, as the case may be. This written request may be mailed or hand delivered or sent by cable, telex or other form of facsimile transmission. This election will remain in effect until revoked by written notice delivered to the Indenture Trustee on or prior to a Regular Interest Record Date or at least fifteen calendar days prior to the Maturity Date, as the case may be. Registered holders of Foreign Currency Notes to be held in the name of a broker or nominee should contact their broker or nominee to determine whether and how an election to receive payments in the Specified Currency may be made.

Unless otherwise specified on the face hereof, if the Specified Currency is other than United States dollars, a beneficial owner hereof which elects to receive payments of principal, premium, if any, and/or interest, if any, in the Specified Currency must notify the DTC participant (the "Participant") through which it owns its interest on or prior to the applicable

6

Regular Interest Record Date or at least fifteen calendar days prior to the Maturity Date, as the case may be, of its election. The applicable Participant must notify the Depository of its election on or prior to the third Business Day after the applicable Regular Interest Record Date or at least twelve calendar days prior to the Maturity Date, as the case may be, and the Depository will notify the Indenture Trustee of that election on or prior to the fifth Business Day after the applicable Regular Interest Record Date or at least ten calendar days prior to the Maturity Date, as the case may be. If complete instructions are received by the Participant from the applicable beneficial owner and forwarded by the Participant to the Depository, and by the Depository to the Indenture Trustee, on or prior to such dates, then the applicable beneficial owner will receive payments in the Specified Currency.

Unless otherwise specified on the face hereof, if payment in the Specified Currency hereon is not available to the Trust for any required payment of principal, premium, if any, and/or interest, if any, due to the imposition of exchange controls or other circumstances beyond the Trust's control, then the Trust will be entitled to satisfy its obligations by making payments in United States dollars on the basis of the Market Exchange Rate, computed by the Exchange Rate Agent as described above, on the second Business Day prior to the particular payment or, if the Market Exchange Rate is not then available, on the basis of the most recently available Market Exchange Rate. The "Market Exchange Rate" for a Specified Currency other than United States dollars means the noon dollar buying rate in The City of New York for cable transfers for the Specified Currency as certified for customs purposes (or, if not so certified, as otherwise determined) by the Federal Reserve Bank of New York. Any payment in respect hereof made under such circumstances in U.S. Dollars will not constitute an Event of Default under the Indenture.

In the event that a member state of the European Union in whose national currency is the Specified Currency becomes a participant member in the third stage of the European economic and monetary union, the Trust may on or after the date of such occurrence, without the consent of the Holder hereof, redenominate all, but not less than all, of the Notes hereof.

All determinations referred to above made by the Exchange Rate Agent shall be at its sole discretion and, in the absence of manifest error, shall be conclusive for all purposes and binding on the Holder hereof and any applicable Entitlement Holders.

All currency exchange costs will be borne by the Holder hereof by deduction from the payments made hereon.

SECTION 3. DETERMINATION OF INTEREST RATE AND OTHER PAYMENT PROVISIONS.

FIXED RATE NOTES. If the Notes are designated on the face hereof as "Fixed Rate Notes," the Notes will bear interest from the Original Issue Date until the Maturity Date. Unless otherwise specified on the face hereof, the rate of interest payable on the Notes will not be adjusted; unless otherwise specified on the face hereof, interest will be payable on the Interest Payment Dates set forth on the face hereof and at the Maturity Date. Interest will be computed on the basis of a 360-day year of twelve 30-day months. If any Interest Payment Date or the Maturity Date of Fixed Rate Notes falls on a day that is not a Business Day, any payments of principal, premium, if any, and/or interest or other amounts required to be made, may be made

7

on the next succeeding Business Day, and no additional interest will accrue in respect of the payment made on that next succeeding Business Day.

DISCOUNT NOTES. If the Notes are designated on the face hereof as "Discount Notes" (as defined below), payments in respect of the Notes shall be made as set forth on the face hereof. In the event a Discount Note is redeemed, repaid or accelerated, the amount payable to the Holder of such Note on the Maturity Date

will be equal to the sum of (1) the Issue Price (increased by any accruals of discount) and, in the event of any redemption of such Discount Notes, if applicable, multiplied by the Initial Redemption Percentage (as adjusted by the Annual Redemption Percentage Reduction, if applicable); and (2) any unpaid interest accrued on such Discount Notes to the date of redemption, repayment or acceleration of maturity, as applicable. For purposes of determining the amount of discount that has accrued as of any date on which a redemption, repayment or acceleration of maturity of the Notes occurs for Discount Notes, the discount will be accrued using a constant yield method. The constant yield will be calculated using a 30-day month, 360-day year convention, a compounding period that, except for the Initial Period (as defined below), corresponds to the shortest period between Interest Payment Dates for the Discount Notes (with ratable accruals within a compounding period), a coupon rate equal to the initial coupon rate applicable to Discount Notes and an assumption that the maturity of such Discount Notes will not be accelerated. If the period from the date of issue to the first Interest Payment Date for Discount Notes (the "Initial Period") is shorter than the compounding period for such Discount Notes, a proportionate amount of the yield for an entire compounding period will be accrued. If the Initial Period is longer than the compounding period, then the period will be divided into a regular compounding period and a short period with the short period being treated as provided in the preceding sentence. A "Discount Note" is any Note that has an Issue Price that is less than 100% of the principal amount thereof by more than a percentage equal to the product of 0.25% and the number of full years to the Stated Maturity Date.

AMORTIZING NOTES. If the Notes are specified on the face hereof as "Amortizing Notes," the Notes shall bear interest at the rate set forth on the face hereof, and payments of principal and interest shall be made as set forth on the face hereof and/or in accordance with SCHEDULE I attached hereto. Unless otherwise specified on the face hereof, interest on the Notes will be computed on the basis of a 360-day year of twelve 30-day months. Payments with respect to Amortizing Notes will be applied first to interest due and payable on the Notes and then to the reduction of the unpaid principal amount of Notes represented by this Note Certificate.

FLOATING RATE NOTES. If the Notes are specified on the face hereof as "Floating Rate Notes," interest on the Notes shall accrue and be payable in accordance with this Section 3. A Floating Rate Note may be a CD Rate Note, CMT Rate Note, Commercial Paper Rate Note, Eleventh District Cost of Funds Rate Note, Federal Funds Rate Note, LIBOR Note, EURIBOR Note, Prime Rate Note, Treasury Rate Note, or as otherwise set forth on the face hereof. If the Notes are designated on the face hereof as Floating Rate Notes, the face hereof will specify whether the Notes are Regular Floating Rate Notes, Inverse Floating Rate Notes or Floating Rate/Fixed Rate Notes. For the period from the date of issue to, but not including, the first Interest Reset Date set forth on the face hereof, the interest rate hereon shall be the Initial Interest Rate specified on the face hereof. Thereafter, the interest rate hereon will be reset as of and be effective as of each Interest Reset Date.

8

- (A) If any Interest Reset Date would otherwise be a day that is not a Business Day, such Interest Reset Date shall be postponed to the next day that is a Business Day; PROVIDED, HOWEVER, that if the Notes are LIBOR Notes and such Business Day is in the next succeeding calendar month, such Interest Reset Date shall be the Business Day immediately preceding such Interest Reset Date.
- (B) Unless specified otherwise on the face hereof, Interest Reset Dates are as follows: (1) if the Notes reset daily, each Business Day, (2) if the Notes reset weekly, other than Treasury Rate Notes, the Wednesday of each week, (3) if the Notes are Treasury Rate Notes that reset weekly, and except as provided below under "Treasury Rate Notes," the Tuesday of each week, (4) if the Notes reset monthly, the third Wednesday of each month, unless the Eleventh District Cost of Funds Rate is the Interest Rate Basis (as defined below) applicable to the Notes, in which case the Notes will reset the first calendar day of the month, (5) if the Notes reset quarterly, the third Wednesday of March, June, September and December of each year, (6) if the Notes reset semiannually, the third Wednesday of each of the two months specified on the face hereof and (7) if the Notes reset annually, the third Wednesday of the month specified each year; PROVIDED, HOWEVER, that with respect to Floating Rate/ Fixed Rate Notes, the rate of interest thereon will not reset after the particular Fixed Rate Commencement Date specified on the face hereof (the "Fixed Rate Commencement Date").
- (C) Accrued interest is calculated by multiplying the principal amount of such Floating Rate Note by an accrued interest factor. The accrued interest factor is computed by adding the interest factor calculated for each day in the particular Interest Period. The interest factor for each day will be computed by dividing the interest rate applicable to such day by 360, in the case of Floating Rate Notes as to which the CD Rate, the Commercial Paper Rate, the Eleventh District Cost of Funds Rate, the Federal Funds Rate, LIBOR or the Prime Rate is an applicable Interest Rate Basis, or by the actual number of days in the year, in the case of Floating Rate Notes as to which the CMT Rate or

the Treasury Rate is an applicable Interest Rate Basis. The interest factor for Floating Rate Notes as to which the interest rate is calculated with reference to two or more Interest Rate Bases will be calculated in each period in the same manner as if only the applicable Interest Rate Basis specified on the face hereof applied. The interest rate shall be set forth on the face hereof. For purposes of making the foregoing calculation, the interest rate in effect on any Interest Reset Date will be the applicable rate as reset on that date. Unless otherwise specified on the face hereof, the interest rate that is effective on the applicable Interest Reset Date will be determined on the applicable Interest Determination Date and calculated on the applicable Calculation Date (as defined below). "Calculation Date" means the date by which the Calculation Agent designated on the face hereof, is to calculate the interest rate which will be the earlier of (1) the tenth calendar day after the particular Interest Determination Date or, if such day is not a Business Day, the next succeeding Business Day; or (2) the Business Day immediately preceding the applicable Interest Payment Date or the Maturity Date, as the case may be.

9

- (D) Unless otherwise specified on the face hereof, all percentages resulting from any calculation on Floating Rate Notes will be rounded to the nearest one hundred-thousandth of a percentage point, with five one-millionths of a percentage point rounded upwards. All dollar amounts used in or resulting from any calculation on Floating Rate Notes will be rounded, in the case of United States dollars, to the nearest cent or, in the case of a foreign currency, to the nearest unit (with one-half cent or unit being rounded upwards).

Unless otherwise specified on the face hereof and except as provided below, interest will be payable as follows: (1) if the Interest Reset Date for the Notes is daily, weekly or monthly, interest will be payable on the third Wednesday of each month or on the third Wednesday of March, June, September and December of each year, as specified on the face hereof, (2) if the Interest Reset Date for the Notes is quarterly, interest will be payable on the third Wednesday of March, June, September, and December of each year, (3) if the Interest Reset Date for the Notes is semiannually, interest will be payable on the third Wednesday of each of two months specified on the face hereof of each year, (4) if the Interest Reset Date for the Notes is annually, interest will be payable on the third Wednesday of the month specified on the face hereof of each year. In each of these cases, interest will also be payable on the Maturity Date.

If specified on the face hereof, the Notes may have either or both of a Maximum Interest Rate or Minimum Interest Rate. If a Maximum Interest Rate is so designated, the interest rate that may accrue during any Interest Period for Floating Rate Notes cannot ever exceed such Maximum Interest Rate and in the event that the interest rate on any Interest Reset Date would exceed such Maximum Interest Rate (as if no Maximum Interest Rate were in effect) then the interest rate on such Interest Reset Date shall be the Maximum Interest Rate. If a Minimum Interest Rate is so designated, the interest rate that may accrue during any Interest Period for Floating Rate Notes cannot ever be less than such Minimum Interest Rate and in the event that the interest rate on any Interest Reset Date would be less than such Minimum Interest Rate (as if no Minimum Interest Rate were in effect) then the interest rate on such Interest Reset Date shall be the Minimum Interest Rate. Notwithstanding anything to the contrary contained herein, if the Notes are designated on the face hereof as Floating Rate Notes, the interest rate on Notes shall not exceed the maximum interest rate permitted by applicable law.

All determinations of interest by the Calculation Agent designated on the face hereof will, in the absence of manifest error, be conclusive for all purposes and binding on the Holder of the Notes and neither the Indenture Trustee nor the Calculation Agent shall have any liability to the Holder of the Notes in respect of any determination, calculation, quote or rate made or provided by the Calculation Agent. Upon request of the Holder of the Notes, the Calculation Agent will provide the interest rate then in effect and, if determined, the interest rate that will become effective on the next Interest Reset Date with respect to the Notes. If the Calculation Agent is incapable or unwilling to act as such or if the Calculation Agent fails duly to establish the interest rate for any interest accrual period or to calculate the interest amount or any other requirements, the Trust will appoint a successor to act as such in its place. The Calculation Agent may not resign its duties until a successor has been appointed and such successor has accepted its appointment.

Subject to applicable provisions of law and except as specified herein, on each Interest

10

Reset Date, the rate of interest on the Notes on and after the first Interest Reset Date shall be the interest rate determined in accordance with the provisions of the heading below which has been designated as the Interest Rate Basis on the face hereof (the "Interest Rate Basis"), the base rate, plus or

minus the Spread, if any, specified on the face hereof and/or multiplied by the Spread Multiplier, if any, specified on the face hereof.

- (A) CD RATE NOTES. If the Interest Rate Basis is the CD Rate, the Notes shall be deemed to be "CD Rate Notes." CD Rate Notes will bear interest at the interest rate calculated with reference to the CD Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the CD Rate on each Interest Determination Date. The Interest Determination Date is the second Business Day immediately preceding the related Interest Reset Date. "CD Rate" means the rate on the particular Interest Determination Date for negotiable United States dollar certificates of deposit having the Index Maturity specified on the face hereof as published in H.15(519) (as defined below) under the caption "CDs (secondary market)", or, if not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date for negotiable United States dollar certificates of the particular Index Maturity as published in the H.15 Daily Update (as defined below) or other recognized electronic source used for the purpose of displaying the applicable rate under the heading "CDs (secondary market)." If such rate is not yet published in either H.15(519) or the H.15 Daily Update by 3:00 P.M., New York City time, on the related Calculation Date, then the CD Rate will be the rate on the particular Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the secondary market offered rates as of 10:00 A.M., New York City time on that Interest Determination Date of three leading nonbank dealers in negotiable United States dollar certificates of deposit in The City of New York (which may include the Agents or their affiliates) selected by the Calculation Agent for negotiable United States dollar certificates of deposit of major United States money market banks for negotiable United States certificates of deposit with a remaining maturity closest to the particular Index Maturity in an amount that is representative for a single transaction in that market at that time, or, if the dealers so selected by the Calculation Agent are not quoting as described in the preceding sentence, the CD Rate in effect on the particular Interest Determination Date. "H.15(519)" means the weekly statistical release designated as H.15(519), or any successor publication, published by the Board of Governors of the Federal Reserve System; and "H.15 Daily Update" means the daily update of H.15(519), available through the Board of Governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/H15/update>, or any successor site or publication.
- (B) CMT RATE NOTES. If the Interest Basis is the CMT Rate, the Notes shall be deemed to be "CMT Rate Notes." CMT Rate Notes will bear interest at the interest rate calculated with reference to the CMT Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the CMT Rate on each applicable Interest Determination Date. The applicable Interest Determination Date is the second Business Day prior to the Interest Reset Date. "CMT Rate"

11

means (1) if CMT Moneyline Telerate Page 7051 is specified on the face hereof: (a) the percentage equal to the yield for United States Treasury securities at "constant maturity" having the Index Maturity specified on the face hereof as published in H.15(519) under the caption "Treasury Constant Maturities", as the yield is displayed on Moneyline Telerate (or any successor service) on page 7051 (or any other page as may replace the specified page on that service) ("Moneyline Telerate Page 7051"), for the particular Interest Determination Date, or (b) if the rate referred to in clause (a) does not so appear on Moneyline Telerate Page 7051, the percentage equal to the yield for United States Treasury securities at "constant maturity" having the particular Index Maturity and for the particular Interest Determination Date as published in H.15(519) under the caption "Treasury Constant Maturities", or (c) if the rate referred to in clause (b) does not so appear in H.15(519), the rate on the particular Interest Determination Date for the period of the particular Index Maturity as may then be published by either the Federal Reserve System Board of Governors or the United States Department of the Treasury that the Calculation Agent determines to be comparable to the rate which would otherwise have been published in H.15(519), or (d) if the rate referred to in clause (c) is not so published, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on that Interest Determination Date of three leading primary United States government securities dealers in The City of New York (which may include the Agents or their affiliates) (each, a "Reference Dealer"), selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the particular Index Maturity, a remaining term to maturity no more

than one year shorter than that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or (e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated, or (f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the particular Index Maturity, a remaining term to maturity closest to that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or (g) if fewer than five but more than

12

two prices referred to in clause (f) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated, or (h) if fewer than three prices referred to in clause (f) are provided as requested, the CMT Rate in effect on the particular Interest Determination Date; (2) if CMT Moneyline Telerate Page 7052 is specified on the face hereof (a) the percentage equal to the one-week or one-month, as specified on the face hereof, average yield for United States Treasury securities at "constant maturity" having the Index Maturity specified on the face hereof as published in H.15(519) opposite the caption "Treasury Constant Maturities", as the yield is displayed on Moneyline Telerate (or any successor service) (on page 7052 or any other page as may replace the specified page on that service) ("Moneyline Telerate Page 7052"), for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the particular Interest Determination Date falls, or (b) if the rate referred to in clause (a) does not so appear on Moneyline Telerate Page 7052, the percentage equal to the one-week or one-month, as specified on the face hereof, average yield for United States Treasury securities at "constant maturity" having the particular Index Maturity and for the week or month, as applicable, preceding the particular Interest Determination Date as published in H.15(519) opposite the caption "Treasury Constant Maturities", or (c) if the rate referred to in clause (b) does not so appear in H.15(519), the one-week or one-month, as specified on the face hereof, average yield for United States Treasury securities at "constant maturity" having the particular Index Maturity as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the particular Interest Determination Date falls, or (d) if the rate referred to in clause (c) is not so published, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the particular Index Maturity, a remaining term to maturity no more than one year shorter than that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or (e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated, or (f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on that Interest

13

Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation or, in the

event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the particular Index Maturity, a remaining term to maturity closest to that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at the time, or (g) if fewer than five but more than two prices referred to in clause (f) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated, or (h) if fewer than three prices referred to in clause (f) are provided as requested, the CMT Rate in effect on that Interest Determination Date.

If two United States Treasury securities with an original maturity greater than the Index Maturity specified on the face hereof have remaining terms to maturity equally close to the particular Index Maturity, the quotes for the United States Treasury security with the shorter original remaining term to maturity will be used.

(C) COMMERCIAL PAPER RATE NOTES. If the Interest Rate Basis is the Commercial Paper Rate, the Notes shall be deemed to be "Commercial Paper Rate Notes." Commercial Paper Rate Notes will bear interest for each Interest Reset Date at the interest rate calculated with reference to the Commercial Paper Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the Commercial Paper Rate on each applicable Interest Determination Date. The Interest Determination Date is the Business Day immediately preceding the related Interest Reset Date. "Commercial Paper Rate" means the Money Market Yield (calculated as described below) on the Interest Determination Date of the rate for commercial paper having the applicable Index Maturity as such rate is published in H.15(519) under the heading "Commercial Paper -- Nonfinancial." If such rate is not published by 3:00 P.M., New York City time, on the Calculation Date pertaining to such Interest Determination Date, then the Commercial Paper Rate shall be the Money Market Yield on the particular Interest Determination Date of the rate for commercial paper having the particular Index Maturity as published on H.15 Daily Update or such other recognized electronic source used for the purposes of displaying the applicable rate, under the caption "Commercial Paper -- Nonfinancial", or if such rate is not published by 3:00 P.M., New York City time, on the Calculation Date, then the Commercial Paper Rate as calculated by the Calculation Agent shall be the Money Market Yield of the arithmetic mean of the offered rates at approximately 11:00 A.M., New York City time, on that Interest Determination Date of three leading dealers of United States dollar commercial paper in The City of New York (which may include the Agents or their affiliates) selected by the Calculation Agent for commercial paper having the particular Index Maturity placed for industrial issuers whose bond rating is "Aa", or the equivalent, from a nationally recognized

statistical rating organization; PROVIDED, HOWEVER, that if the dealers selected by the Calculation Agent are not quoting offered rates as mentioned above, the Commercial Paper Rate in effect on the particular Interest Determination Date.

"Money Market Yield" shall be a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where "D" refers to the per annum rate for the commercial paper, quoted on a bank discount basis and expressed as a decimal; and "M" refers to the actual number of days in the applicable Interest Period.

(D) ELEVENTH DISTRICT COST OF FUNDS RATE NOTES. If the Interest Basis is the Eleventh District Costs of Funds Rate, the Notes shall be deemed to be "Eleventh District Cost of Funds Rate Notes." Eleventh District Cost of Funds Notes will bear interest at the interest rate calculated with reference to the Eleventh District Cost of Funds Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the Eleventh District Cost of Rate on each applicable Interest Determination Date. The applicable Interest Determination Date is the last working day of the month immediately preceding the related Interest Reset Date on which the Federal Home Loan Bank of San Francisco publishes the Eleventh District Index. The "Eleventh District Cost of Funds Rate" means (1) the rate equal to the monthly weighted average cost of funds for the calendar month immediately preceding the month in which the particular Interest Determination Date falls as set forth under the caption "11th District" on the

display on Moneyline Telerate (or any successor service) on page 7058 (or any other page as may replace the specified page on that service) ("Moneyline Telerate Page 7058") as of 11:00 A.M., San Francisco time, on that Interest Determination Date, or (2) if the rate referred to in clause (1) does not so appear on Moneyline Telerate Page 7058, the monthly weighted average cost of funds paid by member institutions of the Eleventh Federal Home Loan Bank District that was most recently announced (the "Eleventh District Index") by the Federal Home Loan Bank of San Francisco as the cost of funds for the calendar month immediately preceding that Interest Determination Date, or (3) if the Federal Home Loan Bank of San Francisco fails to announce the Eleventh District Index on or prior to the particular Interest Determination Date for the calendar month immediately preceding that Interest Determination Date, the Eleventh District Cost of Funds Rate in effect on the particular Interest Determination Date.

- (E) FEDERAL FUNDS RATE NOTES. If the Interest Rate Basis is the Federal Funds Rate, the Notes shall be deemed to be "Federal Funds Rate Notes." Federal Funds Rate Notes will bear interest for each Interest Reset Date at the interest rate calculated with reference to the Federal Funds Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the Federal Funds Rate on each applicable Interest Determination Date. The Interest Determination Date is the

15

Business Day immediately preceding the related Interest Reset Date. "Federal Funds Rate" means (1) the rate on the particular Interest Determination Date for United States dollar federal funds as published in H.15(519) under the caption "Federal Funds (Effective)" and displayed on Moneyline Telerate (or any successor service) on page 120 (or any other page as may replace the specified page on that service) ("Moneyline Telerate Page 120"), or (2) if the rate referred to in clause (1) does not so appear on Moneyline Telerate Page 120 or is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date for United States dollar federal funds as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the caption "Federal Funds (Effective)", or (3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the rates for the last transaction in overnight United States dollar federal funds arranged by three leading brokers of United States dollar federal funds transactions in The City of New York (which may include the Agents or their affiliates), selected by the Calculation Agent prior to 9:00 A.M., New York City time, on that Interest Determination Date, or (4) if the brokers so selected by the Calculation Agent are not quoting as mentioned in clause (3), the Federal Funds Rate in effect on the particular Interest Determination Date.

- (F) LIBOR NOTES. If the Interest Rate Basis is LIBOR (as defined below), the Notes shall be deemed to be "LIBOR Notes." LIBOR Notes will bear interest for each Interest Period at the interest rate calculated with reference to LIBOR and the Spread or Spread Multiplier, if any. On each applicable Interest Determination Date the Calculation Agent will determine LIBOR. The applicable Interest Determination Date is the second London Banking Day preceding the related Interest Reset Date.

LIBOR means: (1) if "LIBOR Moneyline Telerate" is specified on the face hereof or if neither "LIBOR Reuters" nor "LIBOR Moneyline Telerate" is specified on the face hereof as the method for calculating LIBOR, the rate for deposits in the LIBOR Currency (as defined below) having the Index Maturity specified on the face hereof, commencing on the related Interest Reset Date, that appears on the LIBOR Page (as defined below) as of 11:00 A.M., London time, on the particular Interest Determination Date, or (2) if "LIBOR Reuters" is specified on the face hereof, the arithmetic mean of the offered rates, calculated by the Calculation Agent, or the offered rate, if the LIBOR Page by its terms provides only for a single rate, for deposits in the LIBOR Currency having the particular Index Maturity, commencing on the related Interest Reset Date, that appear or appears, as the case may be, on the LIBOR Page as of 11:00 A.M., London time, on the particular Interest Determination Date, or (3) if fewer than two offered rates appear, or no rate appears, as the case may be, on the particular Interest Determination Date on the LIBOR Page

16

as specified in clause (1) or (2), as applicable, the rate calculated by the Calculation Agent of at least two offered quotations obtained by the Calculation Agent after requesting the

principal London offices of each of four major reference banks (which may include affiliates of the Agents), in the London interbank market to provide the Calculation Agent with its offered quotation for deposits in the LIBOR Currency for the period of the particular Index Maturity, commencing on the related Interest Reset Date, to prime banks in the London interbank market at approximately 11:00 A.M., London time, on that Interest Determination Date and in a principal amount that is representative for a single transaction in the LIBOR Currency in that market at that time, or (4) if fewer than two offered quotations referred to in clause (3) are provided as requested, the rate calculated by the Calculation Agent as the arithmetic mean of the rates quoted at approximately 11:00 A.M., in the applicable Principal Financial Center, on the particular Interest Determination Date by three major banks (which may include affiliates of the Agents), in that Principal Financial Center selected by the Calculation Agent for loans in the LIBOR Currency to leading European banks, having the particular Index Maturity and in a principal amount that is representative for a single transaction in the LIBOR Currency in that market at that time, or (5) if the banks so selected by the Calculation Agent are not quoting as mentioned in clause (4), LIBOR in effect on the particular Interest Determination Date.

"LIBOR Currency" means the currency specified on the face hereof as to which LIBOR shall be calculated or, if no currency is specified on the face hereof, United States dollars.

"LIBOR Page" means either: if "LIBOR Reuters" is specified on the face hereof, the display on the Reuter Monitor Money Rates Service (or any successor service) on the page specified on the face hereof (or any other page as may replace that page on that service) for the purpose of displaying the London interbank rates of major banks for the LIBOR Currency; or if "LIBOR Moneyline Telerate" is specified on the face hereof or neither "LIBOR Reuters" nor "LIBOR Moneyline Telerate" is specified on the face hereof as the method for calculating LIBOR, the display on Moneyline Telerate (or any successor service) on the page specified on the face hereof (or any other page as may replace such page on such service) for the purpose of displaying the London interbank rates of major banks for the LIBOR Currency.

"London Banking Day" means a day on which commercial banks are open for business (including dealings in the LIBOR Currency) in London.

- (G) EURIBOR RATE NOTES. If the Interest Rate Basis is EURIBOR (as defined below), the Notes shall be deemed to be "EURIBOR Notes." EURIBOR Notes will bear interest at the rates (calculated with references to the European inter-bank offered rate for deposits in Euro, or "EURIBOR", and the Spread and/or

17

Spread Multiplier, if any) specified on the face hereof.

"EURIBOR" means, with respect to any Interest Determination Date relating to EURIBOR Notes or Notes that bear interest at floating rates for which the interest rate is determined with reference to EURIBOR (a "EURIBOR Interest Determination Date"), the rate for deposits in Euros as sponsored, calculated and published jointly by the European Banking Federation and ACI -- The Financial Market Association, or any company established by the joint sponsors for purposes of compiling and publishing those rates, having the Index Maturity specified on the face hereof, commencing on the applicable Interest Reset Date, as the rate appears on Moneyline Telerate, Inc., or any successor service, on page 248 (or any other page as may replace that specified page on the service) ("Moneyline Telerate Page 248") as of 11:00 A.M., Brussels time, on the applicable EURIBOR Interest Determination Date. If such rate does not appear on Moneyline Telerate Page 248, or is not so published by 11:00 A.M., Brussels time, on the applicable EURIBOR Interest Determination Date, such rate will be calculated by the Calculation Agent and will be the arithmetic mean of at least two quotations obtained by the Calculation Agent after requesting the principal Euro-zone (as defined below) offices of four major banks in the Euro-zone interbank market to provide the Calculation Agent with its offered quotation for deposits in Euros for the period of the Index Maturity specified on the face hereof, commencing on the applicable Interest Reset Date, to prime banks in the Euro-zone interbank market at approximately 11:00 A.M., Brussels time, on the applicable EURIBOR Interest Determination Date and in a principal amount not less than the equivalent of \$1 million in Euros that is representative for a single transaction in Euro in the market at that time. If fewer than two such quotations are so provided, the rate on the applicable EURIBOR Interest Determination Date will

be calculated by the Calculation Agent and will be the arithmetic mean of the rates quoted at approximately 11:00 A.M., Brussels time, on such EURIBOR Interest Determination Date by four major banks in the Euro-zone for loans in Euro to leading European banks, having the Index Maturity specified on the face hereof, commencing on the applicable Interest Reset Date and in a principal amount not less than the equivalent of \$1 million in Euros that is representative for a single transaction in Euros in the market at that time. If the banks so selected by the Calculation Agent are not quoting as mentioned above, EURIBOR will be EURIBOR in effect on the applicable EURIBOR Interest Determination Date.

"Euro-zone" means the region comprised of member states of the European Union that have adopted the single currency in accordance with the treaty establishing the European Community, as amended by the treaty on European Union.

- (H) PRIME RATE NOTES. If the Interest Rate Basis is the Prime Rate, the Notes shall be

18

deemed to be "Prime Rate Notes." Prime Rate Notes will bear interest for each Interest Reset Date calculated with reference to the Prime Rate and the Spread or Spread Multiplier, if any, subject to the Minimum Interest Rate and/or Maximum Interest Rate, if any, specified on the face hereof. The Calculation Agent will determine the Prime Rate for each Interest Reset Date on each applicable Interest Determination Date. The Interest Determination Date is the Business Day immediately preceding the related Interest Reset Date. "Prime Rate" means (1) the rate on the particular Interest Determination Date as published in H.15(519) under the caption "Bank Prime Loan", or (2) if the rate referred to in clause (1) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the caption "Bank Prime Loan", or (3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen US PRIME 1 Page (as defined below) as the applicable bank's prime rate or base lending rate as of 11:00 A.M., New York City time, on that Interest Determination Date, or (4) if fewer than four rates referred to in clause (3) are so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the prime rates or base lending rates quoted on the basis of the actual number of days in the year divided by a 360-day year as of the close of business on that Interest Determination Date by three major banks (which may include affiliates of the Agents) in The City of New York selected by the Calculation Agent, or (5) if the banks so selected by the Calculation Agent are not quoting as mentioned in clause (4), the Prime Rate in effect on the particular Interest Determination Date. "Reuters Screen US PRIME 1 Page" means the display on the Reuter Monitor Money Rates Service (or any successor service) on the "US PRIME 1" page (or any other page as may replace that page on that service) for the purpose of displaying prime rates or base lending rates of major United States banks.

- (I) TREASURY RATE NOTES. If the Interest Rate Basis is the Treasury Rate, the Notes shall be deemed to be "Treasury Rate Notes." Treasury Rate Notes will bear interest for each Interest Reset Date at the interest rate calculated with reference to the Treasury Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the Treasury Rate on each Treasury Rate Determination Date (as defined below). "Treasury Rate" means (1) the rate from the auction held on the Treasury Rate Interest Determination Date (the "Auction") of direct obligations of the United States ("Treasury Bills") having the Index Maturity specified on the face hereof under the caption "INVESTMENT RATE" on the display on Moneyline Telerate (or any successor service) on page 56 (or any other page as may replace that page on that service) ("Moneyline Telerate Page 56") or page 57 (or any other page as may replace that page on that service) ("Moneyline Telerate Page 57"), or (2) if the rate referred to in clause (1) is not so published by

19

3:00 P.M., New York City time, on the related Calculation Date, the Bond Equivalent Yield (as defined below) of the rate for the applicable Treasury Bills as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the caption "U.S. Government

Securities/Treasury Bills/Auction High", or (3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the Bond Equivalent Yield of the auction rate of the applicable Treasury Bills as announced by the United States Department of the Treasury, or (4) if the rate referred to in clause (3) is not so announced by the United States Department of the Treasury, or if the Auction is not held, the Bond Equivalent Yield of the rate on the particular Interest Determination Date of the applicable Treasury Bills as published in H.15(519) under the caption "U.S. Government Securities/Treasury Bills/Secondary Market", or (5) if the rate referred to in clause (4) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date of the applicable Treasury Bills as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the caption "U.S. Government Securities/Treasury Bills/Secondary Market", or (6) if the rate referred to in clause (5) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date calculated by the Calculation Agent as the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 P.M., New York City time, on that Interest Determination Date, of three primary United States government securities dealers (which may include the Agents or their affiliates) selected by the Calculation Agent, for the issue of Treasury Bills with a remaining maturity closest to the Index Maturity specified on the face hereof, or (7) if the dealers so selected by the Calculation Agent are not quoting as mentioned in clause (6), the Treasury Rate in effect on the particular Interest Determination Date.

"Bond Equivalent Yield" means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for Treasury Bills quoted on a bank discount basis and expressed as a decimal, "N" refers to 365 or 366, as the case may be, and "M" refers to the actual number of days in the applicable Interest Period.

The "Treasury Rate Determination Date" for each Interest Reset Date means the day in the week in which the related Interest Reset Date falls on which day Treasury Bills are normally auctioned (i.e., Treasury Bills are normally sold at auction on Monday of each week, unless that day is a legal holiday, in which case the auction is normally held on the following Tuesday, except that the auction may be held on the preceding Friday);

20

PROVIDED, HOWEVER, that if an auction is held on the Friday of the week preceding the related Interest Reset Date, the Interest Determination Date will be the preceding Friday.

- (J) REGULAR FLOATING RATE NOTES. Unless the Notes are designated as Floating Rate/Fixed Rate Notes or Inverse Floating Rate Notes, or as having an Addendum attached or having other/additional provisions apply, in each case relating to a different interest rate formula, such Notes that bear interest at floating rates will be Regular Floating Rate Notes and will bear interest at the rate determined by reference to the applicable Interest Rate Basis or Bases plus or minus the applicable Spread, if any, and/or multiplied by the applicable Spread Multiplier, if any. Commencing on the first Interest Reset Date, as specified on the face hereof, the rate at which interest on Regular Floating Rate Notes is payable will be reset as of each Interest Reset Date; PROVIDED, HOWEVER, that the interest rate in effect for the period, if any, from the date of issue to the first Interest Reset Date will be the Initial Interest Rate.
- (K) FLOATING RATE/FIXED RATE NOTES. If the Notes are designated as "Floating Rate/Fixed Rate Notes" on the face hereof, such Notes that bear interest at floating rates will bear interest at the rate determined by reference to the applicable Interest Rate Basis or Bases plus or minus the applicable Spread, if any, and/or multiplied by the applicable Spread Multiplier, if any. Commencing on the first Interest Reset Date, the rate at which interest on Floating Rate/Fixed Rate Notes is payable will be reset as of each Interest Reset Date; PROVIDED, HOWEVER, that the interest rate in effect for the period, if any, from the date of issue to the first Interest Reset Date will be the Initial Interest Rate, as specified on the face hereof; and the interest rate in effect commencing on the Fixed Rate Commencement Date will be the Fixed Interest Rate, if specified on the face hereof, or, if not so specified, the interest rate in effect on the day immediately preceding the Fixed Rate Commencement Date.

(L) INVERSE FLOATING RATE NOTES. If the Notes are designated as "Inverse Floating Rate Notes" on the face hereof, the Inverse Floating Rate shall be equal to the Fixed Interest Rate minus the rate determined by reference to the applicable Interest Rate Basis or Bases plus or minus the applicable Spread, if any, and/or multiplied by the applicable Spread Multiplier, if any; PROVIDED, HOWEVER, that interest on Inverse Floating Rate Notes will not be less than zero. Commencing on the first Interest Reset Date, the rate at which interest on Inverse Floating Rate Notes is payable will be reset as of each Interest Reset Date; PROVIDED, HOWEVER, that the interest rate in effect for the period, if any, from the date of issue to the first Interest Reset Date will be the Initial Interest Rate.

SECTION 4. OPTIONAL REDEMPTION. Except in the case of Discount Notes, if an Initial Redemption Date is specified on the face hereof, the Trust may redeem the Notes prior to the Stated Maturity Date at its option on any Business Day on or after the Initial Redemption Date in whole or from time to time in part in increments of \$1,000 or any other integral multiple of an authorized denomination specified on the face hereof (provided that any remaining principal

21

amount of the Notes shall be at least \$1,000 or other minimum authorized denomination applicable thereto), at the applicable Redemption Price (as defined below), together with unpaid interest accrued on the Notes, any Additional Amounts and other amounts payable with respect thereto to the date of redemption. The Trust must give written notice to the Holders of the Notes to be redeemed at its option not more than 60 nor less than 30 calendar days prior to the date of redemption. "Redemption Price" means an amount equal to the Initial Redemption Percentage specified on the face hereof (as adjusted by the Annual Redemption Percentage Reduction, if applicable) multiplied by the unpaid principal amount of Notes represented by this Note Certificate to be redeemed. The Initial Redemption Percentage, if any, shall decline at each anniversary of the Initial Redemption Date by an amount equal to the applicable Annual Redemption Percentage Reduction, if any, until the Redemption Price is equal to 100% of the unpaid amount thereof to be redeemed.

SECTION 5. SINKING FUNDS AND AMORTIZING NOTES. Unless otherwise specified on the face hereof or unless the Notes are Amortizing Notes, the Notes will not be subject to any sinking fund. If it is specified on the face hereof that the Notes are Amortizing Notes, the Trust will make payments combining principal and interest on the dates and in the amounts set forth in the table appearing in SCHEDULE I, attached to this Note Certificate. If the Notes are Amortizing Notes, payments made on the Notes will be applied first to interest due and payable on each such payment date and then to the reduction of the unpaid principal amount.

SECTION 6. OPTIONAL REPAYMENT. If so specified on the face hereof, the Notes will be subject to repayment by the Trust at the option of the Holder of the Notes on the Optional Repayment Date(s) specified on the face hereof, in whole or in part in increments of U.S.\$1,000 (PROVIDED that any remaining principal amount of the Notes shall be at least U.S.\$1,000), at a repayment price equal to 100% of the unpaid principal amount of the Notes to be repaid, together with unpaid interest accrued thereon to the Repayment Date (as defined below). For the Notes to be so repaid, the Indenture Trustee must receive at its corporate trust office not more than 60 nor less than 30 calendar days prior to the applicable Optional Repayment Date, a properly completed Option to Elect Repayment form, which is attached hereto as Annex A, forwarded by the Holder hereof. Exercise of such repayment option shall be irrevocable. As used herein, the term "Repayment Date" shall mean the date fixed for repayment in accordance with the repayment provisions specified above.

SECTION 7. REGISTRATION, TRANSFER AND EXCHANGE. As provided in the Standard Indenture Terms and subject to certain limitations therein and herein set forth, the transfer of the Notes represented by this Note Certificate is registrable in the records of J.P. Morgan Trust Company, National Association, in its capacity as registrar. Upon surrender of this Note Certificate for registration of transfer at the office or agency of the Trust in any place where the principal of and interest on the Notes are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Trust and the registrar duly executed by, the Holder or by his or her attorney duly authorized in writing, and thereupon one or more new Note Certificates having the same terms and provisions, in authorized denominations and for the same aggregate principal amount, will be issued by the Trust to the designated transferee or transferees.

As provided in the Standard Indenture Terms and subject to certain limitations therein

22

and herein set forth, the Notes represented by this Note Certificate are exchangeable for a like aggregate principal amount of Notes in authorized denominations but otherwise having the same terms and provisions, as requested by the Holder of this Note Certificate surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Trust or Indenture Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Note Certificate for registration of transfer, the Trust, the Indenture Trustee and any agent of the Trust or the Indenture Trustee may treat the Holder as the owner of the Notes for all purposes, including receiving payment of principal of and interest on the Notes, whether or not the Notes be overdue, and neither the Trust, the Indenture Trustee nor any such agent shall be affected by notice to the contrary, except as required by law.

SECTION 8. CERTIFICATED NOTES. Under certain circumstances described in the Standard Indenture Terms, the Trust will issue Certificated Notes in exchange for the Book-Entry Notes represented by a Global Security. The Certificated Notes issued in exchange for any Book-Entry Notes represented by a Global Security shall be of like tenor and of an equal aggregate principal amount, in authorized denominations. Such Certificated Notes shall be registered in the name or names of such person or persons as the Depositary shall instruct the Registrar.

SECTION 9. MODIFICATIONS AND AMENDMENTS. Sections [9.1 and 9.2] of the Standard Indenture Terms contain provisions permitting the Trust and the Indenture Trustee (1) without the consent of any Holder, to execute Supplemental Indentures for limited purposes and take other actions set forth in the Standard Indenture Terms, and (2) with the consent of the Holders of not less than 66 2/3% in aggregate principal amount of Notes at the time outstanding, evidenced as in the Standard Indenture Terms, to execute Supplemental Indentures adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or any Supplemental Indenture or modifying in any manner the rights of the Holders of the Notes subject to specified limitations.

SECTION 10. OBLIGATIONS UNCONDITIONAL. No reference herein to the Indenture or to the Standard Indenture Terms and no provision of the Notes or of the Indenture shall alter or impair the obligation of the Trust, which is absolute and unconditional, to pay the principal of, interest on, or any other amount due and owing with respect to, the Notes at the places, at the respective times, at the rate, and in the coin or currency, herein prescribed.

SECTION 11. COLLATERAL. Pursuant to the Indenture, the Trust will assign the relevant Funding Agreement(s) issued by Allstate Life Insurance Company ("Allstate Life") in connection with the issuance of the Notes (each, a "Funding Agreement") to the Indenture Trustee on behalf of the holders of the Notes. The Notes will be secured by a first priority perfected security interest in the Collateral described on the face hereof (the "Collateral") in favor of the Indenture Trustee and the other persons identified in the Standard Indenture Terms.

SECTION 12. SECURITY; LIMITED RECOURSE. The Notes are solely the obligations of the Trust, and will not be guaranteed by any person, including but not limited to Allstate Life,

23

Allstate Life Global Funding, any Agent, the Trust Beneficial Owner, the Delaware Trustee, the Indenture Trustee or any of their affiliates. The Trust's obligations under the Notes will be secured by all of the Trust's rights and title in one or more Funding Agreement(s) issued by Allstate Life and other rights and assets included in the applicable Collateral. The Holder of the Notes has no direct contractual rights against Allstate Life under the Funding Agreement(s). Under the terms of each Funding Agreement, recourse rights to Allstate Life will belong to the Trust, its successors and permitted assignees. The Trust has pledged, collaterally assigned and granted a first priority perfected security interest in the Collateral for the Notes to the Indenture Trustee on behalf of the Holders of the Notes and the other persons identified in the Standard Indenture Terms. Recourse to Allstate Life under each Funding Agreement will be enforceable only by the Indenture Trustee as a secured party on behalf of the Holders of Notes and the other persons identified in the Standard Indenture Terms.

SECTION 13. EVENTS OF DEFAULT. In case an Event of Default, as defined in the Standard Indenture Terms, shall have occurred and be continuing, the principal of the Notes may be declared, and upon such declaration shall become, due and payable in the manner, with the effect and subject to the conditions provided in the Indenture. If the Notes are Discount Notes, the amount of principal of the Notes that becomes due and payable upon such acceleration shall be equal to the amount calculated as set forth in Section 3 hereof.

SECTION 14. WITHHOLDING; ADDITIONAL AMOUNTS; TAX EVENT. All amounts due in respect of the Notes will be made without withholding or deduction for or on account of any present or future taxes, duties, levies, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of any governmental authority in the United States having the power to tax payments on the Notes unless the withholding or deduction is required by law. Unless otherwise specified on the face hereof, the Trust will not pay any additional amounts ("Additional Amounts") to Holders of the Notes in the event that any

withholding or deduction is so required by law, regulation or official interpretation thereof, and the imposition of a requirement to make any such withholding or deduction will not give rise to any independent right or obligation to redeem the Notes. If the Trust is required to pay Additional Amounts pursuant to Section [3.1(c)] of the Standard Indenture Terms and unless otherwise specified herein, the Trust shall give a notice of redemption to each Holder of the Notes to be redeemed not more than 75 days nor less than 30 days prior to the Redemption Date; provided that no such notice of redemption may be given earlier than 90 days prior to the earliest day on which the Trust would become obligated to pay the applicable Additional Amounts were a payment in respect of the Notes then due. Failure to give such notice to the Holder of any Note designated for redemption in whole or in part, or any defect in the notice to any such Holder, shall not affect the validity of the proceedings for the redemption of any other Note or any portion thereof. "Tax Event" means that the Trust shall have become required at any time to pay Additional Amounts or if the Trust is obligated to withhold or deduct any United States taxes with respect to any payment under the Notes or if there is a material probability that the Trust will become obligated to withhold or deduct any such United States taxes or otherwise pay Additional Amounts (in the opinion of independent legal counsel selected by Allstate Life), in each case pursuant to any change in or amendment to any United States tax laws (or any regulations or rulings thereunder) or any change in position of the Internal Revenue Service regarding the application or interpretation thereof (including, but not limited to, Allstate Life's or the Trust's receipt of a written adjustment from the Internal Revenue Service in connection with an audit).

SECTION 15. LISTING. Unless otherwise specified on the face hereof, the Notes will not be listed on any securities exchange.

SECTION 16. NO RECOURSE AGAINST CERTAIN PERSONS. No recourse shall be had for the payment of the principal of or the interest on the Notes, or for any claim based hereon, or otherwise in respect thereof, or based on or in respect of the Indenture or any Supplemental Indenture, against the Nonrecourse Parties, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such personal liability being, by the acceptance of any Notes and as part of the consideration for issue of the Notes, expressly waived and released.

SECTION 2. GOVERNING LAW. The Notes shall be governed by, and construed in accordance with, the laws of the State of New York.

Annex A

OPTION TO ELECT REPAYMENT

The undersigned beneficial owner of the Notes hereby irrevocably elects to have the Trust repay the principal amount of the Notes or portion hereof at the optional repayment price in accordance with the terms of the Notes.

Date: _____

Signature
Sign exactly as name appears on the front of this Note Certificate
[SIGNATURE GUARANTEED - required only if Notes are to be issued and delivered to other than the registered Holder]

Fill in for registration of Notes if to be issued otherwise than to the registered Holder:

Principal amount to be repaid, if amount to be repaid is less than the principal amount of the Notes represented by this Note Certificate (principal amount remaining must be an authorized denomination)

\$ _____

Name: _____

Address: _____

(Please print name and address including zip code)

FORM OF DEFINITIVE SECURITY FOR
SECURED MEDIUM TERM NOTES PROGRAM

[FACE OF DEFINITIVE SECURITY]

UNLESS THIS NOTE CERTIFICATE IS PRESENTED BY THE HOLDER (AS DEFINED IN THE STANDARD INDENTURE TERMS) OR AN AUTHORIZED REPRESENTATIVE OF THE HOLDER TO THE TRUST (HEREINAFTER DEFINED) OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED HOLDER HEREOF HAS AN INTEREST HEREIN.

THIS NOTE CERTIFICATE IS A DEFINITIVE SECURITY WITHIN THE MEANING OF THE STANDARD INDENTURE TERMS (HEREINAFTER DEFINED) AND IS REGISTERED IN THE NAME OF THE HOLDER HEREOF. THIS NOTE IS NOT EXCHANGEABLE FOR A GLOBAL SECURITY (AS DEFINED IN THE STANDARD INDENTURE TERMS).

CUSIP No.:

ALLSTATE LIFE GLOBAL FUNDING TRUST [] - []

SECURED MEDIUM TERM NOTES

Title of Notes:	Stated Maturity Date:
Principal Amount: \$_____	Settlement Date and Time:
(or principal amount of foreign or composite currency)	Securities Exchange Listing: / / Yes / / No. If yes, indicate name(s) of Securities Exchange(s):
Original Issue Date:	
Issue Price:	Floating Rate Note: / / Yes / / No. If yes,
Interest Rate or Formula:	Regular Floating Rate Notes: / /
Fixed Rate Note: / / Yes / / No. If yes,	Inverse Floating Rate Notes: / /
Interest Rate:	Floating Rate/Fixed Rate Notes: / /
Interest Payment Dates:	Interest Rate:
Day Count Convention:	Interest Rate Basis(es):
Additional/Other Terms:	LIBOR / /
Amortizing Note: / / Yes / / No. If yes,	/ / LIBOR Reuters Page:
Amortization schedule or formula:	/ / LIBOR Telerate Page:
Additional/Other Terms:	LIBOR Currency:
Discount Note: / / Yes / / No. If yes,	Constant Maturity Treasury Rate / /
Total Amount of Discount:	Designated CMT Telerate Page:
Initial Accrual Period of Discount:	If Telerate Page 7052:
Interest Payment Dates:	/ / Weekly Average
Additional/Other Terms:	/ / Monthly Average

1

Redemption Provisions: / / Yes / / No. If yes,	Designated CMT Maturity Index:
Initial Redemption Date:	CD Rate / /
Initial Redemption Percentage:	Commercial Paper Rate / /
Annual Redemption Percentage Reduction, if any:	Federal Funds Rate / /
Additional/Other Terms:	Prime Rate / /
Repayment Provisions: / / Yes / / No. If yes,	Treasury Rate / /
Optional Repayment Date(s):	Eleventh District Cost of Funds Rate / /
Optional Repayment Price:	EURIBOR Rate / /
Additional/Other Terms:	Other / / See attached.
Regular Interest Record Date(s):	Index Maturity:
Sinking Fund:	Spread and/or Spread Multiplier, if any:
Specified Currency:	Initial Interest Rate, if any:
Exchange Rate Agent:	Initial Interest Reset Date:
Calculation Agent:	Interest Reset Dates:
Depository:	Interest Determination Date(s):
Authorized Denominations:	Interest Payment Dates:
Collateral: Allstate Life Insurance Company	Maximum Interest Rate, if any:
Funding Agreement No(s). / /, all	Minimum Interest Rate, if any:
proceeds of such Funding Agreement(s), all	Fixed Rate Commencement Date, if any:
books and records pertaining to such Funding	Fixed Interest Rate, if any:
Agreement(s) and all rights of the Trust	Day Count Convention:
pertaining to the foregoing.	Additional/Other Terms:
Additional Amounts to be Paid: / / Yes / / No	
Additional/Other Terms:	

This Note Certificate is a Definitive Security in respect of a duly authorized issue of Notes (the "Notes") of the Allstate Life Global Funding Trust designated above, a statutory trust organized under the laws of the State of Delaware (the "Trust"). The Notes are issued under the Indenture, dated as of the date hereof (as amended or supplemented from time to time, the "Indenture")

between the Trust and J.P. Morgan Trust Company, National Association, as indenture trustee (including any successor, the "Indenture Trustee"). Capitalized terms used herein and not otherwise defined shall have the respective meanings ascribed in the Standard Indenture Terms, dated as of [] (as amended or supplemented from time to time, the "Standard Indenture Terms").

The Trust, for value received, hereby promises to pay to the Holder hereof or its registered assigns, on the Stated Maturity Date (or on the date of redemption or repayment by the Trust prior to maturity pursuant to redemption or repayment provisions, in each case, if provided for above) the principal amount specified above and, if so specified above, to pay interest from time to time on the Notes represented by this Note Certificate from the Original Issue Date specified above (the "Original Issue Date") or from the most recent Interest Payment Date to which interest has been paid or duly provided for at the rate per annum determined in accordance with the provisions on the reverse hereof and as specified above, until the principal of the Notes represented by this Note Certificate is paid or made available for payment and to pay such other amounts due and owing with respect to the Notes represented by this Note Certificate.

On any exchange or purchase and cancellation of any of the Notes represented by this Note Certificate, details of such exchange or purchase and cancellation shall be entered in the records of the Indenture Trustee. Upon any such exchange or purchase and cancellation, the principal amount of the Notes represented by this Note Certificate shall be charged by the principal amount so exchanged or purchased and cancelled, as provided in the Standard Indenture Terms.

Unless otherwise set forth above, if the Notes are subject to an Annual Redemption Percentage Reduction as specified above, the Redemption Price of the Notes represented by this Note Certificate shall initially be the Initial Redemption Percentage of the principal amount of the Notes represented by this Note Certificate on the Initial Redemption Date and shall decline at each anniversary of the Initial Redemption Date (each such date, a "Redemption Date") by the Annual Redemption Percentage Reduction of such principal amount until the Redemption Price is 100% of such principal amount.

The Notes will mature on the Stated Maturity Date, unless their principal (or, any installment of their principal) becomes due and payable prior to the Stated Maturity Date, whether, as applicable, by the declaration of acceleration of maturity, notice of redemption at the option of the Trust, notice of the Holder's option to elect repayment or otherwise (the Stated Maturity Date or any date prior to the Stated Maturity Date on which the Notes become due and payable, as the case may be, are referred to as the "Maturity Date" with respect to principal of the Notes repayable on such date).

Unless otherwise provided above and except as provided in the following paragraph, the Trust will pay interest on each Interest Payment Date specified above, commencing with the first Interest Payment Date next succeeding the Original Issue Date, and on the Maturity Date; PROVIDED that any payment of principal, premium, if any, interest or other amounts to be made on any Interest Payment Date or on a Maturity Date that is not a Business Day shall be made on the next succeeding Business Day, PROVIDED, HOWEVER, with respect to an Interest Payment Date other than the Maturity Date, if the Notes are LIBOR Notes (as defined in Section 3 on the reverse hereof) and that next succeeding Business Day falls in the next succeeding calendar month, such payment shall be made on the immediately preceding Business Day.

Unless otherwise specified above, the interest payable on each Interest Payment Date or on the Maturity Date will be the amount equal to the interest accrued from and including the immediately preceding Interest Payment Date in respect of which interest has been paid or from and including the date of issue, if no interest has been paid, to but excluding the applicable Interest Payment Date or the Maturity Date, as the case may be (each, an "Interest Period").

Reference is hereby made to the further provisions of the Notes set forth on the reverse hereof and, if so specified on the face hereof, in an Addendum hereto, which further provisions shall for all purposes have the same force and effect as if set forth on the face hereof.

Notwithstanding the foregoing, if an Addendum is attached hereto or "Other/Additional Provisions" apply to the Notes as specified above, the Notes shall be subject to the terms set forth in such Addendum or such "Other/Additional Provisions."

The Notes represented by this Note Certificate shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been executed by the Indenture Trustee pursuant to the Indenture.

IN WITNESS WHEREOF, the Trust has caused this instrument to be duly executed on its behalf.

Dated: Original Issue Date

THE ALLSTATE LIFE GLOBAL FUNDING TRUST
SPECIFIED ON THE FACE OF THIS NOTE
CERTIFICATE,
as Issuer

By: WILMINGTON TRUST COMPANY,
not in its individual capacity
but solely as Delaware Trustee.

By: _____
Name:
Title:

CERTIFICATE OF AUTHENTICATION

This Note Certificate is one of the Note Certificates representing Notes described in the within-mentioned Indenture and is being issued in accordance with Section [2.5(f)] of the Standard Indenture Terms.

Dated: Original Issue Date

J.P. MORGAN TRUST COMPANY, NATIONAL
ASSOCIATION,
as Indenture Trustee

By: _____
Authorized Signatory

[REVERSE OF DEFINITIVE SECURITY]

SECTION 1. GENERAL. This Note Certificate is a Definitive Security in respect of a duly authorized issue of Notes of the Trust. The Notes are issued pursuant to the Indenture.

SECTION 2. CURRENCY. The Notes are denominated in, and payments of principal of, premium, if any, and interest on, if any, and other amounts in respect of, the Notes will be in the Specified Currency designated on the face hereof. If the Notes are Foreign Currency Notes, any amounts so payable by the Trust in the Specified Currency will be converted by the exchange rate agent designated on the face hereof (the "Exchange Rate Agent") into United States dollars for payment to the registered holders hereof unless otherwise specified on the face hereof or a registered holder elects, in the manner described below, to receive payments in the Specified Currency.

If the Specified Currency for Foreign Currency Notes is not available for any required payment of principal, premium, if any, and/or interest, if any, due to the imposition of exchange controls or other circumstances beyond the control of the Trust, the Trust will be entitled to satisfy the obligations to the registered holders of such Foreign Currency Notes by making payments in United States dollars based on the highest bid quotation in The City of New York received by the Exchange Rate Agent at approximately 11:00 A.M., New York City time, on the second Business Day preceding the applicable payment date from three recognized foreign exchange dealers (one of whom may be the Exchange Rate Agent) selected by the Exchange Rate Agent and approved by the Trust for the purchase by the quoting dealer of the Specified Currency for United States dollars for settlement on that payment date in the aggregate amount of the Specified Currency payable to all registered holders of such Foreign Currency Notes scheduled to receive United States dollar payments and at which the applicable dealer commits to execute a contract. All currency exchange costs will be borne by the relevant registered holders of such Foreign Currency Notes by deductions from any payments. If three bid quotations are not available, payments will be made in the Specified Currency.

Registered holders of Foreign Currency Notes may elect to receive all or a specified portion of any payment of principal, premium, if any, and/or interest, if any, in the Specified Currency by submitting a written request to the Indenture Trustee at its corporate trust office in The City of New York on or prior to the applicable Regular Interest Record Date or at least fifteen calendar days prior to the Maturity Date, as the case may be. This written request may be mailed or hand delivered or sent by cable, telex or other form of facsimile transmission. This election will remain in effect until revoked by written notice delivered to the Indenture Trustee on or prior to a Regular Interest Record Date or at least fifteen calendar days prior to the Maturity Date, as the case may be. Registered holders of Foreign Currency Notes to be held in the name of a broker or nominee should contact their broker or nominee to determine whether and how an election to receive payments in the Specified Currency may be made.

Unless otherwise specified on the face hereof, if the Specified Currency is other than United States dollars, if the Holder hereof elects to receive payments of principal, premium, if any, and/or interest, if any, in the Specified Currency, the Holder must notify the Indenture Trustee of that election on or prior to the fifth Business Day after the applicable Regular

Interest

Record Date or at least ten calendar days prior to the Maturity Date, as the case may be. If complete instructions are received by the Indenture Trustee on or prior to such dates, then the Holder will receive payments in the Specified Currency.

Unless otherwise specified on the face hereof, if payment in the Specified Currency hereon is not available to the Trust for any required payment of principal, premium, if any, and/or interest, if any, due to the imposition of exchange controls or other circumstances beyond the Trust's control, then the Trust will be entitled to satisfy its obligations by making payments in United States dollars on the basis of the Market Exchange Rate, computed by the Exchange Rate Agent as described above, on the second Business Day prior to the particular payment or, if the Market Exchange Rate is not then available, on the basis of the most recently available Market Exchange Rate. The "Market Exchange Rate" for a Specified Currency other than United States dollars means the noon dollar buying rate in The City of New York for cable transfers for the Specified Currency as certified for customs purposes (or, if not so certified, as otherwise determined) by the Federal Reserve Bank of New York. Any payment in respect hereof made under such circumstances in U.S. Dollars will not constitute an Event of Default under the Indenture.

In the event that a member state of the European Union in whose national currency is the Specified Currency becomes a participant member in the third stage of the European economic and monetary union, the Trust may on or after the date of such occurrence, without the consent of the Holder hereof, redenominate all, but not less than all, of the Notes hereof.

All determinations referred to above made by the Exchange Rate Agent shall be at its sole discretion and, in the absence of manifest error, shall be conclusive for all purposes and binding on the Holder hereof and any applicable Entitlement Holders.

All currency exchange costs will be borne by the Holder hereof by deduction from the payments made hereon.

SECTION 3. DETERMINATION OF INTEREST RATE AND OTHER PAYMENT PROVISIONS.

FIXED RATE NOTES. If the Notes are designated on the face hereof as "Fixed Rate Notes," the Notes will bear interest from the Original Issue Date until the Maturity Date. Unless otherwise specified on the face hereof, the rate of interest payable on the Notes will not be adjusted; unless otherwise specified on the face hereof, interest will be payable on the Interest Payment Dates set forth on the face hereof and at the Maturity Date. Interest will be computed on the basis of a 360-day year of twelve 30-day months. If any Interest Payment Date or the Maturity Date of Fixed Rate Notes falls on a day that is not a Business Day, any payments of principal, premium, if any, and/or interest or other amounts required to be made, may be made on the next succeeding Business Day, and no additional interest will accrue in respect of the payment made on that next succeeding Business Day.

DISCOUNT NOTES. If the Notes are designated on the face hereof as "Discount Notes" (as defined below), payments in respect of the Notes shall be made as set forth on the face hereof. In the event a Discount Note is redeemed, repaid or accelerated, the amount payable to the Holder of such Note on the Maturity Date will be equal to the sum of (1) the Issue Price

(increased by any accruals of discount) and, in the event of any redemption of such Discount Notes, if applicable, multiplied by the Initial Redemption Percentage (as adjusted by the Annual Redemption Percentage Reduction, if applicable); and (2) any unpaid interest accrued on such Discount Notes to the date of redemption, repayment or acceleration of maturity, as applicable. For purposes of determining the amount of discount that has accrued as of any date on which a redemption, repayment or acceleration of maturity of the Notes occurs for Discount Notes, the discount will be accrued using a constant yield method. The constant yield will be calculated using a 30-day month, 360-day year convention, a compounding period that, except for the Initial Period (as defined below), corresponds to the shortest period between Interest Payment Dates for Discount Notes (with ratable accruals within a compounding period), a coupon rate equal to the initial coupon rate applicable to Discount Notes and an assumption that the maturity of such Discount Notes will not be accelerated. If the period from the date of issue to the first Interest Payment Date for Discount Notes (the "Initial Period") is shorter than the compounding period for such Discount Notes, a proportionate amount of the yield for an entire compounding period will be accrued. If the Initial Period is longer than the compounding period, then the period will be divided into a regular compounding period and a short period with the short period being treated as provided in the preceding sentence. A "Discount Note" is any Note that has an Issue Price that is less than 100% of the principal amount thereof by more than a percentage equal to the product of 0.25% and the number of full years to the Stated Maturity Date.

AMORTIZING NOTES. If the Notes are specified on the face hereof as

"Amortizing Notes," the Notes shall bear interest at the rate set forth on the face hereof, and payments of principal and interest shall be made as set forth on the face hereof and/or in accordance with SCHEDULE I attached hereto. Unless otherwise specified on the face hereof, interest on the Notes will be computed on the basis of a 360-day year of twelve 30-day months. Payments with respect to Amortizing Notes will be applied first to interest due and payable on the Notes and then to the reduction of the unpaid principal amount of Notes represented by this Note Certificate.

FLOATING RATE NOTES. If the Notes are specified on the face hereof as "Floating Rate Notes," interest on the Notes shall accrue and be payable in accordance with this Section 3. A Floating Rate Note may be a CD Rate Note, CMT Rate Note, Commercial Paper Rate Note, Eleventh District Cost of Funds Rate Note, Federal Funds Rate Note, LIBOR Note, EURIBOR Note, Prime Rate Note, Treasury Rate Note, or as otherwise set forth on the face hereof. If the Notes are designated on the face hereof as Floating Rate Notes, the face hereof will specify whether the Notes are Regular Floating Rate Notes, Inverse Floating Rate Notes or Floating Rate/Fixed Rate Notes. For the period from the date of issue to, but not including, the first Interest Reset Date set forth on the face hereof, the interest rate hereon shall be the Initial Interest Rate specified on the face hereof. Thereafter, the interest rate hereon will be reset as of and be effective as of each Interest Reset Date.

- (A) If any Interest Reset Date would otherwise be a day that is not a Business Day, such Interest Reset Date shall be postponed to the next day that is a Business Day; PROVIDED, HOWEVER, that if the Notes are LIBOR Notes and such Business Day is in the next succeeding calendar month, such Interest Reset Date shall be the Business Day immediately preceding such Interest Reset Date.
- (B) Unless specified otherwise on the face hereof, Interest Reset Dates are as follows:
 - (1) if the Notes reset daily, each Business Day, (2) if the Notes reset weekly, other than Treasury Rate Notes, the Wednesday of each week, (3) if the Notes are Treasury Rate Notes that reset weekly, and except as provided below under "Treasury Rate Notes," the Tuesday of each week, (4) if the Notes reset monthly, the third Wednesday of each month, unless the Eleventh District Cost of Funds Rate is the Interest Rate Basis (as defined below) applicable to the Notes, in which case the Notes will reset the first calendar day of the month, (5) if the Notes reset quarterly, the third Wednesday of March, June, September and December of each year, (6) if the Notes reset semiannually, the third Wednesday of each of the two months specified on the face hereof and (7) if the Notes reset annually, the third Wednesday of the month specified each year; PROVIDED, HOWEVER, that with respect to Floating Rate/ Fixed Rate Notes, the rate of interest thereon will not reset after the particular Fixed Rate Commencement Date specified on the face hereof (the "Fixed Rate Commencement Date").
- (C) Accrued interest is calculated by multiplying the principal amount of such Floating Rate Note by an accrued interest factor. The accrued interest factor is computed by adding the interest factor calculated for each day in the particular Interest Period. The interest factor for each day will be computed by dividing the interest rate applicable to such day by 360, in the case of Floating Rate Notes as to which the CD Rate, the Commercial Paper Rate, the Eleventh District Cost of Funds Rate, the Federal Funds Rate, LIBOR or the Prime Rate is an applicable Interest Rate Basis, or by the actual number of days in the year, in the case of Floating Rate Notes as to which the CMT Rate or the Treasury Rate is an applicable Interest Rate Basis. The interest factor for Floating Rate Notes as to which the interest rate is calculated with reference to two or more Interest Rate Bases will be calculated in each period in the same manner as if only the applicable Interest Rate Basis specified on the face hereof applied. The interest rate shall be set forth on the face hereof. For purposes of making the foregoing calculation, the interest rate in effect on any Interest Reset Date will be the applicable rate as reset on that date. Unless otherwise specified on the face hereof, the interest rate that is effective on the applicable Interest Reset Date will be determined on the applicable Interest Determination Date and calculated on the applicable Calculation Date (as defined below). "Calculation Date" means the date by which the Calculation Agent designated on the face hereof, is to calculate the interest rate which will be the earlier of (1) the tenth calendar day after the particular Interest Determination Date or, if such day is not a Business Day, the next succeeding Business Day; or (2) the Business Day immediately preceding the applicable Interest Payment Date or the Maturity Date, as the case may be.
- (D) Unless otherwise specified on the face hereof, all percentages resulting from any calculation on Floating Rate Notes will be rounded to the nearest one hundred-thousandth of a percentage point, with five one-millionths of a percentage point rounded upwards. All dollar amounts used in or resulting from any calculation on Floating Rate Notes will be rounded, in the case of United States dollars, to the

nearest cent or, in the case of a foreign currency, to the nearest unit (with one-half cent or unit being rounded upwards).

Unless otherwise specified on the face hereof and except as provided below, interest will be payable as follows: (1) if the Interest Reset Date for the Notes is daily, weekly or monthly, interest will be payable on the third Wednesday of each month or on the third Wednesday of March, June, September and December of each year, as specified on the face hereof, (2) if the Interest Reset Date for the Notes is quarterly, interest will be payable on the third Wednesday of March, June, September, and December of each year, (3) if the Interest Reset Date for the Notes is semiannually, interest will be payable on the third Wednesday of each of two months specified on the face hereof of each year, (4) if the Interest Reset Date for the Notes is annually, interest will be payable on the third Wednesday of the month specified on the face hereof of each year. In each of these cases, interest will also be payable on the Maturity Date.

If specified on the face hereof, the Notes may have either or both of a Maximum Interest Rate or Minimum Interest Rate. If a Maximum Interest Rate is so designated, the interest rate that may accrue during any Interest Period for Floating Rate Notes cannot ever exceed such Maximum Interest Rate and in the event that the interest rate on any Interest Reset Date would exceed such Maximum Interest Rate (as if no Maximum Interest Rate were in effect) then the interest rate on such Interest Reset Date shall be the Maximum Interest Rate. If a Minimum Interest Rate is so designated, the interest rate that may accrue during any Interest Period for Floating Rate Notes cannot ever be less than such Minimum Interest Rate and in the event that the interest rate on any Interest Reset Date would be less than such Minimum Interest Rate (as if no Minimum Interest Rate were in effect) then the interest rate on such Interest Reset Date shall be the Minimum Interest Rate. Notwithstanding anything to the contrary contained herein, if the Notes are designated on the face hereof as Floating Rate Notes, the interest rate on Notes shall not exceed the maximum interest rate permitted by applicable law.

All determinations of interest by the Calculation Agent designated on the face hereof will, in the absence of manifest error, be conclusive for all purposes and binding on the Holder of the Notes and neither the Indenture Trustee nor the Calculation Agent shall have any liability to the Holder of the Notes in respect of any determination, calculation, quote or rate made or provided by the Calculation Agent. Upon request of the Holder of the Notes, the Calculation Agent will provide the interest rate then in effect and, if determined, the interest rate that will become effective on the next Interest Reset Date with respect to the Notes. If the Calculation Agent is incapable or unwilling to act as such or if the Calculation Agent fails duly to establish the interest rate for any interest accrual period or to calculate the interest amount or any other requirements, the Trust will appoint a successor to act as such in its place. The Calculation Agent may not resign its duties until a successor has been appointed and such successor has accepted its appointment.

Subject to applicable provisions of law and except as specified herein, on each Interest Reset Date, the rate of interest on the Notes on and after the first Interest Reset Date shall be the interest rate determined in accordance with the provisions of the heading below which has been designated as the Interest Rate Basis on the face hereof (the "Interest Rate Basis"), the base rate, plus or minus the Spread, if any, specified on the face hereof and/or multiplied by the Spread Multiplier, if any, specified on the face hereof.

- (A) CD RATE NOTES. If the Interest Rate Basis is the CD Rate, the Notes shall be deemed to be "CD Rate Notes." CD Rate Notes will bear interest at the interest

rate calculated with reference to the CD Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the CD Rate on each Interest Determination Date. The Interest Determination Date is the second Business Day immediately preceding the related Interest Reset Date. "CD Rate" means the rate on the particular Interest Determination Date for negotiable United States dollar certificates of deposit having the Index Maturity specified on the face hereof as published in H.15(519) (as defined below) under the caption "CDs (secondary market)", or, if not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date for negotiable United States dollar certificates of the particular Index Maturity as published in the H.15 Daily Update (as defined below) or other recognized electronic source used for the purpose of displaying the applicable rate under the heading "CDs (secondary market)." If such rate is not yet published in either H.15(519) or the H.15 Daily Update by 3:00 P.M., New York City time, on the related Calculation Date, then the CD Rate will be the rate on the particular Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the secondary market offered rates as of 10:00 A.M., New York City time on that Interest Determination Date of three leading nonbank dealers in negotiable United States dollar certificates of deposit in The City of New York (which may include the Agents or their affiliates) selected by the

Calculation Agent for negotiable United States dollar certificates of deposit of major United States money market banks for negotiable United States certificates of deposit with a remaining maturity closest to the particular Index Maturity in an amount that is representative for a single transaction in that market at that time, or, if the dealers so selected by the Calculation Agent are not quoting as described in the preceding sentence, the CD Rate in effect on the particular Interest Determination Date. "H.15(519)" means the weekly statistical release designated as H.15(519), or any successor publication, published by the Board of Governors of the Federal Reserve System; and "H.15 Daily Update" means the daily update of H.15(519), available through the Board of Governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/H15/update>, or any successor site or publication.

- (B) CMT RATE NOTES. If the Interest Basis is the CMT Rate, the Notes shall be deemed to be "CMT Rate Notes." CMT Rate Notes will bear interest at the interest rate calculated with reference to the CMT Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the CMT Rate on each applicable Interest Determination Date. The applicable Interest Determination Date is the second Business Day prior to the Interest Reset Date. "CMT Rate" means (1) if CMT Moneyline Telerate Page 7051 is specified on the face hereof: (a) the percentage equal to the yield for United States Treasury securities at "constant maturity" having the Index Maturity specified on the face hereof as published in H.15(519) under the caption "Treasury Constant Maturities", as the yield is displayed on Moneyline Telerate (or any successor service) on page 7051 (or any other page as may replace the specified page on that service) ("Moneyline Telerate Page 7051"), for the particular Interest Determination Date, or (b) if the rate referred to in clause (a) does not so appear on Moneyline Telerate Page 7051,

the percentage equal to the yield for United States Treasury securities at "constant maturity" having the particular Index Maturity and for the particular Interest Determination Date as published in H.15(519) under the caption "Treasury Constant Maturities", or (c) if the rate referred to in clause (b) does not so appear in H.15(519), the rate on the particular Interest Determination Date for the period of the particular Index Maturity as may then be published by either the Federal Reserve System Board of Governors or the United States Department of the Treasury that the Calculation Agent determines to be comparable to the rate which would otherwise have been published in H.15(519), or (d) if the rate referred to in clause (c) is not so published, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on that Interest Determination Date of three leading primary United States government securities dealers in The City of New York (which may include the Agents or their affiliates) (each, a "Reference Dealer"), selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the particular Index Maturity, a remaining term to maturity no more than one year shorter than that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or (e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated, or (f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the particular Index Maturity, a remaining term to maturity closest to that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or (g) if fewer than five but more than two prices referred to in clause (f) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated, or (h) if fewer than three prices referred to in clause (f) are provided as requested, the CMT Rate in effect on the particular Interest Determination Date; (2) if CMT Moneyline Telerate Page 7052 is specified on the face hereof

(a) the percentage equal to the one-week or one-month, as specified on the face hereof, average yield for United States

Treasury securities at "constant maturity" having the Index Maturity specified on the face hereof as published in H.15(519) opposite the caption "Treasury Constant Maturities", as the yield is displayed on Moneyline Telerate (or any successor service) (on page 7052 or any other page as may replace the specified page on that service) ("Moneyline Telerate Page 7052"), for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the particular Interest Determination Date falls, or (b) if the rate referred to in clause (a) does not so appear on Moneyline Telerate Page 7052, the percentage equal to the one-week or one-month, as specified on the face hereof, average yield for United States Treasury securities at "constant maturity" having the particular Index Maturity and for the week or month, as applicable, preceding the particular Interest Determination Date as published in H.15(519) opposite the caption "Treasury Constant Maturities", or (c) if the rate referred to in clause (b) does not so appear in H.15(519), the one-week or one-month, as specified on the face hereof, average yield for United States Treasury securities at "constant maturity" having the particular Index Maturity as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the particular Interest Determination Date falls, or (d) if the rate referred to in clause (c) is not so published, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the particular Index Maturity, a remaining term to maturity no more than one year shorter than that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or (e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated, or (f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the particular Index Maturity, a remaining term to maturity closest to that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at the time, or (g) if fewer than five but more than two prices referred

to in clause (f) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated, or (h) if fewer than three prices referred to in clause (f) are provided as requested, the CMT Rate in effect on that Interest Determination Date.

If two United States Treasury securities with an original maturity greater than the Index Maturity specified on the face hereof have remaining terms to maturity equally close to the particular Index Maturity, the quotes for the United States Treasury security with the shorter original remaining term to maturity will be used.

- (C) COMMERCIAL PAPER RATE NOTES. If the Interest Rate Basis is the Commercial Paper Rate, the Notes shall be deemed to be "Commercial Paper Rate Notes." Commercial Paper Rate Notes will bear interest for each Interest Reset Date at the interest rate calculated with reference to the Commercial Paper Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the Commercial Paper Rate on each applicable Interest Determination Date. The Interest Determination Date is the Business Day immediately preceding the related Interest Reset Date. "Commercial Paper Rate" means the Money Market Yield (calculated as described below) on the Interest Determination Date of the rate for commercial paper having

the applicable Index Maturity as such rate is published in H.15(519) under the heading "Commercial Paper -- Nonfinancial." If such rate is not published by 3:00 P.M., New York City time, on the Calculation Date pertaining to such Interest Determination Date, then the Commercial Paper Rate shall be the Money Market Yield on the particular Interest Determination Date of the rate for commercial paper having the particular Index Maturity as published on H.15 Daily Update or such other recognized electronic source used for the purposes of displaying the applicable rate, under the caption "Commercial Paper -- Nonfinancial", or if such rate is not published by 3:00 P.M., New York City time, on the Calculation Date, then the Commercial Paper Rate as calculated by the Calculation Agent shall be the Money Market Yield of the arithmetic mean of the offered rates at approximately 11:00 A.M., New York City time, on that Interest Determination Date of three leading dealers of United States dollar commercial paper in The City of New York (which may include the Agents or their affiliates) selected by the Calculation Agent for commercial paper having the particular Index Maturity placed for industrial issuers whose bond rating is "Aa", or the equivalent, from a nationally recognized statistical rating organization; PROVIDED, HOWEVER, that if the dealers selected by the Calculation Agent are not quoting offered rates as mentioned above, the Commercial Paper Rate in effect on the particular Interest Determination Date.

"Money Market Yield" shall be a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where "D" refers to the per annum rate for the commercial paper, quoted on a bank discount basis and expressed as a decimal; and "M" refers to the actual number of days in the applicable Interest Period.

- (D) ELEVENTH DISTRICT COST OF FUNDS RATE NOTES. If the Interest Basis is the Eleventh District Costs of Funds Rate, the Notes shall be deemed to be "Eleventh District Cost of Funds Rate Notes." Eleventh District Cost of Funds Notes will bear interest at the interest rate calculated with reference to the Eleventh District Cost of Funds Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the Eleventh District Cost of Rate on each applicable Interest Determination Date. The applicable Interest Determination Date is the last working day of the month immediately preceding the related Interest Reset Date on which the Federal Home Loan Bank of San Francisco publishes the Eleventh District Index. The "Eleventh District Cost of Funds Rate" means (1) the rate equal to the monthly weighted average cost of funds for the calendar month immediately preceding the month in which the particular Interest Determination Date falls as set forth under the caption "11th District" on the display on Moneyline Telerate (or any successor service) on page 7058 (or any other page as may replace the specified page on that service) ("Moneyline Telerate Page 7058") as of 11:00 A.M., San Francisco time, on that Interest Determination Date, or (2) if the rate referred to in clause (1) does not so appear on Moneyline Telerate Page 7058, the monthly weighted average cost of funds paid by member institutions of the Eleventh Federal Home Loan Bank District that was most recently announced (the "Eleventh District Index") by the Federal Home Loan Bank of San Francisco as the cost of funds for the calendar month immediately preceding that Interest Determination Date, or (3) if the Federal Home Loan Bank of San Francisco fails to announce the Eleventh District Index on or prior to the particular Interest Determination Date for the calendar month immediately preceding that Interest Determination Date, the Eleventh District Cost of Funds Rate in effect on the particular Interest Determination Date.
- (E) FEDERAL FUNDS RATE NOTES. If the Interest Rate Basis is the Federal Funds Rate, the Notes shall be deemed to be "Federal Funds Rate Notes." Federal Funds Rate Notes will bear interest for each Interest Reset Date at the interest rate calculated with reference to the Federal Funds Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the Federal Funds Rate on each applicable Interest Determination Date. The Interest Determination Date is the Business Day immediately preceding the related Interest Reset Date. "Federal Funds Rate" means (1) the rate on the particular Interest Determination Date for United States dollar federal funds as published in H.15(519) under the caption "Federal Funds (Effective)" and displayed on Moneyline Telerate (or any successor service) on page 120 (or any other page as may replace the specified page on that service) ("Moneyline Telerate Page 120"), or (2) if the rate referred to in clause (1) does not so appear on Moneyline Telerate Page 120 or is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the

rate on the particular Interest Determination Date for United States dollar federal funds as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the caption "Federal Funds (Effective)", or (3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the rates for the last transaction in overnight United States dollar federal funds arranged by three leading brokers of United States dollar federal funds transactions in The City of New York (which may include the Agents or their affiliates), selected by the Calculation Agent prior to 9:00 A.M., New York City time, on that Interest Determination Date, or (4) if the brokers so selected by the Calculation Agent are not quoting as mentioned in clause (3), the Federal Funds Rate in effect on the particular Interest Determination Date.

- (F) LIBOR NOTES. If the Interest Rate Basis is LIBOR (as defined below), the Notes shall be deemed to be "LIBOR Notes." LIBOR Notes will bear interest for each Interest Period at the interest rate calculated with reference to LIBOR and the Spread or Spread Multiplier, if any. On each applicable Interest Determination Date the Calculation Agent will determine LIBOR. The applicable Interest Determination Date is the second London Banking Day preceding the related Interest Reset Date.

LIBOR means: (1) if "LIBOR Moneyline Telerate" is specified on the face hereof or if neither "LIBOR Reuters" nor "LIBOR Moneyline Telerate" is specified on the face hereof as the method for calculating LIBOR, the rate for deposits in the LIBOR Currency (as defined below) having the Index Maturity specified on the face hereof, commencing on the related Interest Reset Date, that appears on the LIBOR Page (as defined below) as of 11:00 A.M., London time, on the particular Interest Determination Date, or (2) if "LIBOR Reuters" is specified on the face hereof, the arithmetic mean of the offered rates, calculated by the Calculation Agent, or the offered rate, if the LIBOR Page by its terms provides only for a single rate, for deposits in the LIBOR Currency having the particular Index Maturity, commencing on the related Interest Reset Date, that appear or appears, as the case may be, on the LIBOR Page as of 11:00 A.M., London time, on the particular Interest Determination Date, or (3) if fewer than two offered rates appear, or no rate appears, as the case may be, on the particular Interest Determination Date on the LIBOR Page as specified in clause (1) or (2), as applicable, the rate calculated by the Calculation Agent of at least two offered quotations obtained by the Calculation Agent after requesting the principal London offices of each of four major reference banks (which may include affiliates of the Agents), in the London interbank market to provide the Calculation Agent with its offered quotation for deposits in the LIBOR Currency for the period of the particular Index Maturity, commencing on the related Interest Reset Date, to prime banks in the London interbank market at approximately

11:00 A.M., London time, on that Interest Determination Date and in a principal amount that is representative for a single transaction in the LIBOR Currency in that market at that time, or (4) if fewer than two offered quotations referred to in clause (3) are provided as requested, the rate calculated by the Calculation Agent as the arithmetic mean of the rates quoted at approximately 11:00 A.M., in the applicable Principal Financial Center, on the particular Interest Determination Date by three major banks (which may include affiliates of the Agents), in that Principal Financial Center selected by the Calculation Agent for loans in the LIBOR Currency to leading European banks, having the particular Index Maturity and in a principal amount that is representative for a single transaction in the LIBOR Currency in that market at that time, or (5) if the banks so selected by the Calculation Agent are not quoting as mentioned in clause (4), LIBOR in effect on the particular Interest Determination Date.

"LIBOR Currency" means the currency specified on the face hereof as to which LIBOR shall be calculated or, if no currency is specified on the face hereof, United States dollars.

"LIBOR Page" means either: if "LIBOR Reuters" is specified on the face hereof, the display on the Reuter Monitor Money Rates Service (or any successor service) on the page specified on the face hereof (or any other page as may replace that page on that service) for the purpose of displaying the London interbank rates of major banks for the LIBOR Currency; or if "LIBOR Moneyline Telerate" is specified on the face hereof or neither "LIBOR Reuters" nor "LIBOR Moneyline Telerate" is specified on the face hereof as the method for calculating LIBOR, the display on Moneyline Telerate (or any successor service) on the page

specified on the face hereof (or any other page as may replace such page on such service) for the purpose of displaying the London interbank rates of major banks for the LIBOR Currency.

"London Banking Day" means a day on which commercial banks are open for business (including dealings in the LIBOR Currency) in London.

- (G) EURIBOR RATE NOTES. If the Interest Rate Basis is EURIBOR (as defined below), the Notes shall be deemed to be "EURIBOR Notes." EURIBOR Notes will bear interest at the rates (calculated with references to the European inter-bank offered rate for deposits in Euro, or "EURIBOR", and the Spread and/or Spread Multiplier, if any) specified on the face hereof.

"EURIBOR" means, with respect to any Interest Determination Date relating to EURIBOR Notes or Notes that bear interest at floating rates for which the interest rate is determined with reference to EURIBOR (a "EURIBOR Interest Determination Date"), the rate for deposits in Euros as sponsored, calculated and published jointly by the European Banking Federation and ACI -- The Financial Market Association, or any company

established by the joint sponsors for purposes of compiling and publishing those rates, having the Index Maturity specified on the face hereof, commencing on the applicable Interest Reset Date, as the rate appears on Moneyline Telerate, Inc., or any successor service, on page 248 (or any other page as may replace that specified page on the service) ("Moneyline Telerate Page 248") as of 11:00 A.M., Brussels time, on the applicable EURIBOR Interest Determination Date. If such rate does not appear on Moneyline Telerate Page 248, or is not so published by 11:00 A.M., Brussels time, on the applicable EURIBOR Interest Determination Date, such rate will be calculated by the Calculation Agent and will be the arithmetic mean of at least two quotations obtained by the Calculation Agent after requesting the principal Euro-zone (as defined below) offices of four major banks in the Euro-zone interbank market to provide the Calculation Agent with its offered quotation for deposits in Euros for the period of the Index Maturity specified on the face hereof, commencing on the applicable Interest Reset Date, to prime banks in the Euro-zone interbank market at approximately 11:00 A.M., Brussels time, on the applicable EURIBOR Interest Determination Date and in a principal amount not less than the equivalent of \$1 million in Euros that is representative for a single transaction in Euro in the market at that time. If fewer than two such quotations are so provided, the rate on the applicable EURIBOR Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the rates quoted at approximately 11:00 A.M., Brussels time, on such EURIBOR Interest Determination Date by four major banks in the Euro-zone for loans in Euro to leading European banks, having the Index Maturity specified on the face hereof, commencing on the applicable Interest Reset Date and in a principal amount not less than the equivalent of \$1 million in Euros that is representative for a single transaction in Euros in the market at that time. If the banks so selected by the Calculation Agent are not quoting as mentioned above, EURIBOR will be EURIBOR in effect on the applicable EURIBOR Interest Determination Date.

"Euro-zone" means the region comprised of member states of the European Union that have adopted the single currency in accordance with the treaty establishing the European Community, as amended by the treaty on European Union.

- (H) PRIME RATE NOTES. If the Interest Rate Basis is the Prime Rate, the Notes shall be deemed to be "Prime Rate Notes." Prime Rate Notes will bear interest for each Interest Reset Date calculated with reference to the Prime Rate and the Spread or Spread Multiplier, if any, subject to the Minimum Interest Rate and/or Maximum Interest Rate, if any, specified on the face hereof. The Calculation Agent will determine the Prime Rate for each Interest Reset Date on each applicable Interest Determination Date. The Interest Determination Date is the Business Day immediately preceding the related Interest Reset Date. "Prime Rate" means (1) the rate on the particular Interest Determination Date as published in

H.15(519) under the caption "Bank Prime Loan", or (2) if the rate referred to in clause (1) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the caption "Bank Prime Loan", or (3) if the rate referred to in clause (2) is not so published by 3:00 P.M.,

New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen US PRIME 1 Page (as defined below) as the applicable bank's prime rate or base lending rate as of 11:00 A.M., New York City time, on that Interest Determination Date, or (4) if fewer than four rates referred to in clause (3) are so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the prime rates or base lending rates quoted on the basis of the actual number of days in the year divided by a 360-day year as of the close of business on that Interest Determination Date by three major banks (which may include affiliates of the Agents) in The City of New York selected by the Calculation Agent, or (5) if the banks so selected by the Calculation Agent are not quoting as mentioned in clause (4), the Prime Rate in effect on the particular Interest Determination Date. "Reuters Screen US PRIME 1 Page" means the display on the Reuter Monitor Money Rates Service (or any successor service) on the "US PRIME 1" page (or any other page as may replace that page on that service) for the purpose of displaying prime rates or base lending rates of major United States banks.

(I) TREASURY RATE NOTES. If the Interest Rate Basis is the Treasury Rate, the Notes shall be deemed to be "Treasury Rate Notes." Treasury Rate Notes will bear interest for each Interest Reset Date at the interest rate calculated with reference to the Treasury Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the Treasury Rate on each Treasury Rate Determination Date (as defined below). "Treasury Rate" means (1) the rate from the auction held on the Treasury Rate Interest Determination Date (the "Auction") of direct obligations of the United States ("Treasury Bills") having the Index Maturity specified on the face hereof under the caption "INVESTMENT RATE" on the display on Moneyline Telerate (or any successor service) on page 56 (or any other page as may replace that page on that service) ("Moneyline Telerate Page 56") or page 57 (or any other page as may replace that page on that service) ("Moneyline Telerate Page 57"), or (2) if the rate referred to in clause (1) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the Bond Equivalent Yield (as defined below) of the rate for the applicable Treasury Bills as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the caption "U.S. Government Securities/Treasury Bills/Auction High", or (3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the Bond Equivalent Yield of the auction rate of the applicable Treasury Bills as announced by the United States Department of the Treasury, or

(4) if the rate referred to in clause (3) is not so announced by the United States Department of the Treasury, or if the Auction is not held, the Bond Equivalent Yield of the rate on the particular Interest Determination Date of the applicable Treasury Bills as published in H.15(519) under the caption "U.S. Government Securities/Treasury Bills/Secondary Market", or (5) if the rate referred to in clause (4) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date of the applicable Treasury Bills as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the caption "U.S. Government Securities/Treasury Bills/Secondary Market", or (6) if the rate referred to in clause (5) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date calculated by the Calculation Agent as the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 P.M., New York City time, on that Interest Determination Date, of three primary United States government securities dealers (which may include the Agents or their affiliates) selected by the Calculation Agent, for the issue of Treasury Bills with a remaining maturity closest to the Index Maturity specified on the face hereof, or (7) if the dealers so selected by the Calculation Agent are not quoting as mentioned in clause (6), the Treasury Rate in effect on the particular Interest Determination Date.

"Bond Equivalent Yield" means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for Treasury Bills quoted on a bank discount basis and expressed as a decimal, "N" refers to 365 or 366, as the case may be, and "M" refers to the actual number of days in the applicable Interest Period.

The "Treasury Rate Determination Date" for each Interest Reset

Date means the day in the week in which the related Interest Reset Date falls on which day Treasury Bills are normally auctioned (i.e., Treasury Bills are normally sold at auction on Monday of each week, unless that day is a legal holiday, in which case the auction is normally held on the following Tuesday, except that the auction may be held on the preceding Friday); PROVIDED, HOWEVER, that if an auction is held on the Friday of the week preceding the related Interest Reset Date, the Interest Determination Date will be the preceding Friday.

- (J) REGULAR FLOATING RATE NOTES. Unless the Notes are designated as Floating Rate/Fixed Rate Notes or Inverse Floating Rate Notes, or as having an Addendum attached or having other/additional provisions apply, in each case relating to a different interest rate formula, such Notes that bear interest at floating rates will

be Regular Floating Rate Notes and will bear interest at the rate determined by reference to the applicable Interest Rate Basis or Bases plus or minus the applicable Spread, if any, and/or multiplied by the applicable Spread Multiplier, if any. Commencing on the first Interest Reset Date, as specified on the face hereof, the rate at which interest on Regular Floating Rate Notes is payable will be reset as of each Interest Reset Date; PROVIDED, HOWEVER, that the interest rate in effect for the period, if any, from the date of issue to the first Interest Reset Date will be the Initial Interest Rate.

- (K) FLOATING RATE/FIXED RATE NOTES. If the Notes are designated as "Floating Rate/Fixed Rate Notes" on the face hereof, such Notes that bear interest at floating rates will bear interest at the rate determined by reference to the applicable Interest Rate Basis or Bases plus or minus the applicable Spread, if any, and/or multiplied by the applicable Spread Multiplier, if any. Commencing on the first Interest Reset Date, the rate at which interest on Floating Rate/Fixed Rate Notes is payable will be reset as of each Interest Reset Date; PROVIDED, HOWEVER, that the interest rate in effect for the period, if any, from the date of issue to the first Interest Reset Date will be the Initial Interest Rate, as specified on the face hereof; and the interest rate in effect commencing on the Fixed Rate Commencement Date will be the Fixed Interest Rate, if specified on the face hereof, or, if not so specified, the interest rate in effect on the day immediately preceding the Fixed Rate Commencement Date.

- (L) INVERSE FLOATING RATE NOTES. If the Notes are designated as "Inverse Floating Rate Notes" on the face hereof, the Inverse Floating Rate shall be equal to the Fixed Interest Rate minus the rate determined by reference to the applicable Interest Rate Basis or Bases plus or minus the applicable Spread, if any, and/or multiplied by the applicable Spread Multiplier, if any; PROVIDED, HOWEVER, that interest on Inverse Floating Rate Notes will not be less than zero. Commencing on the first Interest Reset Date, the rate at which interest on Inverse Floating Rate Notes is payable will be reset as of each Interest Reset Date; provided, however, that the interest rate in effect for the period, if any, from the date of issue to the first Interest Reset Date will be the Initial Interest Rate.

SECTION 4. OPTIONAL REDEMPTION. Except in the case of Discount Notes, if an Initial Redemption Date is specified on the face hereof, the Trust may redeem the Notes prior to the Stated Maturity Date at its option on any Business Day on or after the Initial Redemption Date in whole or from time to time in part in increments of \$1,000 or any other integral multiple of an authorized denomination specified on the face hereof (provided that any remaining principal amount of the Notes shall be at least \$1,000 or other minimum authorized denomination applicable thereto), at the applicable Redemption Price (as defined below), together with unpaid interest accrued on the Notes, any Additional Amounts and other amounts payable with respect thereto to the date of redemption. The Trust must give written notice to the Holders of the Notes to be redeemed at its option not more than 60 nor less than 30 calendar days prior to the date of redemption. "Redemption Price" means an amount equal to the Initial Redemption Percentage specified on the face hereof (as adjusted by the Annual Redemption Percentage Reduction, if applicable) multiplied by the unpaid principal amount of Notes represented by this Note

Certificate to be redeemed. The Initial Redemption Percentage, if any, shall decline at each anniversary of the Initial Redemption Date by an amount equal to the applicable Annual Redemption Percentage Reduction, if any, until the Redemption Price is equal to 100% of the unpaid amount thereof to be redeemed.

SECTION 5. SINKING FUNDS AND AMORTIZING NOTES. Unless otherwise specified on the face hereof or unless the Notes are Amortizing Notes, the Notes will not be subject to any sinking fund. If it is specified on the face hereof that the Notes are Amortizing Notes, the Trust will make payments combining principal and interest on the dates and in the amounts set forth in the table appearing in SCHEDULE I, attached to this Note Certificate. If the Notes are Amortizing Notes, payments made on the Notes will be applied first to interest due and

payable on each such payment date and then to the reduction of the unpaid principal amount.

SECTION 6. OPTIONAL REPAYMENT. If so specified on the face hereof, the Notes will be subject to repayment by the Trust at the option of the Holder of the Notes on the Optional Repayment Date(s) specified on the face hereof, in whole or in part in increments of U.S.\$1,000 (PROVIDED that any remaining principal amount of the Notes shall be at least U.S.\$1,000), at a repayment price equal to 100% of the unpaid principal amount of the Notes to be repaid, together with unpaid interest accrued thereon to the Repayment Date (as defined below). For the Notes to be so repaid, the Indenture Trustee must receive at its corporate trust office not more than 60 nor less than 30 calendar days prior to the applicable Optional Repayment Date, a properly completed Option to Elect Repayment form, which is attached hereto as Annex A, forwarded by the Holder hereof. Exercise of such repayment option shall be irrevocable. As used herein, the term "Repayment Date" shall mean the date fixed for repayment in accordance with the repayment provisions specified above.

SECTION 7. MODIFICATIONS AND AMENDMENTS. Sections [9.1 and 9.2] of the Standard Indenture Terms contain provisions permitting the Trust and the Indenture Trustee (1) without the consent of any Holder, to execute Supplemental Indentures for limited purposes and take other actions set forth in the Standard Indenture Terms, and (2) with the consent of the Holders of not less than 66 2/3% in aggregate principal amount of Notes at the time outstanding, evidenced as in the Standard Indenture Terms, to execute Supplemental Indentures adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or any Supplemental Indenture or modifying in any manner the rights of the Holders of the Notes subject to specified limitations.

SECTION 8. OBLIGATIONS UNCONDITIONAL. No reference herein to the Indenture or the Standard Indenture Terms and no provision of the Notes or of the Indenture shall alter or impair the obligation of the Trust, which is absolute and unconditional, to pay the principal of, interest on, or any other amount due and owing with respect to, the Notes at the places, at the respective times, at the rate, and in the coin or currency, herein prescribed.

SECTION 9. COLLATERAL. Pursuant to the Indenture, the Trust will assign the relevant Funding Agreement(s) issued by Allstate Life Insurance Company ("Allstate Life") in connection with the issuance of the Notes (each, a "Funding Agreement") to the Indenture Trustee on behalf of the holders of the Notes. The Notes will be secured by a first priority perfected security interest in the Collateral described on the face hereof (the "Collateral") in

favor of the Indenture Trustee and the other persons identified in the Standard Indenture Terms.

SECTION 10. SECURITY; LIMITED RECOURSE. The Notes are solely the obligations of the Trust, and will not be guaranteed by any person, including but not limited to Allstate Life, Allstate Life Global Funding, any Agent, the Trust Beneficial Owner, the Delaware Trustee, the Indenture Trustee or any of their affiliates. The Trust's obligations under the Notes will be secured by all of the Trust's rights and title in one or more Funding Agreement(s) issued by Allstate Life and other rights and assets included in the applicable Collateral. The Holder of the Notes has no direct contractual rights against Allstate Life under the Funding Agreement(s). Under the terms of each Funding Agreement, recourse rights to Allstate Life will belong to the Trust, its successors and permitted assignees. The Trust has pledged, collaterally assigned and granted a first priority perfected security interest in the Collateral for the Notes to the Indenture Trustee on behalf of the Holders of the Notes and the other persons identified in the Standard Indenture Terms. Recourse to Allstate Life under each Funding Agreement will be enforceable only by the Indenture Trustee as a secured party on behalf of the Holders of Notes and the other persons identified in the Standard Indenture Terms.

SECTION 11. EVENTS OF DEFAULT. In case an Event of Default, as defined in the Standard Indenture Terms, shall have occurred and be continuing, the principal of the Notes may be declared, and upon such declaration shall become, due and payable in the manner, with the effect and subject to the conditions provided in the Standard Indenture Terms. If the Notes are Discount Notes, the amount of principal of the Notes that becomes due and payable upon such acceleration shall be equal to the amount calculated as set forth in Section 3 hereof.

SECTION 12. WITHHOLDING; ADDITIONAL AMOUNTS; TAX EVENT. All amounts due in respect of the Notes will be made without withholding or deduction for or on account of any present or future taxes, duties, levies, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of any governmental authority in the United States having the power to tax payments on the Notes unless the withholding or deduction is required by law. Unless otherwise specified on the face hereof, the Trust will not pay any additional amounts ("Additional Amounts") to Holders of the Notes in the event that any withholding or deduction is so required by law, regulation or official interpretation thereof, and the imposition of a requirement to make any such withholding or deduction will not give rise to any independent right or obligation to redeem the Notes. If the Trust is required to pay Additional Amounts pursuant to Section [3.1(c)] of the Standard Indenture Terms and unless

otherwise specified herein, the Trust shall give a notice of redemption to each Holder of the Notes to be redeemed not more than 75 days nor less than 30 days prior to the Redemption Date; provided that no such notice of redemption may be given earlier than 90 days prior to the earliest day on which the Trust would become obligated to pay the applicable Additional Amounts were a payment in respect of the Notes then due. Failure to give such notice to the Holder of any Note designated for redemption in whole or in part, or any defect in the notice to any such Holder, shall not affect the validity of the proceedings for the redemption of any other Note or any portion thereof. "Tax Event" means that the Trust shall have become required at any time to pay Additional Amounts or if the Trust is obligated to withhold or deduct any United States taxes with respect to any payment under the Notes or if there is a material probability that the Trust will become obligated to withhold or deduct any such United States taxes or otherwise pay Additional Amounts (in the opinion of independent legal counsel selected by Allstate Life), in each case pursuant to any

change in or amendment to any United States tax laws (or any regulations or rulings thereunder) or any change in position of the Internal Revenue Service regarding the application or interpretation thereof (including, but not limited to, Allstate Life's or the Trust's receipt of a written adjustment from the Internal Revenue Service in connection with an audit).

SECTION 13. LISTING. Unless otherwise specified on the face hereof the Notes will not be listed on any securities exchange.

SECTION 14. NO RECOURSE AGAINST CERTAIN PERSONS. No recourse shall be had for the payment of the principal of or the interest on the Notes, or for any claim based hereon, or otherwise in respect thereof, or based on or in respect of the Indenture or any Supplemental Indenture, against the Nonrecourse Parties, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such personal liability being, by the acceptance of any Notes and as part of the consideration for issue of the Notes, expressly waived and released.

SECTION 15. GOVERNING LAW. The Notes shall be governed by, and construed in accordance with, the laws of the State of New York.

Annex A

OPTION TO ELECT REPAYMENT

The undersigned Holder of the Notes hereby irrevocably elects to have the Trust repay the principal amount of the Notes or portion hereof at the optional repayment price in accordance with the terms of the Notes.

Date:

Signature
Sign exactly as name appears on the front of this Note Certificate
[SIGNATURE GUARANTEED - required only if Notes are to be issued and delivered to other than the registered Holder]

Fill in for registration of Notes if to be issued otherwise than to the registered Holder:

Principal amount to be repaid, if amount to be repaid is less than the principal amount of the Notes represented by this Note Certificate (principal amount remaining must be an authorized denomination)

\$ _____

Name: _____

Address: _____

(Please print name and address including zip code)

Social Security or Other Taxpayer ID Number

FORM OF GLOBAL SECURITY FOR
ALLSTATE LIFE(SM) CORENOTES(SM) PROGRAM

[FACE OF GLOBAL SECURITY]

UNLESS THIS NOTE CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS NOTE CERTIFICATE IS A GLOBAL SECURITY WITHIN THE MEANING OF THE STANDARD INDENTURE TERMS HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF CEDE & CO., OR SUCH OTHER NOMINEE OF DTC, OR ANY SUCCESSOR DEPOSITORY ("DEPOSITORY"), AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY. THE NOTES REPRESENTED BY THIS NOTE CERTIFICATE MAY NOT BE EXCHANGED IN WHOLE OR IN PART FOR NOTES REGISTERED, AND NO TRANSFER OF THE NOTES REPRESENTED BY THIS NOTE CERTIFICATE IN WHOLE OR IN PART MAY BE REGISTERED, IN THE NAME OF ANY PERSON OTHER THAN THE DEPOSITORY OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE STANDARD INDENTURE TERMS. EVERY NOTE CERTIFICATE AUTHENTICATED AND DELIVERED UPON REGISTRATION OF, TRANSFER OF, OR IN EXCHANGE FOR, OR IN LIEU OF, THIS NOTE CERTIFICATE WILL BE A GLOBAL SECURITY SUBJECT TO THE FOREGOING, EXCEPT IN SUCH LIMITED CIRCUMSTANCES.

CUSIP No.:

ALLSTATE LIFE GLOBAL FUNDING TRUST [] - []

ALLSTATE LIFE(SM) CORENOTES(SM)

Title of Notes:	Stated Maturity Date:
Principal Amount: \$ _____	Settlement Date and Time:
Original Issue Date:	Securities Exchange Listing: / / Yes / / No. If yes,
Issue Price:	indicate name(s) of Securities Exchange(s):
	_____.

"Allstate Life(SM)" is a registered servicemark of Allstate Insurance Company.
"CoreNotes(SM)" is a registered servicemark of Merrill Lynch & Co., Inc.

1

Interest Rate or Formula:	
Fixed Rate Note: / / Yes / / No. If yes,	Floating Rate Note: / / Yes / / No. If yes,
Interest Rate:	Regular Floating Rate Notes: / /
Interest Payment Dates:	Floating Rate/Fixed Rate Notes: / /
Day Count Convention:	Interest Rate:
Additional/Other Terms:	Interest Rate Basis(es):
Discount Note: / / Yes / / No. If yes,	LIBOR / /
Total Amount of Discount:	/ / LIBOR Reuters Page:
Initial Accrual Period of Discount:	/ / LIBOR Telerate Page:
Interest Payment Dates:	LIBOR Currency:
Additional/Other Terms:	Constant Maturity Treasury Rate / /
Redemption Provisions: / / Yes / / No. If yes,	Designated CMT Telerate Page:
Initial Redemption Date:	If Telerate Page 7052:
Initial Redemption Percentage:	/ / Weekly Average
Annual Redemption Percentage	/ / Monthly Average
Reduction, if any:	Designated CMT Maturity Index:
Additional/Other Terms:	CD Rate / /
Survivor's Option: / / Yes / / No.	Commercial Paper Rate / /
Regular Interest Record Date(s):	Federal Funds Rate / /
Sinking Fund:	Prime Rate / /
Calculation Agent:	Treasury Rate / /
Depository:	Other / / See attached.
Authorized Denominations:	Index Maturity:
Collateral: Allstate Life Insurance Company	Spread and/or Spread Multiplier, if any:
Funding Agreement No(s). / /, all	Initial Interest Rate, if any:
proceeds of such Funding	Initial Interest Reset Date:
Agreement(s), all books and records	Interest Reset Dates:
pertaining to such Funding	Interest Determination Date(s):
Agreement(s) and all rights of the	Interest Payment Dates:
Trust pertaining to the foregoing.	Maximum Interest Rate, if any:
Additional/Other Terms:	Minimum Interest Rate, if any:
	Fixed Rate Commencement Date, if any:
	Fixed Interest Rate, if any:

This Note Certificate is a Global Security in respect of a duly authorized issue of Notes (the "Notes") of the Allstate Life Global Funding Trust designated above, a statutory trust organized under the laws of the State of Delaware (the "Trust"). The Notes are issued under the Indenture, dated as of the date hereof (as amended or supplemented from time to time, the "Indenture") between the Trust and J.P. Morgan Trust Company, National Association, as indenture trustee (including any successor, the "Indenture Trustee"). Capitalized terms used herein and not otherwise defined shall have the respective meanings ascribed in the Standard Indenture Terms, dated as of [] (as amended or supplemented from time to time, the "Standard Indenture Terms").

2

The Trust, for value received, hereby promises to pay to Cede & Co. or its registered assigns on the Stated Maturity Date (or on the date of redemption or repayment by the Trust prior to maturity pursuant to redemption or repayment provisions, in each case, if provided for above) the principal amount specified above and, if so specified above, to pay interest from time to time on the Notes represented by this Note Certificate from the Original Issue Date specified above (the "Original Issue Date") or from the most recent Interest Payment Date to which interest has been paid or duly provided for at the rate per annum determined in accordance with the provisions on the reverse hereof and as specified above, until the principal of the Notes represented by this Note Certificate is paid or made available for payment and to pay such other amounts due and owing with respect to the Notes represented by this Note Certificate.

On any exchange or purchase and cancellation of any of the Notes represented by this Note Certificate, details of such exchange or purchase and cancellation shall be entered in the records of the Indenture Trustee. Upon any such exchange or purchase and cancellation, the principal amount of the Notes represented by this Note Certificate shall be charged by the principal amount so exchanged or purchased and cancelled, as provided in the Standard Indenture Terms.

Unless otherwise set forth above, if the Notes are subject to an Annual Redemption Percentage Reduction as specified above, the Redemption Price of the Notes represented by this Note Certificate shall initially be the Initial Redemption Percentage of the principal amount of the Notes represented by this Note Certificate on the Initial Redemption Date and shall decline at each anniversary of the Initial Redemption Date (each such date, a "Redemption Date") by the Annual Redemption Percentage Reduction of such principal amount until the Redemption Price is 100% of such principal amount.

The Notes will mature on the Stated Maturity Date, unless their principal (or, any installment of their principal) becomes due and payable prior to the Stated Maturity Date, whether, as applicable, by the declaration of acceleration of maturity, notice of redemption at the option of the Trust, notice of the Holder's option to elect repayment or otherwise (the Stated Maturity Date or any date prior to the Stated Maturity Date on which the Notes become due and payable, as the case may be, are referred to as the "Maturity Date" with respect to principal of the Notes repayable on such date).

Unless otherwise provided above and except as provided in the following paragraph, the Trust will pay interest on each Interest Payment Date specified above, commencing with the first Interest Payment Date next succeeding the Original Issue Date, and on the Maturity Date; PROVIDED that any payment of principal, premium, if any, interest or other amounts to be made on any Interest Payment Date or on a Maturity Date that is not a Business Day shall be made on the next succeeding Business Day, PROVIDED, HOWEVER, with respect to an Interest Payment Date other than the Maturity Date, if the Notes are LIBOR Notes (as defined in Section 3 on the reverse hereof) and that next succeeding Business Day falls in the next succeeding calendar month, such payment shall be made on the immediately preceding Business Day.

Unless otherwise specified above, the interest payable on each Interest Payment Date or on the Maturity Date will be the amount equal to the interest accrued from and including the immediately preceding Interest Payment Date in respect of which interest has been paid or from

3

and including the date of issue, if no interest has been paid, to but excluding the applicable Interest Payment Date or the Maturity Date, as the case may be (each, an "Interest Period").

Reference is hereby made to the further provisions of the Notes set forth on the reverse hereof and, if so specified on the face hereof, in an Addendum hereto, which further provisions shall for all purposes have the same force and effect as if set forth on the face hereof.

Notwithstanding the foregoing, if an Addendum is attached hereto or

accruals within a compounding period), a coupon rate equal to the initial coupon rate applicable to Discount Notes and an assumption that the maturity of such Discount Notes will not be accelerated. If the period from the date of issue to the first Interest Payment Date for Discount Notes (the "Initial Period") is shorter than the compounding period for such Discount Notes, a proportionate amount of the yield for an entire compounding period will be accrued. If the Initial Period is longer than the compounding period, then the period will be divided into a regular compounding period and a short period with the short period being treated as provided in the preceding sentence. A "Discount Note" is any Note that has an Issue Price that is less than 100% of the principal amount thereof by more than a percentage equal to the product of 0.25% and the number of full years to the Stated Maturity Date.

FLOATING RATE NOTES. If the Notes are specified on the face hereof as "Floating Rate Notes," interest on the Notes shall accrue and be payable in accordance with this Section 3. A

6

Floating Rate Note may be a CD Rate Note, CMT Rate Note, Commercial Paper Rate Note, Federal Funds Rate Note, LIBOR Note, Prime Rate Note, Treasury Rate Note, or as otherwise set forth on the face hereof. If the Notes are designated on the face hereof as Floating Rate Notes, the face hereof will specify whether the Notes are Regular Floating Rate Notes or Floating Rate/Fixed Rate Notes. For the period from the date of issue to, but not including, the first Interest Reset Date set forth on the face hereof, the interest rate hereon shall be the Initial Interest Rate specified on the face hereof. Thereafter, the interest rate hereon will be reset as of and be effective as of each Interest Reset Date.

- (A) If any Interest Reset Date would otherwise be a day that is not a Business Day, such Interest Reset Date shall be postponed to the next day that is a Business Day; PROVIDED, HOWEVER, that if the Notes are LIBOR Notes and such Business Day is in the next succeeding calendar month, such Interest Reset Date shall be the Business Day immediately preceding such Interest Reset Date.
- (B) Unless specified otherwise on the face hereof, Interest Reset Dates are as follows: (1) if the Notes reset daily, each Business Day, (2) if the Notes reset weekly, other than Treasury Rate Notes, the Wednesday of each week, (3) if the Notes are Treasury Rate Notes that reset weekly, and except as provided below under "Treasury Rate Notes," the Tuesday of each week, (4) if the Notes reset monthly, the third Wednesday of each month, (5) if the Notes reset quarterly, the third Wednesday of March, June, September and December of each year, (6) if the Notes reset semiannually, the third Wednesday of each of the two months specified on the face hereof and (7) if the Notes reset annually, the third Wednesday of the month specified each year; PROVIDED, HOWEVER, that with respect to Floating Rate/ Fixed Rate Notes, the rate of interest thereon will not reset after the particular Fixed Rate Commencement Date specified on the face hereof (the "Fixed Rate Commencement Date").
- (C) Accrued interest is calculated by multiplying the principal amount of such Floating Rate Note by an accrued interest factor. The accrued interest factor is computed by adding the interest factor calculated for each day in the particular Interest Period. The interest factor for each day will be computed by dividing the interest rate applicable to such day by 360, in the case of Floating Rate Notes as to which the CD Rate, the Commercial Paper Rate, the Federal Funds Rate, LIBOR or the Prime Rate is an applicable Interest Rate Basis (as defined below), or by the actual number of days in the year, in the case of Floating Rate Notes as to which the CMT Rate or the Treasury Rate is an applicable Interest Rate Basis. The interest factor for Floating Rate Notes as to which the interest rate is calculated with reference to two or more Interest Rate Bases will be calculated in each period in the same manner as if only the applicable Interest Rate Basis specified on the face hereof applied. The interest rate shall be set forth on the face hereof. For purposes of making the foregoing calculation, the interest rate in effect on any Interest Reset Date will be the applicable rate as reset on that date. Unless otherwise specified on the face hereof, the interest rate that is effective on the applicable Interest Reset Date will be determined on the applicable Interest Determination Date and calculated on the applicable Calculation Date (as defined

7

below). "Calculation Date" means the date by which the Calculation Agent designated on the face hereof, is to calculate the interest rate which will be the earlier of (1) the tenth calendar day after the particular Interest Determination Date or, if such day is not a Business Day, the next succeeding Business Day; or (2) the Business Day immediately preceding the applicable Interest Payment Date or the Maturity Date, as the case may be.

- (D) Unless otherwise specified on the face hereof, all percentages

resulting from any calculation on Floating Rate Notes will be rounded to the nearest one hundred-thousandth of a percentage point, with five one-millionths of a percentage point rounded upwards. All dollar amounts used in or resulting from any calculation on Floating Rate Notes will be rounded to the nearest cent.

Unless otherwise specified on the face hereof and except as provided below, interest will be payable as follows: (1) if the Interest Reset Date for the Notes is daily, weekly or monthly, interest will be payable on the third Wednesday of each month or on the third Wednesday of March, June, September and December of each year, as specified on the face hereof, (2) if the Interest Reset Date for the Notes is quarterly, interest will be payable on the third Wednesday of March, June, September, and December of each year, (3) if the Interest Reset Date for the Notes is semiannually, interest will be payable on the third Wednesday of each of two months specified on the face hereof of each year, (4) if the Interest Reset Date for the Notes is annually, interest will be payable on the third Wednesday of the month specified on the face hereof of each year. In each of these cases, interest will also be payable on the Maturity Date.

If specified on the face hereof, the Notes may have either or both of a Maximum Interest Rate or Minimum Interest Rate. If a Maximum Interest Rate is so designated, the interest rate that may accrue during any Interest Period for Floating Rate Notes cannot ever exceed such Maximum Interest Rate and in the event that the interest rate on any Interest Reset Date would exceed such Maximum Interest Rate (as if no Maximum Interest Rate were in effect) then the interest rate on such Interest Reset Date shall be the Maximum Interest Rate. If a Minimum Interest Rate is so designated, the interest rate that may accrue during any Interest Period for Floating Rate Notes cannot ever be less than such Minimum Interest Rate and in the event that the interest rate on any Interest Reset Date would be less than such Minimum Interest Rate (as if no Minimum Interest Rate were in effect) then the interest rate on such Interest Reset Date shall be the Minimum Interest Rate. Notwithstanding anything to the contrary contained herein, if the Notes are designated on the face hereof as Floating Rate Notes, the interest rate on Notes shall not exceed the maximum interest rate permitted by applicable law.

All determinations of interest by the Calculation Agent designated on the face hereof will, in the absence of manifest error, be conclusive for all purposes and binding on the Holder of the Notes and neither the Indenture Trustee nor the Calculation Agent shall have any liability to the Holder of the Notes in respect of any determination, calculation, quote or rate made or provided by the Calculation Agent. Upon request of the Holder of the Notes, the Calculation Agent will provide the interest rate then in effect and, if determined, the interest rate that will become effective on the next Interest Reset Date with respect to the Notes. If the Calculation Agent is incapable or unwilling to act as such or if the Calculation Agent fails duly to establish the interest rate for any interest accrual period or to calculate the interest amount or any other

8

requirements, the Trust will appoint a successor to act as such in its place. The Calculation Agent may not resign its duties until a successor has been appointed and such successor has accepted its appointment.

Subject to applicable provisions of law and except as specified herein, on each Interest Reset Date, the rate of interest on the Notes on and after the first Interest Reset Date shall be the interest rate determined in accordance with the provisions of the heading below which has been designated as the Interest Rate Basis on the face hereof (the "Interest Rate Basis"), the base rate, plus or minus the Spread, if any, specified on the face hereof and/or multiplied by the Spread Multiplier, if any, specified on the face hereof.

- (A) CD RATE NOTES. If the Interest Rate Basis is the CD Rate, the Notes shall be deemed to be "CD Rate Notes." CD Rate Notes will bear interest at the interest rate calculated with reference to the CD Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the CD Rate on each Interest Determination Date. The Interest Determination Date is the second Business Day immediately preceding the related Interest Reset Date. "CD Rate" means the rate on the particular Interest Determination Date for negotiable United States dollar certificates of deposit having the Index Maturity specified on the face hereof as published in H.15(519) (as defined below) under the caption "CDs (secondary market)", or, if not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date for negotiable United States dollar certificates of the particular Index Maturity as published in the H.15 Daily Update (as defined below) or other recognizable electronic source used for the purpose of displaying the applicable rate under the heading "CDs (secondary market)." If such rate is not yet published in either H.15(519) or the H.15 Daily Update by 3:00 P.M., New York City time, on the related Calculation Date, then the CD Rate will be the rate on the particular Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the secondary market offered rates as of 10:00 A.M., New York City time on that Interest Determination Date of three

leading nonbank dealers in negotiable United States dollar certificates of deposit in The City of New York (which may include the Agents or their affiliates) selected by the Calculation Agent for negotiable United States dollar certificates of deposit of major United States money market banks for negotiable United States certificates of deposit with a remaining maturity closest to the particular Index Maturity in an amount that is representative for a single transaction in that market at that time, or, if the dealers so selected by the Calculation Agent are not quoting as described in the preceding sentence, the CD Rate in effect on the particular Interest Determination Date. "H.15(519)" means the weekly statistical release designated as H.15(519), or any successor publication, published by the Board of Governors of the Federal Reserve System; and "H.15 Daily Update" means the daily update of H.15(519), available through the Board of Governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/H15/update>, or any successor site or publication.

- (B) CMT RATE NOTES. If the Interest Basis is the CMT Rate, the Notes shall be

9

deemed to be "CMT Rate Notes." CMT Rate Notes will bear interest at the interest rate calculated with reference to the CMT Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the CMT Rate on each applicable Interest Determination Date. The applicable Interest Determination Date is the second Business Day prior to the Interest Reset Date. "CMT Rate" means (1) if CMT Moneyline Telerate Page 7051 is specified on the face hereof: (a) the percentage equal to the yield for United States Treasury securities at "constant maturity" having the Index Maturity specified on the face hereof as published in H.15(519) under the caption "Treasury Constant Maturities", as the yield is displayed on Moneyline Telerate (or any successor service) on page 7051 (or any other page as may replace the specified page on that service) ("Moneyline Telerate Page 7051"), for the particular Interest Determination Date, or (b) if the rate referred to in clause (a) does not so appear on Moneyline Telerate Page 7051, the percentage equal to the yield for United States Treasury securities at "constant maturity" having the particular Index Maturity and for the particular Interest Determination Date as published in H.15(519) under the caption "Treasury Constant Maturities", or (c) if the rate referred to in clause (b) does not so appear in H.15(519), the rate on the particular Interest Determination Date for the period of the particular Index Maturity as may then be published by either the Federal Reserve System Board of Governors or the United States Department of the Treasury that the Calculation Agent determines to be comparable to the rate which would otherwise have been published in H.15(519), or (d) if the rate referred to in clause (c) is not so published, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on that Interest Determination Date of three leading primary United States government securities dealers in The City of New York (which may include the Agents or their affiliates) (each, a "Reference Dealer"), selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the particular Index Maturity, a remaining term to maturity no more than one year shorter than that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or (e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated, or (f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation or, in the event of equality, one of the

10

highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the particular Index Maturity, a remaining term to maturity closest to that Index Maturity and in a principal amount that is representative for a single transaction in the securities in

that market at that time, or (g) if fewer than five but more than two prices referred to in clause (f) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated, or (h) if fewer than three prices referred to in clause (f) are provided as requested, the CMT Rate in effect on the particular Interest Determination Date; (2) if CMT Moneyline Telerate Page 7052 is specified on the face hereof (a) the percentage equal to the one-week or one-month, as specified on the face hereof, average yield for United States Treasury securities at "constant maturity" having the Index Maturity specified on the face hereof as published in H.15(519) opposite the caption "Treasury Constant Maturities", as the yield is displayed on Moneyline Telerate (or any successor service) (on page 7052 or any other page as may replace the specified page on that service) ("Moneyline Telerate Page 7052"), for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the particular Interest Determination Date falls, or (b) if the rate referred to in clause (a) does not so appear on Moneyline Telerate Page 7052, the percentage equal to the one-week or one-month, as specified on the face hereof, average yield for United States Treasury securities at "constant maturity" having the particular Index Maturity and for the week or month, as applicable, preceding the particular Interest Determination Date as published in H.15(519) opposite the caption "Treasury Constant Maturities", or (c) if the rate referred to in clause (b) does not so appear in H.15(519), the one-week or one-month, as specified on the face hereof, average yield for United States Treasury securities at "constant maturity" having the particular Index Maturity as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the particular Interest Determination Date falls, or (d) if the rate referred to in clause (c) is not so published, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the particular Index Maturity, a remaining term to maturity no more than one year shorter than that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or (e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and

11

neither the highest nor the lowest of the quotations shall be eliminated, or (f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the particular Index Maturity, a remaining term to maturity closest to that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at the time, or (g) if fewer than five but more than two prices referred to in clause (f) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated, or (h) if fewer than three prices referred to in clause (f) are provided as requested, the CMT Rate in effect on that Interest Determination Date.

If two United States Treasury securities with an original maturity greater than the Index Maturity specified on the face hereof have remaining terms to maturity equally close to the particular Index Maturity, the quotes for the United States Treasury security with the shorter original remaining term to maturity will be used.

- (C) COMMERCIAL PAPER RATE NOTES. If the Interest Rate Basis is the Commercial Paper Rate, the Notes shall be deemed to be "Commercial Paper Rate Notes." Commercial Paper Rate Notes will bear interest for each Interest Reset Date at the interest rate calculated with

reference to the Commercial Paper Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the Commercial Paper Rate on each applicable Interest Determination Date. The Interest Determination Date is the Business Day immediately preceding the related Interest Reset Date. "Commercial Paper Rate" means the Money Market Yield (calculated as described below) on the Interest Determination Date of the rate for commercial paper having the applicable Index Maturity as such rate is published in H.15(519) under the heading "Commercial Paper -- Nonfinancial." If such rate is not published by 3:00 P.M., New York City time, on the Calculation Date pertaining to such Interest Determination Date, then the Commercial Paper Rate shall be the Money Market Yield on the particular Interest Determination Date of the rate for commercial paper having the particular Index Maturity as published on H.15 Daily Update or such other recognized electronic source used for the purposes of displaying the applicable rate, under the caption "Commercial Paper -- Nonfinancial", or if such rate is not published by 3:00 P.M., New York City time, on the Calculation Date, then the Commercial Paper Rate as calculated by the Calculation Agent shall be the Money Market Yield of the arithmetic mean of the offered rates at approximately 11:00 A.M.,

New York City time, on that Interest Determination Date of three leading dealers of United States dollar commercial paper in The City of New York (which may include the Agents or their affiliates) selected by the Calculation Agent for commercial paper having the particular Index Maturity placed for industrial issuers whose bond rating is "Aa", or the equivalent, from a nationally recognized statistical rating organization; PROVIDED, HOWEVER, that if the dealers selected by the Calculation Agent are not quoting offered rates as mentioned above, the Commercial Paper Rate in effect on the particular Interest Determination Date.

"Money Market Yield" shall be a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where "D" refers to the per annum rate for the commercial paper, quoted on a bank discount basis and expressed as a decimal; and "M" refers to the actual number of days in the applicable Interest Period.

(D) FEDERAL FUNDS RATE NOTES. If the Interest Rate Basis is the Federal Funds Rate, the Notes shall be deemed to be "Federal Funds Rate Notes." Federal Funds Rate Notes will bear interest for each Interest Reset Date at the interest rate calculated with reference to the Federal Funds Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the Federal Funds Rate on each applicable Interest Determination Date. The Interest Determination Date is the Business Day immediately preceding the related Interest Reset Date. "Federal Funds Rate" means (1) the rate on the particular Interest Determination Date for United States dollar federal funds as published in H.15(519) under the caption "Federal Funds (Effective)" and displayed on Moneyline Telerate (or any successor service) on page 120 (or any other page as may replace the specified page on that service) ("Moneyline Telerate Page 120"), or (2) if the rate referred to in clause (1) does not so appear on Moneyline Telerate Page 120 or is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date for United States dollar federal funds as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the caption "Federal Funds (Effective)", or (3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the rates for the last transaction in overnight United States dollar federal funds arranged by three leading brokers of United States dollar federal funds transactions in The City of New York (which may include the Agents or their affiliates), selected by the Calculation Agent prior to 9:00 A.M., New York City time, on that Interest Determination Date, or (4) if the brokers so selected by the Calculation Agent are not quoting as mentioned in clause (3), the Federal Funds Rate in effect on the particular Interest Determination Date.

(E) LIBOR NOTES. If the Interest Rate Basis is LIBOR (as defined below), the Notes shall be deemed to be "LIBOR Notes." LIBOR Notes will bear interest for each Interest Period at the interest rate calculated with

reference to LIBOR and the Spread or Spread Multiplier, if any. On each applicable Interest Determination Date the Calculation Agent will determine LIBOR. The applicable Interest Determination Date is the second London Banking Day preceding the related Interest Reset Date.

LIBOR means: (1) if "LIBOR Moneyline Telerate" is specified on the face hereof or if neither "LIBOR Reuters" nor "LIBOR Moneyline Telerate" is specified on the face hereof as the method for calculating LIBOR, the rate for deposits in the LIBOR Currency (as defined below) having the Index Maturity specified on the face hereof, commencing on the related Interest Reset Date, that appears on the LIBOR Page (as defined below) as of 11:00 A.M., London time, on the particular Interest Determination Date, or (2) if "LIBOR Reuters" is specified on the face hereof, the arithmetic mean of the offered rates, calculated by the Calculation Agent, or the offered rate, if the LIBOR Page by its terms provides only for a single rate, for deposits in the LIBOR Currency having the particular Index Maturity, commencing on the related Interest Reset Date, that appear or appears, as the case may be, on the LIBOR Page as of 11:00 A.M., London time, on the particular Interest Determination Date, or (3) if fewer than two offered rates appear, or no rate appears, as the case may be, on the particular Interest Determination Date on the LIBOR Page as specified in clause (1) or (2), as applicable, the rate calculated by the Calculation Agent of at least two offered quotations obtained by the Calculation Agent after requesting the principal London offices of each of four major reference banks (which may include affiliates of the Agents), in the London interbank market to provide the Calculation Agent with its offered quotation for deposits in the LIBOR Currency for the period of the particular Index Maturity, commencing on the related Interest Reset Date, to prime banks in the London interbank market at approximately 11:00 A.M., London time, on that Interest Determination Date and in a principal amount that is representative for a single transaction in the LIBOR Currency in that market at that time, or (4) if fewer than two offered quotations referred to in clause (3) are provided as requested, the rate calculated by the Calculation Agent as the arithmetic mean of the rates quoted at approximately 11:00 A.M., in the applicable Principal Financial Center, on the particular Interest Determination Date by three major banks (which may include affiliates of the Agents), in that Principal Financial Center selected by the Calculation Agent for loans in the LIBOR Currency to leading European banks, having the particular Index Maturity and in a principal amount that is representative for a single transaction in the LIBOR Currency in that market at that time, or (5) if the banks so selected by the Calculation Agent are not quoting as mentioned in clause (4), LIBOR in effect on the particular Interest Determination Date.

14

"LIBOR Currency" means United States dollars.

"LIBOR Page" means either: if "LIBOR Reuters" is specified on the face hereof, the display on the Reuter Monitor Money Rates Service (or any successor service) on the page specified on the face hereof (or any other page as may replace that page on that service) for the purpose of displaying the London interbank rates of major banks for the LIBOR Currency; or if "LIBOR Moneyline Telerate" is specified on the face hereof or neither "LIBOR Reuters" nor "LIBOR Moneyline Telerate" is specified on the face hereof as the method for calculating LIBOR, the display on Moneyline Telerate (or any successor service) on the page specified on the face hereof (or any other page as may replace such page on such service) for the purpose of displaying the London interbank rates of major banks for the LIBOR Currency.

- (F) PRIME RATE NOTES. If the Interest Rate Basis is the Prime Rate, the Notes shall be deemed to be "Prime Rate Notes." Prime Rate Notes will bear interest for each Interest Reset Date calculated with reference to the Prime Rate and the Spread or Spread Multiplier, if any, subject to the Minimum Interest Rate and/or Maximum Interest Rate, if any, specified on the face hereof. The Calculation Agent will determine the Prime Rate for each Interest Reset Date on each applicable Interest Determination Date. The Interest Determination Date is the Business Day immediately preceding the related Interest Reset Date. "Prime Rate" means (1) the rate on the particular Interest Determination Date as published in H.15(519) under the caption "Bank Prime Loan", or (2) if the rate referred to in clause (1) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the caption "Bank Prime Loan", or (3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date

calculated by the Calculation Agent as the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen US PRIME 1 Page (as defined below) as the applicable bank's prime rate or base lending rate as of 11:00 A.M., New York City time, on that Interest Determination Date, or (4) if fewer than four rates referred to in clause (3) are so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the prime rates or base lending rates quoted on the basis of the actual number of days in the year divided by a 360-day year as of the close of business on that Interest Determination Date by three major banks (which may include affiliates of the Agents) in The City of New York selected by the Calculation Agent, or (5) if the banks so selected by the Calculation Agent are not quoting as mentioned in clause (4), the Prime Rate in effect on the particular Interest Determination Date. "Reuters Screen US PRIME 1 Page" means the display on the Reuter Monitor Money Rates Service (or any successor service) on the "US PRIME 1" page (or any other page as may replace

that page on that service) for the purpose of displaying prime rates or base lending rates of major United States banks.

- (G) TREASURY RATE NOTES. If the Interest Rate Basis is the Treasury Rate, the Notes shall be deemed to be "Treasury Rate Notes." Treasury Rate Notes will bear interest for each Interest Reset Date at the interest rate calculated with reference to the Treasury Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the Treasury Rate on each Treasury Rate Determination Date (as defined below). "Treasury Rate" means (1) the rate from the auction held on the Treasury Rate Interest Determination Date (the "Auction") of direct obligations of the United States ("Treasury Bills") having the Index Maturity specified on the face hereof under the caption "INVESTMENT RATE" on the display on Moneyline Telerate (or any successor service) on page 56 (or any other page as may replace that page on that service) ("Moneyline Telerate Page 56") or page 57 (or any other page as may replace that page on that service) ("Moneyline Telerate Page 57"), or (2) if the rate referred to in clause (1) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the Bond Equivalent Yield (as defined below) of the rate for the applicable Treasury Bills as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the caption "U.S. Government Securities/Treasury Bills/Auction High", or (3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the Bond Equivalent Yield of the auction rate of the applicable Treasury Bills as announced by the United States Department of the Treasury, or (4) if the rate referred to in clause (3) is not so announced by the United States Department of the Treasury, or if the Auction is not held, the Bond Equivalent Yield of the rate on the particular Interest Determination Date of the applicable Treasury Bills as published in H.15(519) under the caption "U.S. Government Securities/Treasury Bills/Secondary Market", or (5) if the rate referred to in clause (4) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date of the applicable Treasury Bills as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the caption "U.S. Government Securities/Treasury Bills/Secondary Market", or (6) if the rate referred to in clause (5) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date calculated by the Calculation Agent as the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 P.M., New York City time, on that Interest Determination Date, of three primary United States government securities dealers (which may include the Agents or their affiliates) selected by the Calculation Agent, for the issue of Treasury Bills with a remaining maturity closest to the Index Maturity specified on the face hereof, or (7) if the dealers so selected by the Calculation Agent are not quoting as mentioned in clause (6), the Treasury Rate in effect on the particular Interest Determination Date.

"Bond Equivalent Yield" means a yield (expressed as a percentage)

calculated in accordance with the following formula:

$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for Treasury

Bills quoted on a bank discount basis and expressed as a decimal, "N" refers to 365 or 366, as the case may be, and "M" refers to the actual number of days in the applicable Interest Period.

The "Treasury Rate Determination Date" for each Interest Reset Date means the day in the week in which the related Interest Reset Date falls on which day Treasury Bills are normally auctioned (i.e., Treasury Bills are normally sold at auction on Monday of each week, unless that day is a legal holiday, in which case the auction is normally held on the following Tuesday, except that the auction may be held on the preceding Friday); PROVIDED, HOWEVER, that if an auction is held on the Friday of the week preceding the related Interest Reset Date, the Interest Determination Date will be the preceding Friday.

- (H) REGULAR FLOATING RATE NOTES. Unless the Notes are designated as Floating Rate/Fixed Rate Notes or as having an Addendum attached or having other/additional provisions apply, in each case relating to a different interest rate formula, such Notes that bear interest at floating rates will be Regular Floating Rate Notes and will bear interest at the rate determined by reference to the applicable Interest Rate Basis or Bases plus or minus the applicable Spread, if any, and/or multiplied by the applicable Spread Multiplier, if any. Commencing on the first Interest Reset Date, as specified on the face hereof, the rate at which interest on Regular Floating Rate Notes is payable will be reset as of each Interest Reset Date; PROVIDED, HOWEVER, that the interest rate in effect for the period, if any, from the date of issue to the first Interest Reset Date will be the Initial Interest Rate.
- (I) FLOATING RATE/FIXED RATE NOTES. If the Notes are designated as "Floating Rate/Fixed Rate Notes" on the face hereof, such Notes that bear interest at floating rates will bear interest at the rate determined by reference to the applicable Interest Rate Basis or Bases plus or minus the applicable Spread, if any, and/or multiplied by the applicable Spread Multiplier, if any. Commencing on the first Interest Reset Date, the rate at which interest on Floating Rate/Fixed Rate Notes is payable will be reset as of each Interest Reset Date; PROVIDED, HOWEVER, that the interest rate in effect for the period, if any, from the date of issue to the first Interest Reset Date will be the Initial Interest Rate, as specified on the face hereof; and the interest rate in effect commencing on the Fixed Rate Commencement Date will be the Fixed Interest Rate, if specified on the face hereof, or, if not so specified, the interest rate in effect on the day immediately preceding the Fixed Rate Commencement Date.

17

SECTION 4. OPTIONAL REDEMPTION. Except in the case of Discount Notes, if an Initial Redemption Date is specified on the face hereof, the Trust may redeem the Notes prior to the Stated Maturity Date at its option on any Business Day on or after the Initial Redemption Date in whole or from time to time in part in increments of \$1,000 or any other integral multiple of an authorized denomination specified on the face hereof (provided that any remaining principal amount of the Notes shall be at least \$1,000 or other minimum authorized denomination applicable thereto), at the applicable Redemption Price (as defined below), together with unpaid interest accrued on the Notes, any Additional Amounts and other amounts payable with respect thereto to the date of redemption. The Trust must give written notice to the Holders of the Notes to be redeemed at its option not more than 60 nor less than 30 calendar days prior to the date of redemption. "Redemption Price" means an amount equal to the Initial Redemption Percentage specified on the face hereof (as adjusted by the Annual Redemption Percentage Reduction, if applicable) multiplied by the unpaid principal amount of Notes represented by this Note Certificate to be redeemed. The Initial Redemption Percentage, if any, shall decline at each anniversary of the Initial Redemption Date by an amount equal to the applicable Annual Redemption Percentage Reduction, if any, until the Redemption Price is equal to 100% of the unpaid amount thereof to be redeemed.

SECTION 5. REPAYMENT PROVISIONS.

If the face of this Note Certificate specifies that "Survivor's Option" (as defined below) applies, the person (the "Authorized Representative") who has legal authority to act on behalf of the estate of the deceased owner of a beneficial interest in the Notes represented hereby shall have the option to elect repayment of the Notes in whole or in part in increments of U.S.\$1,000 (provided that any remaining principal amount of the Notes shall be at least U.S.\$1,000), following the death of such beneficial owner (a "Survivor's Option"). No Survivor's Option may be exercised unless such beneficial interest was held by the beneficial owner for a period of at least six months prior to the death of the beneficial owner.

Pursuant to the valid exercise of the Survivor's Option, if applicable, the Trust shall repay the Notes represented hereby (or portion thereof) at a price equal to 100% of the unpaid principal amount of the Notes to be repaid, together with unpaid interest accrued thereon to, but excluding, the Repayment Date, subject to the limitations in the next succeeding sentence. Allstate Life

Insurance Company ("Allstate Life") may, in its sole discretion, limit the aggregate principal amount of (i) all Funding Agreements securing all outstanding series of notes issued under the Allstate Life(SM) CoreNotes(SM) program as to which exercises of any put option by any issuing trust shall be accepted by Allstate Life in any calendar year to an amount equal to the greater of \$2,000,000 or 2% of the aggregate principal amount of all Funding Agreements securing all outstanding series of notes issued under the Allstate Life(SM) CoreNotes(SM) program as of the end of the most recent calendar year or such other greater amount as determined in accordance with the applicable Funding Agreement(s) and set forth on the face hereof; (ii) the Funding Agreement(s) securing the Notes as to which exercises of any put option by the Trust attributable to Notes as to which the Survivor's Option has been exercised by the Authorized Representative of any individual deceased beneficial owner to \$250,000 in any calendar year or such other greater amount as determined in accordance with the applicable Funding Agreement(s) and set forth on the face hereof; and (iii) the Funding Agreement(s) securing the Notes as to which

18

exercises of any put option by the Trust shall be accepted in any calendar year to an amount as set forth in the applicable Funding Agreement(s) and on the face hereof.

In any such event, the Trust shall similarly be required to limit the aggregate principal amount of Notes as to which exercises of the Survivor's Option shall be accepted by it.

Each election to exercise the Survivor's Option shall be effected in the order received by the Administrator. Notes that are not repaid in any calendar year due to the application of the limits described above will be treated as though they had been tendered on the first day of the following calendar year in the order in which they were originally tendered. Subject to the limitations described above, Notes accepted for repayment will be repaid on the first interest payment date that occurs 20 or more calendar days after the date of the acceptance unless that interest payment date is not a Business Day, in which case the repayment date will be the next succeeding Business Day.

To exercise the Survivor's Option, the Authorized Representative must provide to the DTC participant (the "Participant") through which the relevant beneficial interest is owned (i) a written instruction to notify the Depository of the Authorized Representative's desire to exercise the Survivor's Option, (ii) appropriate evidence (A) that the person has authority to act on behalf of the deceased owner, (B) of the death of a owner of beneficial interest in the Notes represented hereby, (C) that the deceased was the beneficial owner of the Notes at the time of death and (D) that the deceased was the owner of a beneficial interest in the Notes represented hereby at least six months prior to the date of death of such beneficial owner, (iii) if beneficial interest in the Notes represented hereby is held by a nominee of the deceased owner, a certificate from the nominee attesting to the deceased owner's ownership of a beneficial interest in the Notes represented hereby, (iv) a written request for repayment, substantially in the form of the attached Election Repayment Form", signed by the Authorized Representative for the deceased owner with signature guaranteed by a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc. or a commercial bank or trust company having an office or correspondent in the United States, (v) if applicable, a properly executed assignment or endorsement, (vi) tax waivers and any other instruments or documents reasonably required to establish the validity of the deceased's beneficial ownership in the Notes and the Authorized Representative's entitlement to payment and (vii) any additional information reasonably required to document ownership or authority to exercise the Survivor's Option and to cause the repayment of the Notes (or portion thereof). Such Participant shall provide to the Indenture Trustee a properly completed Repayment Election Form, which is attached hereto as Annex A, to exercise the Survivor's Option, together with evidence satisfactory to the Indenture Trustee from the Participant stating that it represents the deceased owner of the beneficial interest in the Notes represented hereby.

Subject to Allstate Life's right hereunder to limit the aggregate principal amount of Funding Agreements securing notes as to which exercises of any put option by the issuing trusts attributable to notes as to which exercises of the Survivor's Option shall be accepted in any one calendar year, all questions as to the eligibility or validity of any exercise of the Survivor's Option will be determined by the Administrator, in its sole discretion. The Administrator's determination shall be final and binding.

19

The death of a person owning a Note or beneficial interest therein in joint tenancy or tenancy by the entirety with another person or persons shall be deemed to be the death of the Holder or beneficial owner, as the case may be, of such Note, and the entire principal amount of such Note or beneficial interest therein shall be eligible for repayment pursuant to the Survivor's Option. The death of a person owning a Note or beneficial interest therein by tenancy in common shall be deemed to be the death of the Holder or beneficial owner, as the case may be, of such Note only to the extent of the interest of the deceased Holder or beneficial owner in such Note unless such Note or beneficial interest

therein is held by husband and wife as tenants in common, in which case, the death of either spouse shall be deemed to be the death of the Holder or beneficial owner, as the case may be, of such Note, and the entire principal amount of such Note or beneficial interest therein shall be eligible for repayment pursuant to the Survivor's Option.

The death of a person who, during his or her lifetime, was entitled to substantially all of the interests of beneficial ownership of a Note shall be deemed to be the death of the Holder or beneficial owner, as the case may be, of such Note if such interests can be established to the satisfaction of the Administrator.

In the event of repayment of the Notes in part only, a new Note Certificate of like tenor in a principal amount equal to the unrepaid portion of principal of Notes represented by this Note Certificate and otherwise having the same terms and provisions as the Notes shall be issued by the Trust in the name of the Holder of this Note Certificate upon the presentation and surrender of this Note Certificate.

SECTION 6. SINKING FUND. Unless otherwise specified on the face hereof, the Notes will not be subject to any sinking fund.

SECTION 7. REGISTRATION, TRANSFER AND EXCHANGE. As provided in the Standard Indenture Terms and subject to certain limitations therein and herein set forth, the transfer of the Notes represented by this Note Certificate is registrable in the records of J.P. Morgan Trust Company, National Association, in its capacity as registrar. Upon surrender of this Note Certificate for registration of transfer at the office or agency of the Trust in any place where the principal of and interest on the Notes are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Trust and the registrar duly executed by, the Holder or by his or her attorney duly authorized in writing, and thereupon one or more new Note Certificates having the same terms and provisions, in authorized denominations and for the same aggregate principal amount, will be issued by the Trust to the designated transferee or transferees.

As provided in the Standard Indenture Terms and subject to certain limitations therein and herein set forth, the Notes represented by this Note Certificate are exchangeable for a like aggregate principal amount of Notes in authorized denominations but otherwise having the same terms and provisions, as requested by the Holder of this Note Certificate surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Trust or Indenture Trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

20

Prior to due presentment of this Note Certificate for registration of transfer, the Trust, the Indenture Trustee and any agent of the Trust or the Indenture Trustee may treat the Holder as the owner of the Notes for all purposes, including receiving payment of principal of and interest on the Notes, whether or not the Notes be overdue, and neither the Trust, the Indenture Trustee nor any such agent shall be affected by notice to the contrary, except as required by law.

SECTION 8. CERTIFICATED NOTES. Under certain circumstances described in the Standard Indenture Terms, the Trust will issue Certificated Notes in exchange for the Book-Entry Notes represented by a Global Security. The Certificated Notes issued in exchange for any Book-Entry Notes represented by a Global Security shall be of like tenor and of an equal aggregate principal amount, in authorized denominations. Such Certificated Notes shall be registered in the name or names of such person or persons as the Depositary shall instruct the Registrar.

SECTION 9. MODIFICATIONS AND AMENDMENTS. Sections [9.1 and 9.2] of the Standard Indenture Terms contain provisions permitting the Trust and the Indenture Trustee (1) without the consent of any Holder, to execute Supplemental Indentures for limited purposes and take other actions set forth in the Standard Indenture Terms, and (2) with the consent of the Holders of not less than 66 2/3% in aggregate principal amount of Notes at the time outstanding, evidenced as in the Standard Indenture Terms, to execute Supplemental Indentures adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or any Supplemental Indenture or modifying in any manner the rights of the Holders of the Notes subject to specified limitations.

SECTION 10. OBLIGATIONS UNCONDITIONAL. No reference herein to the Indenture or the Standard Indenture Terms and no provision of the Notes or of the Indenture shall alter or impair the obligation of the Trust, which is absolute and unconditional, to pay the principal of, interest on, or any other amount due and owing with respect to, the Notes at the places, at the respective times, and at the rate herein prescribed.

SECTION 11. COLLATERAL. Pursuant to the Indenture, the Trust will assign the relevant Funding Agreement(s) issued by Allstate Life in connection with the issuance of the Notes (each, a "Funding Agreement") to the Indenture Trustee on

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto Please Insert Social Security or

Other Identifying Number of Assignee

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE

the within Security of THE ALLSTATE LIFE GLOBAL FUNDING TRUST SPECIFIED ON THE FACE OF THIS NOTE CERTIFICATE and does hereby irrevocably constitute and appoint _____ attorney to transfer said Security on the books of the Issuer, with full power of substitution in the premises.

Dated: -----

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within instrument in every particular, without alteration or enlargement or any change whatsoever.

Annex A

REPAYMENT ELECTION FORM

ALLSTATE LIFE GLOBAL FUNDING

ALLSTATE LIFE(SM) CORENOTES(SM)

CUSIP No.

To: [Name of Trust]

The undersigned financial institution (the "Financial Institution") represents the following:

- The Financial Institution has received a request for repayment from the executor or other authorized representative (the "Authorized Representative") of the deceased beneficial owner listed below (the "Deceased Beneficial Owner") of Allstate Life(SM) CoreNotes(SM) (CUSIP No.) (the "Notes").
- At the time of his or her death, the Deceased Beneficial Owner owned Notes in the principal amount listed below.
- The Deceased Beneficial Owner acquired the Notes at least six (6) months before the date of death of such Deceased Beneficial Owner.
- The Financial Institution currently holds such Notes as a direct or indirect participant in The Depository Trust Company (the "Depository").

The Financial Institution agrees to the following terms:

- The Financial Institution shall follow the instructions (the "Instructions") accompanying this Repayment Election Form (this "Form").
- The Financial Institution shall make all records specified in the Instructions supporting the above representations available to J.P. Morgan Trust Company, National Association (the "Trustee") or [Name of Trust] (the "Trust") for inspection and review within five Business Days of the Indenture Trustee's or the Trust's request.
- If the Financial Institution, the Indenture Trustee or the Trust, in any such party's reasonable discretion, deems any of the records specified in the Instructions supporting the above representations unsatisfactory to substantiate a claim for repayment, the Financial Institution shall not be obligated to submit this Form, and the Indenture Trustee or the Trust may deny repayment. If the Financial Institution cannot substantiate a claim for repayment, it shall notify the Indenture Trustee and the Trust immediately.

- Repayment elections may not be withdrawn.

- The Financial Institution agrees to indemnify and hold harmless the Indenture Trustee and the Trust against and from any and all claims, liabilities, costs, losses, expenses, suits and damages resulting from the Financial Institution's above representations and request for repayment on behalf of the Authorized Representative.
- The Notes will be repaid on the first Interest Payment Date to occur at least 20 calendar days after the date of acceptance of the Notes for repayment, unless such date is not a business day, in which case the date of repayment shall be the next succeeding business day.
- Subject to Allstate Life's right hereunder to limit the aggregate principal amount of Funding Agreements securing notes as to which exercises of any put option by the issuing trusts attributable to notes as to which exercises of the Survivor's Option shall be accepted in any one calendar year, all questions as to the eligibility or validity of any exercise of the survivor's option will be determined by the Indenture Trustee, in its sole discretion, which determination shall be final and binding on all parties.

REPAYMENT ELECTION FORM

(1) -----
 Name of Deceased Beneficial Owner

(2) -----
 Date of Death

(3) -----
 Name of Authorized Representative Requesting Repayment

(4) -----
 Name of Financial Institution Requesting Repayment

(5) -----
 Signature of Authorized Representative of Financial Institution
 Requesting Repayment

(6) -----
 Principal Amount of Requested Repayment

(7) -----
 Date of Election

(8) Financial Institution Representative:	(9) Wire instructions for payment:
Name:	Bank Name:
Phone Number:	ABA Number:
Fax Number:	Account Name:
Mailing Address (no P.O. Boxes):	Account Number:
	Reference (optional):

TO BE COMPLETED BY THE INDENTURE TRUSTEE:

A-2

- (A) Election Number*:
- (B) Delivery and Payment Date:
- (C) Principal Amount:
- (D) Accrued Interest:
- (E) Date of Receipt of Form by the Indenture Trustee:
- (F) Date of Acknowledgment by the Indenture Trustee:

* To be assigned by the Indenture Trustee upon receipt of this Form. An acknowledgement, in the form of a copy of this document with the assigned Election Number, will be returned to the party and location designated in item (8) above.

A-3

INSTRUCTIONS FOR COMPLETING REPAYMENT ELECTION FORM AND EXERCISING REPAYMENT OPTION

Capitalized terms used and not defined herein have the meanings defined in the accompanying Repayment Election Form.

1. Collect and retain for a period of at least three years (1) satisfactory evidence of the authority of the Authorized Representative, (2) satisfactory evidence of death of the Deceased Beneficial Owner, (3)

satisfactory evidence that the Deceased Beneficial Owner beneficially owned, at the time of his or her death, the Notes being submitted for repayment, (4) satisfactory evidence that the Notes being submitted for repayment were acquired by the Deceased Beneficial Owner at least six (6) months before the date of the death of such Deceased Beneficial Owner, and (5) any necessary tax waivers. For purposes of determining whether the Notes will be deemed beneficially owned by an individual at any given time, the following rules shall apply:

- If a Note (or a portion thereof) is beneficially owned by tenants by the entirety or joint tenants, the Note (or relevant portion thereof) will be regarded as beneficially owned by a single owner. Accordingly, the death of a tenant by the entirety or joint tenant will be deemed the death of the beneficial owner and the entire principal amount so owned will become eligible for repayment.
- The death of a person beneficially owning a Note (or a portion thereof) by tenancy in common will be deemed the death of the beneficial owner only with respect to the deceased owner's interest in the Note (or relevant portion thereof) so owned, unless a husband and wife are the tenants in common, in which case the death of either will be deemed the death of the beneficial owner and the entire principal amount so owned will be eligible for repayment.
- A Note (or a portion thereof) beneficially owned by a trust will be regarded as beneficially owned by each beneficiary of the trust to the extent of that beneficiary's interest in the trust (however, a trust's beneficiaries collectively cannot be beneficial owners of more Notes than are owned by the trust). The death of a beneficiary of a trust will be deemed the death of the beneficial owner of the Notes (or relevant portion thereof) beneficially owned by the trust to the extent of that beneficiary's interest in the trust. The death of an individual who was a tenant by the entirety or joint tenant in a tenancy which is the beneficiary of a trust will be deemed the death of the beneficiary of the trust. The death of an individual who was a tenant in common in a tenancy which is the beneficiary of a trust will be deemed the death of the beneficiary of the trust only with respect to the deceased holder's beneficial interest in the Note, unless a husband and wife are the tenants in common, in which case the death of either will be deemed the death of the beneficiary of the trust.
- The death of a person who, during his or her lifetime, was entitled to substantially all of the beneficial interest in a Note (or a portion thereof) will be deemed the death of the beneficial owner of that Note (or relevant portion thereof), regardless of the registration of ownership, if such beneficial interest can be established to the satisfaction of the Indenture Trustee. Such beneficial interest will exist in many cases of street name or nominee ownership, custodial arrangements, ownership by a trustee, ownership under the Uniform Transfers of Gifts to Minors Act and community property or other joint ownership arrangements between spouses. Beneficial interest will be evidenced by such factors as the power to sell or otherwise dispose of a Note, the right to receive the proceeds of sale or disposition and the right to receive interest and principal payments on a Note.

2. Indicate the name of the Deceased Beneficial Owner on line (1).

A-4

3. Indicate the date of death of the Deceased Beneficial Owner on line (2).

4. Indicate the name of the Authorized Representative requesting repayment on line (3).

5. Indicate the name of the Financial Institution requesting repayment on line (4).

6. Affix the authorized signature of the Financial Institution's representative on line (5). THE SIGNATURE MUST BE MEDALLION SIGNATURE GUARANTEED.

7. Indicate the principal amount of Notes to be repaid on line (6).

8. Indicate the date this Form was completed on line (7).

9. Indicate the name, mailing address (no P.O. boxes, please), telephone number and facsimile-transmission number of the party to whom the acknowledgment of this election may be sent in item (8).

10. Indicate the wire instruction for payment on line (9).

11. Leave lines (A), (B), (C), (D), (E) and (F) blank.
12. Mail or otherwise deliver an original copy of the completed Form to:

J.P. Morgan Trust Company, National Association
[201 North Central Avenue
Phoenix, Arizona 85004]
13. FACSIMILE TRANSMISSIONS OF THE REPAYMENT ELECTION FORM WILL NOT BE ACCEPTED.
14. If the acknowledgement of the Indenture Trustee's receipt of this Form, including the assigned Election Number, is not received within 10 days of the date such information is sent to the Trustee, contact the Trustee at J.P. Morgan Trust Company, National Association, [201 North Central Avenue, Phoenix, Arizona 85004].
15. For assistance with this Form or any questions relating thereto, please contact the Trustee at J.P. Morgan Trust Company, National Association, [201 North Central Avenue, Phoenix, Arizona 85004].

A-5

Schedule I

I-1

FORM OF DEFINITIVE SECURITY FOR
ALLSTATE LIFE(SM) CORENOTES(SM) PROGRAM

[FACE OF DEFINITIVE SECURITY]

UNLESS THIS NOTE CERTIFICATE IS PRESENTED BY THE HOLDER OR AN AUTHORIZED REPRESENTATIVE OF THE HOLDER TO THE TRUST (HEREINAFTER DEFINED) OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED HOLDER HEREOF HAS AN INTEREST HEREIN.

THIS NOTE CERTIFICATE IS A DEFINITIVE SECURITY WITHIN THE MEANING OF THE STANDARD INDENTURE TERMS (HEREINAFTER DEFINED) AND IS REGISTERED IN THE NAME OF THE HOLDER (AS DEFINED IN THE STANDARD INDENTURE TERMS) HEREOF. THIS NOTE IS NOT EXCHANGEABLE FOR A GLOBAL SECURITY (AS DEFINED IN THE STANDARD INDENTURE TERMS).

CUSIP No.:

ALLSTATE LIFE GLOBAL FUNDING TRUST [] - []

ALLSTATE LIFE(SM) CORENOTES(SM)

Title of Notes:	Stated Maturity Date:
Principal Amount: \$ _____	Settlement Date and Time:
Original Issue Date:	Securities Exchange Listing: / / Yes / / No. If yes,
Issue Price:	indicate name(s) of Securities Exchange(s):
Interest Rate or Formula:	
Fixed Rate Note: / / Yes / / No. If yes,	Floating Rate Note: / / Yes / / No. If yes,
Interest Rate:	Regular Floating Rate Notes: / /
Interest Payment Dates:	Floating Rate/Fixed Rate Notes: / /
Day Count Convention:	Interest Rate:
Additional/Other Terms:	Interest Rate Basis(es):
Discount Note: / / Yes / / No. If yes,	LIBOR / /
Total Amount of Discount:	/ / LIBOR Reuters Page:
Initial Accrual Period of Discount:	/ / LIBOR Telerate Page:
Interest Payment Dates:	LIBOR Currency:
Additional/Other Terms:	Constant Maturity Treasury Rate / /
Redemption Provisions: / / Yes / / No. If yes,	Designated CMT Telerate Page:
Initial Redemption Date:	If Telerate Page 7052:
Initial Redemption Percentage:	/ / Weekly Average
Annual Redemption Percentage	/ / Monthly Average
Reduction, if any:	Designated CMT Maturity Index:
Additional/Other Terms:	

"Allstate Life(SM)" is a registered servicemark of Allstate Insurance Company.
"CoreNotes(SM)" is a registered servicemark of Merrill Lynch & Co., Inc.

1

Survivor's Option: / / Yes / / No.	CD Rate / /
Regular Interest Record Date(s):	Commercial Paper Rate / /
Sinking Fund:	Federal Funds Rate / /
Calculation Agent:	Prime Rate / /
Authorized Denominations:	Treasury Rate / /
Collateral: Allstate Life Insurance Company	Other / / See attached.
Funding Agreement No(s). / /, all	Index Maturity:
proceeds of such funding	Spread and/or Spread Multiplier, if any:
Agreement(s), all books and records	Initial Interest Rate, if any:
pertaining to such Funding	Initial Interest Reset Date:
Agreement(s) and all rights of the	Interest Reset Dates:
Trust pertaining to the foregoing.	Interest Determination Date(s):
Additional/Other Terms:	Interest Payment Dates:
	Maximum Interest Rate, if any:
	Minimum Interest Rate, if any:
	Fixed Rate Commencement Date, if any:
	Fixed Interest Rate, if any:
	Day Count Convention:
	Additional/Other Terms:

This Note Certificate is a Definitive Security in respect of a duly authorized issue of Notes (the "Notes") of the Allstate Life Global Funding Trust designated above, a statutory trust organized under the laws of the State of Delaware (the "Trust"). The Notes are issued under the Indenture, dated as of the date hereof (as amended or supplemented from time to time, the "Indenture") between the Trust and J.P. Morgan Trust Company, National Association, as indenture trustee (including any successor, the "Indenture Trustee").

Capitalized terms used herein and not otherwise defined shall have the respective meanings ascribed in the Standard Indenture Terms, dated as of [] (as amended or supplemented from time to time, the "Standard Indenture Terms").

The Trust, for value received, hereby promises to pay to the Holder hereof or its registered assigns on the Stated Maturity Date (or on the date of redemption or repayment by the Trust prior to maturity pursuant to redemption or repayment provisions, in each case, if provided for above) the principal amount specified above and, if so specified above, to pay interest from time to time on the Notes represented by this Note Certificate from the Original Issue Date specified above (the "Original Issue Date") or from the most recent Interest Payment Date to which interest has been paid or duly provided for at the rate per annum determined in accordance with the provisions on the reverse hereof and as specified above, until the principal of the Notes represented by this Note Certificate is paid or made available for payment and to pay such other amounts due and owing with respect to the Notes represented by this Note Certificate.

On any exchange or purchase and cancellation of any of the Notes represented by this Note Certificate, details of such exchange or purchase and cancellation shall be entered in the records of the Indenture Trustee. Upon any such exchange or purchase and cancellation, the principal amount of the Notes represented by this Note Certificate shall be charged by the principal amount so exchanged or purchased and cancelled, as provided in the Standard

2

Indenture Terms.

Unless otherwise set forth above, if the Notes are subject to an Annual Redemption Percentage Reduction as specified above, the Redemption Price of the Notes represented by this Note Certificate shall initially be the Initial Redemption Percentage of the principal amount of the Notes represented by this Note Certificate on the Initial Redemption Date and shall decline at each anniversary of the Initial Redemption Date (each such date, a "Redemption Date") by the Annual Redemption Percentage Reduction of such principal amount until the Redemption Price is 100% of such principal amount.

The Notes will mature on the Stated Maturity Date, unless their principal (or, any installment of their principal) becomes due and payable prior to the Stated Maturity Date, whether, as applicable, by the declaration of acceleration of maturity, notice of redemption at the option of the Trust, notice of the Holder's option to elect repayment or otherwise (the Stated Maturity Date or any date prior to the Stated Maturity Date on which the Notes become due and payable, as the case may be, are referred to as the "Maturity Date" with respect to principal of the Notes repayable on such date).

Unless otherwise provided above and except as provided in the following paragraph, the Trust will pay interest on each Interest Payment Date specified above, commencing with the first Interest Payment Date next succeeding the Original Issue Date, and on the Maturity Date; PROVIDED that any payment of principal, premium, if any, interest or other amounts to be made on any Interest Payment Date or on a Maturity Date that is not a Business Day shall be made on the next succeeding Business Day, PROVIDED, HOWEVER, with respect to an Interest Payment Date other than the Maturity Date, if the Notes are LIBOR Notes (as defined in Section 3 on the reverse hereof) and that next succeeding Business Day falls in the next succeeding calendar month, such payment shall be made on the immediately preceding Business Day.

Unless otherwise specified above, the interest payable on each Interest Payment Date or on the Maturity Date will be the amount equal to the interest accrued from and including the immediately preceding Interest Payment Date in respect of which interest has been paid or from and including the date of issue, if no interest has been paid, to but excluding the applicable Interest Payment Date or the Maturity Date, as the case may be (each, an "Interest Period").

Reference is hereby made to the further provisions of the Notes set forth on the reverse hereof and, if so specified on the face hereof, in an Addendum hereto, which further provisions shall for all purposes have the same force and effect as if set forth on the face hereof.

Notwithstanding the foregoing, if an Addendum is attached hereto or "Other/Additional Provisions" apply to the Notes as specified above, the Notes shall be subject to the terms set forth in such Addendum or such "Other/Additional Provisions."

The Notes represented by this Note Certificate shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been executed by the Indenture Trustee pursuant to the Indenture.

3

IN WITNESS WHEREOF, the Trust has caused this instrument to be duly executed on its behalf.

Dated: Original Issue Date

THE ALLSTATE LIFE GLOBAL FUNDING TRUST

SPECIFIED ON THE FACE OF THIS NOTE
CERTIFICATE,
as Issuer

By: WILMINGTON TRUST COMPANY,
not in its individual capacity
but solely as Delaware Trustee.

By: _____
Name:
Title:

CERTIFICATE OF AUTHENTICATION

This Note Certificate is one of the Note Certificates representing Notes described in the within-mentioned Indenture and is being issued in accordance with Section [2.5(f)] of the Standard Indenture Terms.

Dated: Original Issue Date J.P. MORGAN TRUST COMPANY, NATIONAL
ASSOCIATION,
as Indenture Trustee

By: _____
Authorized Signatory

4

[REVERSE OF DEFINITIVE SECURITY]

SECTION 1. GENERAL. This Note Certificate is a Definitive Security in respect of a duly authorized issue of Notes of the Trust. The Notes are issued pursuant to the Indenture.

SECTION 2. CURRENCY. The Notes are denominated in, and payments of principal, premium, if any, and/or interest, if any, will be made in U.S. dollars.

SECTION 3. DETERMINATION OF INTEREST RATE AND OTHER PAYMENT PROVISIONS.

FIXED RATE NOTES. If the Notes are designated on the face hereof as "Fixed Rate Notes," the Notes will bear interest from the Original Issue Date until the Maturity Date. Unless otherwise specified on the face hereof, the rate of interest payable on the Notes will not be adjusted; unless otherwise specified on the face hereof, interest will be payable on the Interest Payment Dates set forth on the face hereof and at the Maturity Date. Interest will be computed on the basis of a 360-day year of twelve 30-day months. If any Interest Payment Date or the Maturity Date of Fixed Rate Notes falls on a day that is not a Business Day, any payments of principal, premium, if any, and/or interest or other amounts required to be made, may be made on the next succeeding Business Day, and no additional interest will accrue in respect of the payment made on that next succeeding Business Day.

DISCOUNT NOTES. If the Notes are designated on the face hereof as "Discount Notes" (as defined below), payments in respect of the Notes shall be made as set forth on the face hereof. In the event a Discount Note is redeemed, repaid or accelerated, the amount payable to the Holder of such Note on the Maturity Date will be equal to the sum of (1) the Issue Price (increased by any accruals of discount) and, in the event of any redemption of such Discount Notes, if applicable, multiplied by the Initial Redemption Percentage (as adjusted by the Annual Redemption Percentage Reduction, if applicable); and (2) any unpaid interest accrued on such Discount Notes to the date of redemption, repayment or acceleration of maturity, as applicable. For purposes of determining the amount of discount that has accrued as of any date on which a redemption, repayment or acceleration of maturity of the Notes occurs for Discount Notes, the discount will be accrued using a constant yield method. The constant yield will be calculated using a 30-day month, 360-day year convention, a compounding period that, except for the Initial Period (as defined below), corresponds to the shortest period between Interest Payment Dates for Discount Notes (with ratable accruals within a compounding period), a coupon rate equal to the initial coupon rate applicable to Discount Notes and an assumption that the maturity of such Discount Notes will not be accelerated. If the period from the date of issue to the first Interest Payment Date for Discount Notes (the "Initial Period") is shorter than the compounding period for such Discount Notes, a proportionate amount of the yield for an entire compounding period will be accrued. If the Initial Period is longer than the compounding period, then the period will be divided into a regular compounding period and a short period with the short period being treated as provided in the preceding sentence. A "Discount Note" is any Note that has an Issue Price that is less than 100% of the principal amount thereof by more than a percentage equal to the product of 0.25% and the number of full years to the Stated Maturity Date.

FLOATING RATE NOTES. If the Notes are specified on the face hereof as "Floating Rate Notes," interest on the Notes shall accrue and be payable in

Floating Rate Note may be a CD Rate Note, CMT Rate Note, Commercial Paper Rate Note, Federal Funds Rate Note, LIBOR Note, Prime Rate Note, Treasury Rate Note, or as otherwise set forth on the face hereof. If the Notes are designated on the face hereof as Floating Rate Notes, the face hereof will specify whether the Notes are Regular Floating Rate Notes or Floating Rate/Fixed Rate Notes. For the period from the date of issue to, but not including, the first Interest Reset Date set forth on the face hereof, the interest rate hereon shall be the Initial Interest Rate specified on the face hereof. Thereafter, the interest rate hereon will be reset as of and be effective as of each Interest Reset Date.

- (A) If any Interest Reset Date would otherwise be a day that is not a Business Day, such Interest Reset Date shall be postponed to the next day that is a Business Day; PROVIDED, HOWEVER, that if the Notes are LIBOR Notes and such Business Day is in the next succeeding calendar month, such Interest Reset Date shall be the Business Day immediately preceding such Interest Reset Date.
- (B) Unless specified otherwise on the face hereof, Interest Reset Dates are as follows: (1) if the Notes reset daily, each Business Day, (2) if the Notes reset weekly, other than Treasury Rate Notes, the Wednesday of each week, (3) if the Notes are Treasury Rate Notes that reset weekly, and except as provided below under "Treasury Rate Notes," the Tuesday of each week, (4) if the Notes reset monthly, the third Wednesday of each month, (5) if the Notes reset quarterly, the third Wednesday of March, June, September and December of each year, (6) if the Notes reset semiannually, the third Wednesday of each of the two months specified on the face hereof and (7) if the Notes reset annually, the third Wednesday of the month specified each year; PROVIDED, HOWEVER, that with respect to Floating Rate/ Fixed Rate Notes, the rate of interest thereon will not reset after the particular Fixed Rate Commencement Date specified on the face hereof (the "Fixed Rate Commencement Date").
- (C) Accrued interest is calculated by multiplying the principal amount of such Floating Rate Note by an accrued interest factor. The accrued interest factor is computed by adding the interest factor calculated for each day in the particular Interest Period. The interest factor for each day will be computed by dividing the interest rate applicable to such day by 360, in the case of Floating Rate Notes as to which the CD Rate, the Commercial Paper Rate, the Federal Funds Rate, LIBOR or the Prime Rate is an applicable Interest Rate Basis (as defined below), or by the actual number of days in the year, in the case of Floating Rate Notes as to which the CMT Rate or the Treasury Rate is an applicable Interest Rate Basis. The interest factor for Floating Rate Notes as to which the interest rate is calculated with reference to two or more Interest Rate Bases will be calculated in each period in the same manner as if only the applicable Interest Rate Basis specified on the face hereof applied. The interest rate shall be set forth on the face hereof. For purposes of making the foregoing calculation, the interest rate in effect on any Interest Reset Date will be the applicable rate as reset on that date. Unless otherwise specified on the face hereof, the interest rate that is effective on the applicable Interest Reset Date will be determined on the applicable Interest Determination Date and calculated on the applicable Calculation Date (as defined

below). "Calculation Date" means the date by which the Calculation Agent designated on the face hereof, is to calculate the interest rate which will be the earlier of (1) the tenth calendar day after the particular Interest Determination Date or, if such day is not a Business Day, the next succeeding Business Day; or (2) the Business Day immediately preceding the applicable Interest Payment Date or the Maturity Date, as the case may be.

- (D) Unless otherwise specified on the face hereof, all percentages resulting from any calculation on Floating Rate Notes will be rounded to the nearest one hundred-thousandth of a percentage point, with five one-millionths of a percentage point rounded upwards. All dollar amounts used in or resulting from any calculation on Floating Rate Notes will be rounded to the nearest cent.

Unless otherwise specified on the face hereof and except as provided below, interest will be payable as follows: (1) if the Interest Reset Date for the Notes is daily, weekly or monthly, interest will be payable on the third Wednesday of each month or on the third Wednesday of March, June, September and December of each year, as specified on the face hereof, (2) if the Interest Reset Date for the Notes is quarterly, interest will be payable on the third Wednesday of March, June, September, and December of each year, (3) if the Interest Reset Date for the Notes is semiannually, interest will be payable on the third Wednesday of each of two months specified on the face hereof of each

year, (4) if the Interest Reset Date for the Notes is annually, interest will be payable on the third Wednesday of the month specified on the face hereof of each year. In each of these cases, interest will also be payable on the Maturity Date.

If specified on the face hereof, the Notes may have either or both of a Maximum Interest Rate or Minimum Interest Rate. If a Maximum Interest Rate is so designated, the interest rate that may accrue during any Interest Period for Floating Rate Notes cannot ever exceed such Maximum Interest Rate and in the event that the interest rate on any Interest Reset Date would exceed such Maximum Interest Rate (as if no Maximum Interest Rate were in effect) then the interest rate on such Interest Reset Date shall be the Maximum Interest Rate. If a Minimum Interest Rate is so designated, the interest rate that may accrue during any Interest Period for Floating Rate Notes cannot ever be less than such Minimum Interest Rate and in the event that the interest rate on any Interest Reset Date would be less than such Minimum Interest Rate (as if no Minimum Interest Rate were in effect) then the interest rate on such Interest Reset Date shall be the Minimum Interest Rate. Notwithstanding anything to the contrary contained herein, if the Notes are designated on the face hereof as Floating Rate Notes, the interest rate on Notes shall not exceed the maximum interest rate permitted by applicable law.

All determinations of interest by the Calculation Agent designated on the face hereof will, in the absence of manifest error, be conclusive for all purposes and binding on the Holder of the Notes and neither the Indenture Trustee nor the Calculation Agent shall have any liability to the Holder of the Notes in respect of any determination, calculation, quote or rate made or provided by the Calculation Agent. Upon request of the Holder of the Notes, the Calculation Agent will provide the interest rate then in effect and, if determined, the interest rate that will become effective on the next Interest Reset Date with respect to the Notes. If the Calculation Agent is incapable or unwilling to act as such or if the Calculation Agent fails duly to establish the interest rate for any interest accrual period or to calculate the interest amount or any other

7

requirements, the Trust will appoint a successor to act as such in its place. The Calculation Agent may not resign its duties until a successor has been appointed and such successor has accepted its appointment.

Subject to applicable provisions of law and except as specified herein, on each Interest Reset Date, the rate of interest on the Notes on and after the first Interest Reset Date shall be the interest rate determined in accordance with the provisions of the heading below which has been designated as the Interest Rate Basis on the face hereof (the "Interest Rate Basis"), the base rate, plus or minus the Spread, if any, specified on the face hereof and/or multiplied by the Spread Multiplier, if any, specified on the face hereof.

- (A) CD RATE NOTES. If the Interest Rate Basis is the CD Rate, the Notes shall be deemed to be "CD Rate Notes." CD Rate Notes will bear interest at the interest rate calculated with reference to the CD Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the CD Rate on each Interest Determination Date. The Interest Determination Date is the second Business Day immediately preceding the related Interest Reset Date. "CD Rate" means the rate on the particular Interest Determination Date for negotiable United States dollar certificates of deposit having the Index Maturity specified on the face hereof as published in H.15(519) (as defined below) under the caption "CDs (secondary market)", or, if not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date for negotiable United States dollar certificates of the particular Index Maturity as published in the H.15 Daily Update (as defined below) or other recognized electronic source used for the purpose of displaying the applicable rate under the heading "CDs (secondary market)." If such rate is not yet published in either H.15(519) or the H.15 Daily Update by 3:00 P.M., New York City time, on the related Calculation Date, then the CD Rate will be the rate on the particular Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the secondary market offered rates as of 10:00 A.M., New York City time on that Interest Determination Date of three leading nonbank dealers in negotiable United States dollar certificates of deposit in The City of New York (which may include the Agents or their affiliates) selected by the Calculation Agent for negotiable United States dollar certificates of deposit of major United States money market banks for negotiable United States certificates of deposit with a remaining maturity closest to the particular Index Maturity in an amount that is representative for a single transaction in that market at that time, or, if the dealers so selected by the Calculation Agent are not quoting as described in the preceding sentence, the CD Rate in effect on the particular Interest Determination Date. "H.15(519)" means the weekly statistical release designated as H.15(519), or any successor publication, published by the Board of Governors of the Federal Reserve System; and "H.15 Daily Update" means the daily update of H.15(519), available through the

(B) CMT RATE NOTES. If the Interest Basis is the CMT Rate, the Notes shall be deemed to be "CMT Rate Notes." CMT Rate Notes will bear interest at the interest rate calculated with reference to the CMT Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the CMT Rate on each applicable Interest Determination Date. The applicable Interest Determination Date is the second Business Day prior to the Interest Reset Date. "CMT Rate" means (1) if CMT Moneyline Telerate Page 7051 is specified on the face hereof: (a) the percentage equal to the yield for United States Treasury securities at "constant maturity" having the Index Maturity specified on the face hereof as published in H.15(519) under the caption "Treasury Constant Maturities", as the yield is displayed on Moneyline Telerate (or any successor service) on page 7051 (or any other page as may replace the specified page on that service) ("Moneyline Telerate Page 7051"), for the particular Interest Determination Date, or (b) if the rate referred to in clause (a) does not so appear on Moneyline Telerate Page 7051, the percentage equal to the yield for United States Treasury securities at "constant maturity" having the particular Index Maturity and for the particular Interest Determination Date as published in H.15(519) under the caption "Treasury Constant Maturities", or (c) if the rate referred to in clause (b) does not so appear in H.15(519), the rate on the particular Interest Determination Date for the period of the particular Index Maturity as may then be published by either the Federal Reserve System Board of Governors or the United States Department of the Treasury that the Calculation Agent determines to be comparable to the rate which would otherwise have been published in H.15(519), or (d) if the rate referred to in clause (c) is not so published, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on that Interest Determination Date of three leading primary United States government securities dealers in The City of New York (which may include the Agents or their affiliates) (each, a "Reference Dealer"), selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the particular Index Maturity, a remaining term to maturity no more than one year shorter than that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or (e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated, or (f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent

and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the particular Index Maturity, a remaining term to maturity closest to that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or (g) if fewer than five but more than two prices referred to in clause (f) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated, or (h) if fewer than three prices referred to in clause (f) are provided as requested, the CMT Rate in effect on the particular Interest Determination Date; (2) if CMT Moneyline Telerate Page 7052 is specified on the face hereof (a) the percentage equal to the one-week or one-month, as specified on the face hereof, average yield for United States Treasury securities at "constant maturity" having the Index Maturity specified on the face hereof as published in H.15(519) opposite the caption "Treasury Constant Maturities", as the yield is displayed on Moneyline Telerate (or any successor service) (on page 7052 or any other page as may replace the specified page on that service) ("Moneyline Telerate Page

7052"), for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the particular Interest Determination Date falls, or (b) if the rate referred to in clause (a) does not so appear on Moneyline Telerate Page 7052, the percentage equal to the one-week or one-month, as specified on the face hereof, average yield for United States Treasury securities at "constant maturity" having the particular Index Maturity and for the week or month, as applicable, preceding the particular Interest Determination Date as published in H.15(519) opposite the caption "Treasury Constant Maturities", or (c) if the rate referred to in clause (b) does not so appear in H.15(519), the one-week or one-month, as specified on the face hereof, average yield for United States Treasury securities at "constant maturity" having the particular Index Maturity as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the particular Interest Determination Date falls, or (d) if the rate referred to in clause (c) is not so published, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the particular Index Maturity, a remaining term to maturity no more than one year shorter than that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or (e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the

10

Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated, or (f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the particular Index Maturity, a remaining term to maturity closest to that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at the time, or (g) if fewer than five but more than two prices referred to in clause (f) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated, or (h) if fewer than three prices referred to in clause (f) are provided as requested, the CMT Rate in effect on that Interest Determination Date.

If two United States Treasury securities with an original maturity greater than the Index Maturity specified on the face hereof have remaining terms to maturity equally close to the particular Index Maturity, the quotes for the United States Treasury security with the shorter original remaining term to maturity will be used.

- (C) COMMERCIAL PAPER RATE NOTES. If the Interest Rate Basis is the Commercial Paper Rate, the Notes shall be deemed to be "Commercial Paper Rate Notes." Commercial Paper Rate Notes will bear interest for each Interest Reset Date at the interest rate calculated with reference to the Commercial Paper Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the Commercial Paper Rate on each applicable Interest Determination Date. The Interest Determination Date is the Business Day immediately preceding the related Interest Reset Date. "Commercial Paper Rate" means the Money Market Yield (calculated as described below) on the Interest Determination Date of the rate for commercial paper having the applicable Index Maturity as such rate is published in H.15(519) under the heading "Commercial Paper -- Nonfinancial." If such rate is not published by 3:00 P.M., New York City time, on the Calculation Date pertaining to such Interest Determination Date, then the Commercial Paper Rate shall be the Money Market Yield on the particular Interest Determination Date of the rate for commercial paper having the particular Index Maturity as published on H.15 Daily Update or such other recognized electronic source used for the purposes of displaying the applicable rate, under the caption

"Commercial Paper -- Nonfinancial", or if such rate is not published by 3:00 P.M., New York City time, on the Calculation Date, then the Commercial Paper Rate as calculated by the Calculation Agent shall be the Money Market

11

Yield of the arithmetic mean of the offered rates at approximately 11:00 A.M., New York City time, on that Interest Determination Date of three leading dealers of United States dollar commercial paper in The City of New York (which may include the Agents or their affiliates) selected by the Calculation Agent for commercial paper having the particular Index Maturity placed for industrial issuers whose bond rating is "Aa", or the equivalent, from a nationally recognized statistical rating organization; PROVIDED, HOWEVER, that if the dealers selected by the Calculation Agent are not quoting offered rates as mentioned above, the Commercial Paper Rate in effect on the particular Interest Determination Date.

"Money Market Yield" shall be a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where "D" refers to the per annum rate for the commercial paper, quoted on a bank discount basis and expressed as a decimal; and "M" refers to the actual number of days in the applicable Interest Period.

(D) FEDERAL FUNDS RATE NOTES. If the Interest Rate Basis is the Federal Funds Rate, the Notes shall be deemed to be "Federal Funds Rate Notes." Federal Funds Rate Notes will bear interest for each Interest Reset Date at the interest rate calculated with reference to the Federal Funds Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the Federal Funds Rate on each applicable Interest Determination Date. The Interest Determination Date is the Business Day immediately preceding the related Interest Reset Date. "Federal Funds Rate" means (1) the rate on the particular Interest Determination Date for United States dollar federal funds as published in H.15(519) under the caption "Federal Funds (Effective)" and displayed on Moneyline Telerate (or any successor service) on page 120 (or any other page as may replace the specified page on that service) ("Moneyline Telerate Page 120"), or (2) if the rate referred to in clause (1) does not so appear on Moneyline Telerate Page 120 or is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date for United States dollar federal funds as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the caption "Federal Funds (Effective)", or (3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the rates for the last transaction in overnight United States dollar federal funds arranged by three leading brokers of United States dollar federal funds transactions in The City of New York (which may include the Agents or their affiliates), selected by the Calculation Agent prior to 9:00 A.M., New York City time, on that Interest Determination Date, or (4) if the brokers so selected by the Calculation Agent are not quoting as mentioned in clause (3), the Federal Funds Rate in effect on the particular Interest Determination Date.

12

(E) LIBOR NOTES. If the Interest Rate Basis is LIBOR (as defined below), the Notes shall be deemed to be "LIBOR Notes." LIBOR Notes will bear interest for each Interest Period at the interest rate calculated with reference to LIBOR and the Spread or Spread Multiplier, if any. On each applicable Interest Determination Date the Calculation Agent will determine LIBOR. The applicable Interest Determination Date is the second London Banking Day preceding the related Interest Reset Date.

LIBOR means: (1) if "LIBOR Moneyline Telerate" is specified on the face hereof or if neither "LIBOR Reuters" nor "LIBOR Moneyline Telerate" is specified on the face hereof as the method for calculating LIBOR, the rate for deposits in the LIBOR Currency (as defined below) having the Index Maturity specified on the face hereof, commencing on the related Interest Reset Date, that appears on the LIBOR Page (as defined below) as of 11:00 A.M., London time, on the particular Interest Determination Date, or (2) if "LIBOR Reuters" is specified on the face hereof, the arithmetic mean of the offered rates, calculated by the Calculation Agent, or the offered rate, if the LIBOR Page by its

terms provides only for a single rate, for deposits in the LIBOR Currency having the particular Index Maturity, commencing on the related Interest Reset Date, that appear or appears, as the case may be, on the LIBOR Page as of 11:00 A.M., London time, on the particular Interest Determination Date, or (3) if fewer than two offered rates appear, or no rate appears, as the case may be, on the particular Interest Determination Date on the LIBOR Page as specified in clause (1) or (2), as applicable, the rate calculated by the Calculation Agent of at least two offered quotations obtained by the Calculation Agent after requesting the principal London offices of each of four major reference banks (which may include affiliates of the Agents), in the London interbank market to provide the Calculation Agent with its offered quotation for deposits in the LIBOR Currency for the period of the particular Index Maturity, commencing on the related Interest Reset Date, to prime banks in the London interbank market at approximately 11:00 A.M., London time, on that Interest Determination Date and in a principal amount that is representative for a single transaction in the LIBOR Currency in that market at that time, or (4) if fewer than two offered quotations referred to in clause (3) are provided as requested, the rate calculated by the Calculation Agent as the arithmetic mean of the rates quoted at approximately 11:00 A.M., in the applicable Principal Financial Center, on the particular Interest Determination Date by three major banks (which may include affiliates of the Agents), in that Principal Financial Center selected by the Calculation Agent for loans in the LIBOR Currency to leading European banks, having the particular Index Maturity and in a principal amount that is representative for a single transaction in the LIBOR Currency in that market at that time, or (5) if the banks so selected by the Calculation Agent are not quoting as mentioned in clause (4), LIBOR in effect on the particular Interest Determination Date.

13

"LIBOR Currency" means United States dollars.

"LIBOR Page" means either: if "LIBOR Reuters" is specified on the face hereof, the display on the Reuter Monitor Money Rates Service (or any successor service) on the page specified on the face hereof (or any other page as may replace that page on that service) for the purpose of displaying the London interbank rates of major banks for the LIBOR Currency; or if "LIBOR Moneyline Telerate" is specified on the face hereof or neither "LIBOR Reuters" nor "LIBOR Moneyline Telerate" is specified on the face hereof as the method for calculating LIBOR, the display on Moneyline Telerate (or any successor service) on the page specified on the face hereof (or any other page as may replace such page on such service) for the purpose of displaying the London interbank rates of major banks for the LIBOR Currency.

- (F) PRIME RATE NOTES. If the Interest Rate Basis is the Prime Rate, the Notes shall be deemed to be "Prime Rate Notes." Prime Rate Notes will bear interest for each Interest Reset Date calculated with reference to the Prime Rate and the Spread or Spread Multiplier, if any, subject to the Minimum Interest Rate and/or Maximum Interest Rate, if any, specified on the face hereof. The Calculation Agent will determine the Prime Rate for each Interest Reset Date on each applicable Interest Determination Date. The Interest Determination Date is the Business Day immediately preceding the related Interest Reset Date. "Prime Rate" means (1) the rate on the particular Interest Determination Date as published in H.15(519) under the caption "Bank Prime Loan", or (2) if the rate referred to in clause (1) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the caption "Bank Prime Loan", or (3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen US PRIME 1 Page (as defined below) as the applicable bank's prime rate or base lending rate as of 11:00 A.M., New York City time, on that Interest Determination Date, or (4) if fewer than four rates referred to in clause (3) are so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the prime rates or base lending rates quoted on the basis of the actual number of days in the year divided by a 360-day year as of the close of business on that Interest Determination Date by three major banks (which may include affiliates of the Agents) in The City of New York selected by the Calculation Agent, or (5) if the banks so selected by the Calculation Agent are not quoting as mentioned in clause (4), the Prime Rate in effect on the particular Interest Determination Date. "Reuters Screen US PRIME 1

Page" means the display on the Reuter Monitor Money Rates Service (or any successor service) on the "US PRIME 1" page (or any other page as may replace

that page on that service) for the purpose of displaying prime rates or base lending rates of major United States banks.

(G) TREASURY RATE NOTES. If the Interest Rate Basis is the Treasury Rate, the Notes shall be deemed to be "Treasury Rate Notes." Treasury Rate Notes will bear interest for each Interest Reset Date at the interest rate calculated with reference to the Treasury Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the Treasury Rate on each Treasury Rate Determination Date (as defined below). "Treasury Rate" means (1) the rate from the auction held on the Treasury Rate Interest Determination Date (the "Auction") of direct obligations of the United States ("Treasury Bills") having the Index Maturity specified on the face hereof under the caption "INVESTMENT RATE" on the display on Moneyline Telerate (or any successor service) on page 56 (or any other page as may replace that page on that service) ("Moneyline Telerate Page 56") or page 57 (or any other page as may replace that page on that service) ("Moneyline Telerate Page 57"), or (2) if the rate referred to in clause (1) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the Bond Equivalent Yield (as defined below) of the rate for the applicable Treasury Bills as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the caption "U.S. Government Securities/Treasury Bills/Auction High", or (3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the Bond Equivalent Yield of the auction rate of the applicable Treasury Bills as announced by the United States Department of the Treasury, or (4) if the rate referred to in clause (3) is not so announced by the United States Department of the Treasury, or if the Auction is not held, the Bond Equivalent Yield of the rate on the particular Interest Determination Date of the applicable Treasury Bills as published in H.15(519) under the caption "U.S. Government Securities/Treasury Bills/Secondary Market", or (5) if the rate referred to in clause (4) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date of the applicable Treasury Bills as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the caption "U.S. Government Securities/Treasury Bills/Secondary Market", or (6) if the rate referred to in clause (5) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date calculated by the Calculation Agent as the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 P.M., New York City time, on that Interest Determination Date, of three primary United States government securities dealers (which may include the Agents or their affiliates) selected by the Calculation Agent, for the issue of Treasury Bills with a remaining maturity closest to the Index Maturity specified on the face hereof, or (7) if the dealers so selected by the Calculation Agent are not quoting as mentioned in clause (6), the Treasury Rate in effect on the particular Interest Determination Date.

"Bond Equivalent Yield" means a yield (expressed as a percentage)

calculated in accordance with the following formula:

$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for Treasury Bills quoted on a bank discount basis and expressed as a decimal, "N" refers to 365 or 366, as the case may be, and "M" refers to the actual number of days in the applicable Interest Period.

The "Treasury Rate Determination Date" for each Interest Reset Date means the day in the week in which the related Interest Reset Date falls on which day Treasury Bills are normally auctioned (i.e., Treasury Bills are normally sold at auction on Monday of each week, unless that day is a legal holiday, in which case the auction is normally held on the following Tuesday, except that the auction may be held on the preceding Friday); PROVIDED, HOWEVER, that if an auction is held on the Friday of the week preceding the related Interest Reset Date, the Interest Determination Date will be the preceding Friday.

(H) REGULAR FLOATING RATE NOTES. Unless the Notes are designated as

Floating Rate/Fixed Rate Notes or as having an Addendum attached or having other/additional provisions apply, in each case relating to a different interest rate formula, such Notes that bear interest at floating rates will be Regular Floating Rate Notes and will bear interest at the rate determined by reference to the applicable Interest Rate Basis or Bases plus or minus the applicable Spread, if any, and/or multiplied by the applicable Spread Multiplier, if any. Commencing on the first Interest Reset Date, as specified on the face hereof, the rate at which interest on Regular Floating Rate Notes is payable will be reset as of each Interest Reset Date; PROVIDED, HOWEVER, that the interest rate in effect for the period, if any, from the date of issue to the first Interest Reset Date will be the Initial Interest Rate.

- (I) FLOATING RATE/FIXED RATE NOTES. If the Notes are designated as "Floating Rate/Fixed Rate Notes" on the face hereof, such Notes that bear interest at floating rates will bear interest at the rate determined by reference to the applicable Interest Rate Basis or Bases plus or minus the applicable Spread, if any, and/or multiplied by the applicable Spread Multiplier, if any. Commencing on the first Interest Reset Date, the rate at which interest on Floating Rate/Fixed Rate Notes is payable will be reset as of each Interest Reset Date; PROVIDED, HOWEVER, that the interest rate in effect for the period, if any, from the date of issue to the first Interest Reset Date will be the Initial Interest Rate, as specified on the face hereof; and the interest rate in effect commencing on the Fixed Rate Commencement Date will be the Fixed Interest Rate, if specified on the face hereof, or, if not so specified, the interest rate in effect on the day immediately preceding the Fixed Rate Commencement Date.

16

SECTION 4. OPTIONAL REDEMPTION. Except in the case of Discount Notes, if an Initial Redemption Date is specified on the face hereof, the Trust may redeem the Notes prior to the Stated Maturity Date at its option on any Business Day on or after the Initial Redemption Date in whole or from time to time in part in increments of \$1,000 or any other integral multiple of an authorized denomination specified on the face hereof (provided that any remaining principal amount of the Notes shall be at least \$1,000 or other minimum authorized denomination applicable thereto), at the applicable Redemption Price (as defined below), together with unpaid interest accrued on the Notes, any Additional Amounts and other amounts payable with respect thereto to the date of redemption. The Trust must give written notice to the Holders of the Notes to be redeemed at its option not more than 60 nor less than 30 calendar days prior to the date of redemption. "Redemption Price" means an amount equal to the Initial Redemption Percentage specified on the face hereof (as adjusted by the Annual Redemption Percentage Reduction, if applicable) multiplied by the unpaid principal amount of Notes represented by this Note Certificate to be redeemed. The Initial Redemption Percentage, if any, shall decline at each anniversary of the Initial Redemption Date by an amount equal to the applicable Annual Redemption Percentage Reduction, if any, until the Redemption Price is equal to 100% of the unpaid amount thereof to be redeemed.

SECTION 5. REPAYMENT PROVISIONS.

If the face of this Note Certificate specifies that "Survivor's Option" (as defined below) applies, the person (the "Authorized Representative") who has legal authority to act on behalf of the estate of the deceased owner of a beneficial interest in the Notes represented hereby shall have the option to elect repayment of the Notes in whole or in part in increments of U.S.\$1,000 (provided that any remaining principal amount of the Notes shall be at least U.S.\$1,000), following the death of such beneficial owner (a "Survivor's Option"). No Survivor's Option may be exercised unless such beneficial interest was held by the beneficial owner for a period of at least six months prior to the death of the beneficial owner.

Pursuant to the valid exercise of the Survivor's Option, if applicable, the Trust shall repay the Notes represented hereby (or portion thereof) at a price equal to 100% of the unpaid principal amount of the Notes to be repaid, together with unpaid interest accrued thereon to, but excluding, the Repayment Date, subject to the limitations in the next succeeding sentence. Allstate Life Insurance Company ("Allstate Life") may, in its sole discretion, limit the aggregate principal amount of (i) all Funding Agreements securing all outstanding series of notes issued under the Allstate Life(SM) CoreNotes(SM) program as to which exercises of any put option by any issuing trust shall be accepted by Allstate Life in any calendar year to an amount equal to the greater of \$2,000,000 or 2% of the aggregate principal amount of all Funding Agreements securing all outstanding series of notes issued under the Allstate Life(SM) CoreNotes(SM) program as of the end of the most recent calendar year or such other greater amount as determined in accordance with the applicable Funding Agreement(s) and set forth on the face hereof; (ii) the Funding Agreement(s) securing the Notes as to which exercises of any put option by the Trust attributable to Notes as to which the Survivor's Option has been exercised by the Authorized Representative of any individual deceased beneficial owner to \$250,000 in any calendar year or such other greater amount as determined in accordance with the applicable Funding Agreement(s) and set forth on the face hereof; and (iii) the Funding Agreement(s) securing the Notes as to which

exercises of any put option by the Trust shall be accepted in any calendar year to an amount as set forth in the applicable Funding Agreement(s) and on the face hereof.

In any such event, the Trust shall similarly be required to limit the aggregate principal amount of Notes as to which exercises of the Survivor's Option shall be accepted by it.

Each election to exercise the Survivor's Option shall be effected in the order received by the Administrator. Notes that are not repaid in any calendar year due to the application of the limits described above will be treated as though they had been tendered on the first day of the following calendar year in the order in which they were originally tendered. Subject to the limitations described above, Notes accepted for repayment will be repaid on the first interest payment date that occurs 20 or more calendar days after the date of the acceptance unless that interest payment date is not a Business Day, in which case the repayment date will be the next succeeding Business Day.

To exercise the Survivor's Option, the Authorized Representative must provide to the Indenture Trustee a properly completed Repayment Election Form, which is attached hereto as Annex A.

Subject to Allstate Life's right hereunder to limit the aggregate principal amount of Funding Agreements securing notes as to which exercises of any put option by the issuing trusts attributable to notes as to which exercises of the Survivor's Option shall be accepted in any one calendar year, all questions as to the eligibility or validity of any exercise of the Survivor's Option will be determined by the Administrator, in its sole discretion. The Administrator's determination shall be final and binding.

The death of a person owning a Note or beneficial interest therein in joint tenancy or tenancy by the entirety with another person or persons shall be deemed to be the death of the Holder or beneficial owner, as the case may be, of such Note, and the entire principal amount of such Note or beneficial interest therein shall be eligible for repayment pursuant to the Survivor's Option. The death of a person owning a Note or beneficial interest therein by tenancy in common shall be deemed to be the death of the Holder or beneficial owner, as the case may be, of such Note only to the extent of the interest of the deceased Holder or beneficial owner in such Note unless such Note or beneficial interest therein is held by husband and wife as tenants in common, in which case, the death of either spouse shall be deemed to be the death of the Holder or beneficial owner, as the case may be, of such Note, and the entire principal amount of such Note or beneficial interest therein shall be eligible for repayment pursuant to the Survivor's Option.

The death of a person who, during his or her lifetime, was entitled to substantially all of the interests of beneficial ownership of a Note shall be deemed to be the death of the Holder or beneficial owner, as the case may be, of such Note if such interests can be established to the satisfaction of the Administrator.

In the event of repayment of the Notes in part only, a new Note Certificate of like tenor in a principal amount equal to the unrepaid portion of principal of Notes represented by this Note Certificate and otherwise having the same terms and provisions as the Notes shall be issued by

the Trust in the name of the Holder of this Note Certificate upon the presentation and surrender of this Note Certificate.

SECTION 6. SINKING FUND. Unless otherwise specified on the face hereof, the Notes will not be subject to any sinking fund.

SECTION 7. MODIFICATIONS AND AMENDMENTS. Sections [9.1 and 9.2] of the Standard Indenture Terms contain provisions permitting the Trust and the Indenture Trustee (1) without the consent of any Holder, to execute Supplemental Indentures for limited purposes and take other actions set forth in the Standard Indenture Terms, and (2) with the consent of the Holders of not less than 66 2/3% in aggregate principal amount of Notes at the time outstanding, evidenced as in the Standard Indenture Terms, to execute Supplemental Indentures adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or any Supplemental Indenture or modifying in any manner the rights of the Holders of the Notes subject to specified limitations.

SECTION 8. OBLIGATIONS UNCONDITIONAL. No reference herein to the Indenture or the Standard Indenture Terms and no provision of the Notes or of the Indenture shall alter or impair the obligation of the Trust, which is absolute and unconditional, to pay the principal of, interest on, or any other amount due and owing with respect to, the Notes at the places, at the respective times, and at the rate herein prescribed.

SECTION 9. COLLATERAL. Pursuant to the Indenture, the Trust will assign the

relevant Funding Agreement(s) issued by Allstate Life in connection with the issuance of the Notes (each, a "Funding Agreement") to the Indenture Trustee on behalf of the holders of the Notes. The Notes will be secured by a first priority perfected security interest in the Collateral described on the face hereof (the "Collateral") in favor of the Indenture Trustee and the other persons identified in the Standard Indenture Terms.

SECTION 10. SECURITY; LIMITED RECOURSE. The Notes are solely the obligations of the Trust, and will not be guaranteed by any person, including but not limited to Allstate Life, Allstate Life Global Funding, any Agent, the Trust Beneficial Owner, the Delaware Trustee, the Indenture Trustee or any of their affiliates. The Trust's obligations under the Notes will be secured by all of the Trust's rights and title in one or more Funding Agreement(s) issued by Allstate Life and other rights and assets included in the applicable Collateral. The Holder of the Notes has no direct contractual rights against Allstate Life under the Funding Agreement(s). Under the terms of each Funding Agreement, recourse rights to Allstate Life will belong to the Trust, its successors and permitted assignees. The Trust has pledged, collaterally assigned and granted a first priority perfected security interest in the Collateral for the Notes to the Indenture Trustee on behalf of the Holders of the Notes and the other persons identified in the Standard Indenture Terms. Recourse to Allstate Life under each Funding Agreement will be enforceable only by the Indenture Trustee as a secured party on behalf of the Holders of Notes and the other persons identified in the Standard Indenture Terms.

SECTION 11. EVENTS OF DEFAULT. In case an Event of Default, as defined in the Standard Indenture Terms, shall have occurred and be continuing, the principal of the Notes may be declared, and upon such declaration shall become, due and payable in the manner, with the effect

19

and subject to the conditions provided in the Standard Indenture Terms. If the Notes are Discount Notes, the amount of principal of the Notes that becomes due and payable upon such acceleration shall be equal to the amount calculated as set forth in Section 3 hereof.

SECTION 12. WITHHOLDING; ADDITIONAL AMOUNTS; TAX EVENT. All amounts due in respect of the Notes will be made without withholding or deduction for or on account of any present or future taxes, duties, levies, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of any governmental authority in the United States having the power to tax on payments on the Notes unless the withholding or deduction is required by law. Unless otherwise specified on the face hereof, the Trust will not pay any additional amounts ("Additional Amounts") to Holders of the Notes in the event that any withholding or deduction is so required by law, regulation or official interpretation thereof, and the imposition of a requirement to make any such withholding or deduction will not give rise to any independent right or obligation to redeem the Notes.

SECTION 13. LISTING. Unless otherwise specified on the face hereof, the Notes will not be listed on any securities exchange.

SECTION 14. NO RECOURSE AGAINST CERTAIN PERSONS. No recourse shall be had for the payment of the principal of or the interest on the Notes, or for any claim based hereon, or otherwise in respect thereof, or based on or in respect of the Indenture or any Supplemental Indenture, against the Nonrecourse Parties, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such personal liability being, by the acceptance of any Notes and as part of the consideration for issue of the Notes, expressly waived and released.

SECTION 15. GOVERNING LAW. The Notes shall be governed by, and construed in accordance with, the laws of the State of New York.

20

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Note Certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	- as tenants in common	UNIF GIFT MIN ACT	_____Custodian_____ (Cust) (Minor)
TEN ENT	- as tenants by the entirety		
JT TEN	- as joint tenants with right of survivorship and not as tenants in common		under Uniform Gifts to Minors Act _____ (State)
CUST	- custodian		

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT FORM

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto Please Insert Social Security or

Other Identifying Number of Assignee

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE

the within Security of THE ALLSTATE LIFE GLOBAL FUNDING TRUST SPECIFIED ON THE FACE OF THIS NOTE CERTIFICATE and does hereby irrevocably constitute and appoint _____ attorney to transfer said Security on the books of the Issuer, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within instrument in every particular, without alteration or enlargement or any change whatsoever.

Annex A

REPAYMENT ELECTION FORM

ALLSTATE LIFE GLOBAL FUNDING

ALLSTATE LIFE(SM) CORENOTES(SM)

CUSIP No.

To: [Name of Trust]

The authorized representative (the "Authorized Representative") represents the following:

- The Authorized Representative requests repayment of Allstate Life(SM) CoreNotes(SM) (CUSIP No.) (the "Notes") of the deceased beneficial owner listed below (the "Deceased Beneficial Owner").
- At the time of his or her death, the Deceased Beneficial Owner owned Notes in the principal amount listed below.
- The Deceased Beneficial Owner acquired the Notes at least six (6) months before the date of death of such Deceased Beneficial Owner.

The Authorized Representative agrees to the following terms:

- The Authorized Representative shall follow the instructions (the "Instructions") accompanying this Repayment Election Form (this "Form").
- The Authorized Representative shall make all records specified in the Instructions supporting the above representations available to J.P. Morgan Trust Company, National Association (the "Trustee") or [Name of Trust] (the "Trust") for inspection and review within five Business Days of the Indenture Trustee's or the Trust's request.
- If the Indenture Trustee or the Trust, in any such party's reasonable discretion, deems any of the records specified in the Instructions supporting the above representations unsatisfactory to substantiate a claim for repayment, the Indenture Trustee or the Trust may deny repayment. If the Authorized Representative cannot substantiate a claim for repayment, it shall notify the Indenture Trustee and the Trust immediately.
- Repayment elections may not be withdrawn.
- The Notes will be repaid on the first Interest Payment Date to occur at least 20 calendar days after the date of acceptance of the Notes for repayment, unless such date is not a business day, in which case the date of repayment shall be the next succeeding business day.

- Subject to Allstate Life's right hereunder to limit the aggregate principal amount of Funding Agreements securing notes as to which exercises of any put option by the issuing trusts attributable to notes as to which exercises of the Survivor's Option shall be accepted in any one calendar year, all questions as to the eligibility or validity of any exercise of the survivor's option will be determined by the Indenture Trustee, in its sole discretion, which determination shall be final and binding on all parties.

REPAYMENT ELECTION FORM

(1)

Name of Deceased Beneficial Owner

(2)

Date of Death

(3)

Name of Authorized Representative Requesting Repayment

(4)

Signature of Authorized Representative Requesting Repayment

(5)

Principal Amount of Requested Repayment

(6)

Date of Election

(7) Authorized Representative:	(8) Wire instructions for payment:
Name:	Bank Name:
Phone Number:	ABA Number:
Fax Number:	Account Name:
Mailing Address (no P.O. Boxes):	Account Number:
	Reference (optional):

TO BE COMPLETED BY THE INDENTURE TRUSTEE:

- (A) Election Number*:
- (B) Delivery and Payment Date:
- (C) Principal Amount:
- (D) Accrued Interest:
- (E) Date of Receipt of Form by the Indenture Trustee:
- (F) Date of Acknowledgment by the Indenture Trustee:

- - - - -
* To be assigned by the Indenture Trustee upon receipt of this Form. An acknowledgement, in

A-2

the form of a copy of this document with the assigned Election Number, will be returned to the party and location designated in item (7) above.

A-3

INSTRUCTIONS FOR COMPLETING REPAYMENT ELECTION FORM AND EXERCISING REPAYMENT OPTION

Capitalized terms used and not defined herein have the meanings defined in the accompanying Repayment Election Form.

1. Collect and retain for a period of at least three years (1) satisfactory evidence of the authority of the Authorized Representative, (2) satisfactory evidence of death of the Deceased Beneficial Owner, (3) satisfactory evidence that the Deceased Beneficial Owner beneficially owned, at the time of his or her death, the Notes being submitted for repayment, (4) satisfactory evidence that the Notes being submitted for repayment were acquired by the Deceased Beneficial Owner at least six (6) months before the date of such Deceased Beneficial Owner, and (5) any necessary tax waivers. For purposes of determining whether the Notes will be deemed beneficially owned by an individual at any given time, the following rules shall apply:

- If a Note (or a portion thereof) is beneficially owned by tenants by the entirety or joint tenants, the Note (or relevant portion thereof) will be regarded as beneficially owned by a single

owner. Accordingly, the death of a tenant by the entirety or joint tenant will be deemed the death of the beneficial owner and the entire principal amount so owned will become eligible for repayment.

- The death of a person beneficially owning a Note (or a portion thereof) by tenancy in common will be deemed the death of the beneficial owner only with respect to the deceased owner's interest in the Note (or relevant portion thereof) so owned, unless a husband and wife are the tenants in common, in which case the death of either will be deemed the death of the beneficial owner and the entire principal amount so owned will be eligible for repayment.
- A Note (or a portion thereof) beneficially owned by a trust will be regarded as beneficially owned by each beneficiary of the trust to the extent of that beneficiary's interest in the trust (however, a trust's beneficiaries collectively cannot be beneficial owners of more Notes than are owned by the trust). The death of a beneficiary of a trust will be deemed the death of the beneficial owner of the Notes (or relevant portion thereof) beneficially owned by the trust to the extent of that beneficiary's interest in the trust. The death of an individual who was a tenant by the entirety or joint tenant in a tenancy which is the beneficiary of a trust will be deemed the death of the beneficiary of the trust. The death of an individual who was a tenant in common in a tenancy which is the beneficiary of a trust will be deemed the death of the beneficiary of the trust only with respect to the deceased holder's beneficial interest in the Note, unless a husband and wife are the tenants in common, in which case the death of either will be deemed the death of the beneficiary of the trust.
- The death of a person who, during his or her lifetime, was entitled to substantially all of the beneficial interest in a Note (or a portion thereof) will be deemed the death of the beneficial owner of that Note (or relevant portion thereof), regardless of the registration of ownership, if such beneficial interest can be established to the satisfaction of the Indenture Trustee. Such beneficial interest will exist in many cases of street name or nominee ownership, custodial arrangements, ownership by a trustee, ownership under the Uniform Transfers of Gifts to Minors Act and community property or other joint ownership arrangements between spouses. Beneficial interest will be evidenced by such factors as the power to sell or otherwise dispose of a Note, the right to receive the proceeds of sale or disposition and the right to receive interest and principal payments on a Note.

2. Indicate the name of the Deceased Beneficial Owner on line (1).

A-4

3. Indicate the date of death of the Deceased Beneficial Owner on line (2).

4. Indicate the name of the Authorized Representative requesting repayment on line (3).

5. Affix the authorized signature of the Authorized Representative on line (4).

6. Indicate the principal amount of Notes to be repaid on line (5).

7. Indicate the date this Form was completed on line (6).

8. Indicate the name, mailing address (no P.O. boxes, please), telephone number and facsimile-transmission number of the party to whom the acknowledgment of this election may be sent in item (7).

9. Indicate the wire instruction for payment on line (8).

10. Leave lines (A), (B), (C), (D), (E) and (F) blank.

11. Mail or otherwise deliver an original copy of the completed Form to:

J.P. Morgan Trust Company, National Association
[201 North Central Avenue
Phoenix, Arizona 85004]

12. FACSIMILE TRANSMISSIONS OF THE REPAYMENT ELECTION FORM WILL NOT BE ACCEPTED.

13. If the acknowledgement of the Indenture Trustee's receipt of this Form, including the assigned Election Number, is not received within 10 days of the date such information is sent to the Trustee, contact the Trustee at J.P. Morgan Trust Company, National Association, [201 North Central Avenue, Phoenix, Arizona 85004].

14. For assistance with this Form or any questions relating thereto, please contact the Trustee at J.P. Morgan Trust Company, National Association, [201 North Central Avenue, Phoenix, Arizona 85004].

FORM OF SERIES INSTRUMENT

TABLE OF CONTENTS

Page ---- PART A TRUST

AGREEMENT.....1

PART B ADMINISTRATIVE SERVICES

AGREEMENT.....3 PART C SUPPORT AND EXPENSES AGREEMENT.....5

PART D NAME LICENSING

AGREEMENT.....7 PART E TERMS

AGREEMENT.....9

PART F COORDINATION

AGREEMENT.....12 PART G MISCELLANEOUS AND EXECUTION

PAGES.....17 EXHIBIT A STANDARD TRUST AGREEMENT TERMS.....A-1

EXHIBIT B STANDARD ADMINISTRATIVE SERVICES AGREEMENT TERMS.....B-1 EXHIBIT C STANDARD SUPPORT AND EXPENSES AGREEMENT TERMS.....C-1 EXHIBIT D STANDARD NAME LICENSING AGREEMENT TERMS.....D-1 EXHIBIT E DISTRIBUTION AGREEMENT.....E-1

EXHIBIT F CERTIFICATE OF TRUST.....F-1 ANNEX A PRICING

SUPPLEMENT.....A-A-1 ANNEX B DELAWARE TRUSTEE SERVICE FEE

SCHEDULE.....A-B-1 ANNEX C ADMINISTRATOR SERVICE FEE SCHEDULE.....A-C-1 ANNEX D DEALER NOTICE

INFORMATION.....A-D-1

WHEREAS, the parties named herein desire to enter into certain documents relating to the issuance by Allstate Life Global Funding Trust [] - [] (the "Trust") of Notes to investors under Allstate Life Global Funding's ("Global Funding") secured medium term notes program;

WHEREAS, the Trust will be created under and its activities will be governed by (i) the provisions of the Trust Agreement (set forth in Part A of this Series Instrument), dated as of the date of the Pricing Supplement (attached to this Series Instrument as Annex A) (the "Pricing Supplement"), between the parties thereto indicated in Part G herein, and (ii) the Certificate of Trust (attached as Exhibit F to this Series Instrument);

WHEREAS, the Trust will be administered pursuant to the provisions of the Administrative Services Agreement (set forth in Part B of this Series Instrument), dated as of the date of the Pricing Supplement, between the parties thereto indicated in Part G herein;

WHEREAS, certain costs and expenses of the Trust and the service providers to the Trust will be paid pursuant to the Support and Expenses Agreement (set forth in Part C of this Series Instrument), dated as of the date of the Pricing Supplement, between the parties thereto indicated in Part G herein;

WHEREAS, certain licensing arrangements between the Trust and Allstate Insurance Company will be governed pursuant to the provisions of the Name Licensing Agreement (set forth in Part D of this Series Instrument), dated as of the date of the Pricing Supplement, between the parties thereto indicated in Part G herein;

WHEREAS, the sale of the Notes will be governed by the Terms Agreement (set forth in Part E of this Series Instrument), dated as of the date of the Pricing Supplement, among the parties thereto indicated in Part G herein;

WHEREAS, certain agreements relating to the Notes and the Funding Agreement(s) are set forth in the Coordination Agreement (set forth in Part F of this Series Instrument), dated as of the date of the Pricing Supplement, among the parties thereto indicated in Part G herein;

All capitalized terms used in the above recitals and not otherwise defined will have the meanings set forth in the Standard Indenture Terms to be attached

PART A
TRUST AGREEMENT

This TRUST AGREEMENT, dated as of the date of the Pricing Supplement attached to this Series Instrument as Annex A (the "Pricing Supplement"), is entered into among Allstate Life Global Funding, a Delaware statutory trust, as trust beneficial owner (the "Trust Beneficial Owner"), AMACAR Pacific Corp., a Delaware corporation, as the sole administrator of the Trust (the "Administrator") and Wilmington Trust Company, a Delaware banking corporation, as Delaware trustee (the "Delaware Trustee").

W I T N E S S E T H:

WHEREAS, the Trust Beneficial Owner, the Administrator and the Delaware Trustee desire to authorize the issuance of Notes in connection with the entry into this Trust Agreement;

WHEREAS, all things necessary to make this Trust Agreement a valid and legally binding agreement of the Delaware Trustee, the Administrator and the Trust Beneficial Owner, enforceable in accordance with its terms, have been done;

WHEREAS, the parties intend to provide for, among other things, (i) the issuance and sale of the Notes (pursuant to the Indenture to be set forth in Part A of the Closing Instrument for the Trust and the Terms Agreement set forth in Part E herein), (ii) the use of the proceeds of the sale of the Notes to acquire a Funding Note, which will be surrendered in consideration for the Funding Agreement(s), and (iii) all other actions deemed necessary or desirable in connection with the transactions contemplated by this Trust Agreement; and

WHEREAS, the parties hereto desire to incorporate by reference the Standard Trust Agreement Terms attached to this Series Instrument as Exhibit A (the "Standard Trust Agreement Terms," together with this Trust Agreement, collectively, the "Trust Agreement").

NOW, THEREFORE, in consideration of the agreements and obligations set forth herein and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, each party hereby agrees as follows:

ARTICLE 1

Section 1.1 INCORPORATION BY REFERENCE. All terms, provisions and agreements of the Standard Trust Agreement Terms (except to the extent expressly modified herein) are hereby incorporated herein by reference with the same force and effect as though fully set forth herein. To the extent that the terms set forth in Article 2 of this Trust Agreement are inconsistent with the terms of the Standard Trust Agreement Terms, the terms set forth in Article 2 herein shall apply.

Section 1.2 DEFINITIONS. "Series Instrument" means the Series Instrument in which this Trust Agreement is included as Part A. All capitalized terms not otherwise defined in this Trust Agreement shall have the meanings set forth in the Standard Trust Agreement Terms.

1

ARTICLE 2

Section 2.1 NAME. The Trust created and governed by this Trust Agreement shall have the name specified in this Series Instrument.

Section 2.2 OWNERSHIP OF THE TRUST. Upon the creation of the Trust, Global Funding shall be the sole beneficial owner of the Trust.

Section 2.3 ACKNOWLEDGMENT. The Delaware Trustee, the Trust Beneficial Owner and the Administrator expressly acknowledge their duties and obligations set forth in the Standard Trust Agreement Terms incorporated herein.

Section 2.4 COMPENSATION. The Delaware Trustee shall be entitled to receive the fees specified in the Delaware Trustee Service Fee Schedule, which is attached as Annex B to this Series Instrument.

Section 2.5 ADDITIONAL TERMS. None.

Section 2.6 SERIES INSTRUMENT; EXECUTION AND INCORPORATION OF TERMS. The parties to this Trust Agreement will enter into this Trust Agreement by executing this Series Instrument.

By executing this Series Instrument, the Delaware Trustee, the Administrator and the Trust Beneficial Owner hereby agree that this Trust Agreement will constitute a legal, valid and binding agreement among the

Delaware Trustee, the Administrator and the Trust Beneficial Owner.

All terms relating to the Trust or the Notes not otherwise included in this Trust Agreement will be as specified in this Series Instrument or Pricing Supplement as indicated herein.

Section 2.7 COUNTERPARTS. This Trust Agreement, through this Series Instrument, may be executed in any number of counterparts, each of which counterparts shall be deemed to be an original, and all of which counterparts shall constitute but one and the same instrument.

2

PART B
ADMINISTRATIVE SERVICES AGREEMENT

This ADMINISTRATIVE SERVICES AGREEMENT, dated as of the date of the Pricing Supplement attached to this Series Instrument as Annex A (the "Pricing Supplement"), is entered into between the Allstate Life Global Funding Trust specified in this Series Instrument (the "Trust") and AMACAR Pacific Corp., a Delaware corporation (the "Administrator").

W I T N E S S E T H:

WHEREAS, the Trust has requested that the Administrator perform various services for the Trust;

WHEREAS, the Trust desires to have the Administrator perform various financial, statistical, accounting and other services for the Trust, and the Administrator is willing to furnish such services on the terms and conditions herein set forth; and

WHEREAS, the parties hereto desire to incorporate by reference those certain Standard Administrative Services Agreement Terms attached to this Series Instrument as Exhibit B (the "Standard Administrative Services Agreement Terms," together with this Administrative Services Agreement, collectively, the "Administrative Services Agreement").

NOW, THEREFORE, in consideration of the agreements and obligations set forth herein and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, each party hereby agrees as follows:

ARTICLE 1

Section 1.1 INCORPORATION BY REFERENCE. All terms, provisions and agreements of the Standard Administrative Services Agreement Terms (except to the extent expressly modified herein) are hereby incorporated herein by reference with the same force and effect as though fully set forth herein. To the extent that the terms set forth in Article 2 of this Administrative Services Agreement are inconsistent with the terms of the Standard Administrative Services Agreement Terms, the terms set forth in Article 2 herein shall apply.

Section 1.2 DEFINITIONS. "Series Instrument" means the Series Instrument in which this Administrative Services Agreement is included as Part B. All capitalized terms not otherwise defined in this Administrative Services Agreement shall have the meanings set forth in the Standard Administrative Services Agreement Terms.

ARTICLE 2

Section 2.1 COMPENSATION. The Administrator shall be entitled to receive the fees specified in the Administrator Service Fee Schedule, which is attached as Annex C to this Series Instrument.

Section 2.2 ADDITIONAL TERMS. None.

3

Section 2.3 SERIES INSTRUMENT; EXECUTION AND INCORPORATION OF TERMS. The parties to this Administrative Services Agreement will enter into this Administrative Services Agreement by executing this Series Instrument.

By executing this Series Instrument, Wilmington Trust Company (the "Delaware Trustee"), on behalf of the Trust, and the Administrator hereby agree that this Administrative Services Agreement will constitute a legal, valid and binding agreement between the Trust and the Administrator.

All terms relating to the Trust or the Notes not otherwise included in this Administrative Services Agreement will be as specified in this Series Instrument or Pricing Supplement as indicated herein.

Section 2.4 COUNTERPARTS. This Administrative Services Agreement, through this Series Instrument, may be executed in any number of counterparts, each of which counterparts shall be deemed to be an original, and all of which counterparts shall constitute but one and the same instrument.

Section 2.5 THIRD PARTY BENEFICIARY. The parties hereto acknowledge that the Delaware Trustee shall be an express third party beneficiary to this Administrative Services Agreement, entitled in its own name and on its own behalf to enforce the provisions hereof against the Trust and the Administrator with respect to obligations owed to the Delaware Trustee by either the Trust or the Administrator; provided, however, that such right shall be valid only for so long as the Delaware Trustee has any outstanding obligations or potential obligations under the Trust Agreement.

4

PART C
SUPPORT AND EXPENSES AGREEMENT

This SUPPORT AND EXPENSES AGREEMENT, dated as of the date of the Pricing Supplement attached to this Series Instrument as Annex A (the "Pricing Supplement"), is entered into between Allstate Life Insurance Company, an Illinois stock life insurance company ("Allstate Life") and the Allstate Life Global Funding Trust specified in this Series Instrument (the "Trust").

W I T N E S S E T H:

WHEREAS, in consideration of the Service Providers providing services to the Trust in connection with the Program and pursuant to the agreements and other documents contained in this Series Instrument and the Closing Instrument to be executed for the Trust, under which the Service Providers will have certain duties and obligations, Allstate Life hereby agrees to the following compensation arrangements and terms of indemnity; and

WHEREAS, the parties hereto desire to incorporate by reference the Standard Support and Expenses Agreement Terms attached to this Series Instrument as Exhibit C (the "Standard Support and Expenses Agreement Terms," together with this Support and Expenses Agreement, collectively, the "Support and Expenses Agreement").

NOW, THEREFORE, in consideration of the agreements and obligations set forth herein and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, each party hereby agrees as follows:

ARTICLE 1

Section 1.1 INCORPORATION BY REFERENCE. All terms, provisions and agreements of the Standard Support and Expenses Agreement Terms (except to the extent expressly modified herein) are hereby incorporated herein by reference with the same force and effect as though fully set forth herein. To the extent that the terms set forth in Article 2 of this Support and Expenses Agreement are inconsistent with the terms of the Standard Support and Expenses Agreement Terms, the terms set forth in Article 2 herein shall apply.

Section 1.2 DEFINITIONS. "Series Instrument" means the Series Instrument in which this Support and Expenses Agreement is included as Part C. All capitalized terms not otherwise defined in this Support and Expenses Agreement shall have the meanings set forth in the Standard Support and Expenses Agreement Terms.

ARTICLE 2

Section 2.1 ADDITIONAL TERMS. None.

Section 2.2 SERIES INSTRUMENT; EXECUTION AND INCORPORATION OF TERMS. The parties to this Support and Expenses Agreement will enter into this Support and Expenses Agreement by executing this Series Instrument.

5

By executing this Series Instrument, each party hereto agrees that this Support and Expenses Agreement will constitute a legal, valid and binding agreement by and among such parties.

All terms relating to the Trust or the Notes not otherwise included in this Support and Expenses Agreement will be as specified in this Series Instrument or Pricing Supplement as indicated herein.

Section 2.3 COUNTERPARTS. This Support and Expenses Agreement, through this Series Instrument, may be executed in any number of counterparts, each of which counterparts shall be deemed to be an original, and all of which counterparts shall constitute but one and the same instrument.

6

PART D
NAME LICENSING AGREEMENT

This NAME LICENSING AGREEMENT, dated as of the date of the Pricing Supplement attached to this Series Instrument as Annex A (the "Pricing

Supplement"), is entered into between Allstate Insurance Company (the "Licensor"), an Illinois stock life insurance company, and the Allstate Life Global Funding Trust specified in this Series Instrument (the "Licensee").

W I T N E S S E T H:

WHEREAS, Licensor is the owner of certain tradenames, trademarks and service marks and registrations and pending applications therefor, and may acquire additional tradenames, trademarks and service marks in the future (collectively, "Licensor's Marks");

WHEREAS, Licensee desires to use certain of Licensor's Marks and use Allstate Life as part of its company name;

WHEREAS, Licensor and Licensee wish to formalize the agreement between them regarding Licensee's use of Licensor's Marks; and

WHEREAS, the parties hereto desire to incorporate by reference those certain Standard Name Licensing Agreement Terms attached to this Series Instrument as Exhibit D (the "Standard Name Licensing Agreement Terms," together with this Name Licensing Agreement, collectively, the "Name Licensing Agreement").

NOW, THEREFORE, in consideration of the mutual promises set forth in this Name Licensing Agreement and other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the parties agree as follows:

ARTICLE 1

Section 1.1 INCORPORATION BY REFERENCE. All terms, provisions and agreements set forth in the Standard Name Licensing Agreement Terms (except to the extent expressly modified herein) are hereby incorporated herein by reference with the same force and effect as though fully set forth herein. To the extent that the terms set forth in Article 2 of this Name Licensing Agreement are inconsistent with the terms of the Standard Name Licensing Agreement Terms, the terms set forth in Article 2 herein shall apply.

Section 1.2 DEFINITIONS. "Series Instrument" means the Series Instrument in which this Name Licensing Agreement is included as Part D. All capitalized terms not otherwise defined in this Name Licensing Agreement shall have the meanings set forth in the Standard Name Licensing Agreement Terms.

ARTICLE 2

Section 2.1 ADDITIONAL TERMS. None.

7

Section 2.2 SERIES INSTRUMENT; EXECUTION AND INCORPORATION OF TERMS. The parties to this Name Licensing Agreement will enter into this Name Licensing Agreement by executing this Series Instrument.

By executing this Series Instrument, Licensor and the Licensee hereby agree that this Name Licensing Agreement will constitute a legal, valid and binding agreement between Licensor and the Licensee.

All terms relating to the Trust or the Notes not otherwise included in this Name Licensing Agreement will be as specified in this Series Instrument or Pricing Supplement as indicated herein.

Section 2.3 COUNTERPARTS. This Name Licensing Agreement, through this Series Instrument, may be executed in any number of counterparts, each of which counterparts shall be deemed to be an original, and all of which counterparts shall constitute but one and the same instrument.

8

PART E
TERMS AGREEMENT

This TERMS AGREEMENT (the "Terms Agreement"), dated as of the date of the Pricing Supplement attached to this Series Instrument as Annex A (the "Pricing Supplement"), is entered into among each agent specified in the Pricing Supplement (each, an "Agent"), Allstate Life Global Funding, a Delaware statutory trust ("Global Funding") and the Allstate Life Global Funding Trust specified in this Series Instrument (the "Trust").

W I T N E S S E T H:

WHEREAS, all things necessary to make this Terms Agreement a valid and legally binding agreement of the Trust, Global Funding and the other parties to this Terms Agreement, enforceable in accordance with its terms, have been done, and the Trust proposes to do all things necessary to make the notes referred to in Section 1.4 below (the "Notes"), when executed by the Trust and authenticated and delivered pursuant hereto and the Indenture to be set forth in Part A to the

Closing Instrument for the Trust, valid and legally binding obligations of the Trust as hereinafter provided; and

WHEREAS, the parties hereto desire to incorporate by reference the Distribution Agreement attached to this Series Instrument as Exhibit E (the "Distribution Agreement", together with this Terms Agreement, collectively, the "Terms Agreement").

NOW, THEREFORE, for and in consideration of the premises and the issuance of the Notes by the Trust, it is mutually agreed by the parties hereto as follows:

ARTICLE 1

Section 1.1 AGREEMENT TO BE BOUND. Global Funding, the Trust and each Agent hereby agree to be bound by all of the terms, provisions and agreements set forth herein, with respect to all matters contemplated herein, including, without limitation, those relating to the issuance of the Notes.

Section 1.2 INCORPORATION BY REFERENCE. All terms, provisions and agreements set forth in the Distribution Agreement (except to the extent expressly modified hereby) are hereby incorporated herein by reference (as if fully set forth herein). Should any portion of the Distribution Agreement conflict with the terms of this Terms Agreement, the terms of this Terms Agreement shall prevail. References herein to Sections or Exhibits shall refer respectively to the sections or exhibits of the Distribution Agreement, unless otherwise expressly provided.

Section 1.3 ADDITION OF TRUST AS PARTY TO DISTRIBUTION AGREEMENT. Pursuant to the Distribution Agreement, each of the parties hereto acknowledges and agrees that the Trust, upon execution hereof by the Trust, Global Funding and the applicable Agent(s), shall become an "Issuing Trust" for purposes of the Distribution Agreement in accordance with the terms thereof, in respect of the Notes, with all the authority, rights, powers, duties and obligations of an "Issuing Trust" under the Distribution Agreement. The Trust confirms that any agreement, covenant, acknowledgment, representation or warranty under the Distribution Agreement applicable to the Trust is made by the Trust at the date hereof, unless another time or times are

9

specified in the Distribution Agreement, in which case such agreement, covenant, acknowledgment, representation or warranty shall be deemed to be confirmed by the Trust at such specified time or times.

Section 1.4 DESIGNATION OF THE TRUST AND THE NOTES. The Trust referred to in this Terms Agreement is the Allstate Life Global Funding Trust specified in this Series Instrument. The Notes issued by the Trust pursuant to the Terms Agreement shall be the notes specified in the Pricing Supplement.

Section 1.5 ADDITIONAL TERMS. None.

Section 1.6 DEFINITIONS. "Series Instrument" means the Series Instrument in which this Terms Agreement is included as Part E. All capitalized terms not otherwise defined in this Terms Agreement shall have the meanings set forth in the Distribution Agreement.

ARTICLE 2

Section 2.1 PURCHASE/SOLICITATION OF PURCHASES OF NOTES.

(1) If specified in the Pricing Supplement, the Notes are being purchased by the Agent(s) as principal. If the Notes are to be purchased by the Agent(s) as principal, the Agent(s) specified in the Pricing Supplement [severally and not jointly] agree to purchase the Notes having the terms and in the amounts specified in the Pricing Supplement.

(2) If specified in the Pricing Supplement, the Agent(s) will be acting as agent. If the Agent(s) are to solicit the purchase of the Notes acting as agents, the Agent(s) will solicit the purchase of Notes pursuant to Section 1(d) of the Distribution Agreement.

Section 2.2 FUNDING AGREEMENT. On the Original Issue Date set forth in the Pricing Supplement, Global Funding will assign absolutely to, and deposit into, the Trust the Funding Agreement(s) identified by number in the Pricing Supplement.

Section 2.3 DEALER NOTICE INFORMATION. As specified in Annex D to this Series Instrument.

ARTICLE 3

Section 3.1 SERIES INSTRUMENT; EXECUTION AND INCORPORATION OF TERMS. The parties to this Terms Agreement will enter into this Terms Agreement by executing this Series Instrument.

By executing this Series Instrument, each party hereto agrees that

this Terms Agreement will constitute a legal, valid and binding agreement by and among the Trust, Allstate Life Global Funding and the Agents specified in the Pricing Supplement.

All terms relating to the Trust or the Notes not otherwise included in this Terms Agreement will be as specified in this Series Instrument or Pricing Supplement as indicated herein.

10

Section 3.2 COUNTERPARTS. This Terms Agreement, through this Series Instrument, may be executed in any number of counterparts, each of which counterparts shall be deemed to be an original, and all of which counterparts shall constitute but one and the same instrument.

11

PART F
COORDINATION AGREEMENT

This COORDINATION AGREEMENT, dated as of the date of the Pricing Supplement attached to this Series Instrument as Annex A (the "Pricing Supplement"), is entered into among Allstate Life Insurance Company ("Allstate Life"), Allstate Life Global Funding ("Global Funding"), the Allstate Life Global Funding Trust specified in this Series Instrument (the "Trust") and J.P. Morgan Trust Company, National Association (the "Indenture Trustee").

W I T N E S S E T H:

WHEREAS, the Trust intends to issue the Notes specified in the Pricing Supplement (the "Notes") in accordance with the Indenture to be set forth in Part A to the Closing Instrument for the Trust (the "Indenture");

WHEREAS, the Agent(s) have agreed to sell the Notes in accordance with the Registration Statement;

WHEREAS, the Trust intends to purchase the Funding Note issued by Global Funding and dated as of the Original Issue Date specified in the Pricing Supplement (the "Funding Note") with the net proceeds from the sale of the Notes;

WHEREAS, Global Funding intends to sell the Funding Note to the Trust and use the proceeds therefrom to purchase the Funding Agreement(s) described in the Pricing Supplement (the "Funding Agreement(s)") from Allstate Life;

WHEREAS, Allstate Life intends to sell the Funding Agreement(s) to Global Funding in consideration for the proceeds Global Funding receives from the sale of the Funding Note;

WHEREAS, Global Funding intends to immediately assign absolutely to, and deposit into, the Trust the Funding Agreement(s), and the Funding Note will be surrendered;

WHEREAS, the Trust intends to issue the Notes and to collaterally assign the Funding Agreement(s) to the Indenture Trustee to secure payment of the Notes; and

WHEREAS, the Trust intends to grant a first priority perfected security interest to the Indenture Trustee.

NOW, THEREFORE, to give effect to the agreements and arrangements established under the Terms Agreement set forth in Part E of this Series Instrument, the Trust Agreement set forth in Part A of this Series Instrument, the Indenture, and the Notes, and in consideration of the agreements and obligations set forth herein and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, each party hereby agrees as follows:

12

ARTICLE 1
PURCHASE OF FUNDING NOTE

The Trust hereby agrees to purchase the Funding Note from Global Funding with the net proceeds from the sale of the Notes. Global Funding hereby agrees to sell the Funding Note to the Trust in consideration for the net proceeds from the sale of the Notes.

ARTICLE 2
PURCHASE OF FUNDING AGREEMENT(S)

Allstate Life hereby agrees to sell the Funding Agreement(s) to Global Funding in consideration for the proceeds Global Funding receives from the sale of the Funding Note. Global Funding hereby agrees to immediately purchase the Funding Agreement(s) with the proceeds Global Funding receives from the sale of

the Funding Note.

ARTICLE 3
SALE OF FUNDING AGREEMENT(S);
CANCELLATION OF FUNDING NOTE

Global Funding hereby agrees to assign absolutely and deposit the Funding Agreement(s) to the Trust, and the Funding Note will be surrendered. The Trust hereby agrees to accept the Funding Agreement(s) from Global Funding in consideration for the Trust's surrender of the Funding Note. The Funding Note shall be cancelled by Global Funding immediately upon such surrender, [and such cancellation shall operate as a redemption of, and satisfaction of indebtedness represented by, the Funding Note.]

ARTICLE 4
DELIVERY OF THE FUNDING AGREEMENT(S)

Global Funding, the Trust and the Indenture Trustee hereby appoint the Chicago, Illinois office of the Indenture Trustee to act as custodian for the Funding Agreement(s) (the "Collateral Custodian") in connection with (i) the sale of the Funding Agreement(s) by Allstate Life to Global Funding pursuant to Article 2 above, (ii) the sale and deposit of the Funding Agreement(s) by Global Funding to the Trust pursuant to Article 3 above, (iii) the collateral assignment of the Funding Agreement(s) by the Trust to the Indenture Trustee and (iv) any subsequent permitted transfer of the Funding Agreement(s) by the Indenture Trustee, and in such capacity to accept and hold in its physical custody the Funding Agreement(s) in the State of Illinois until such time when the Indenture Trustee notifies the Collateral Custodian in writing to the contrary, in connection with the release of the Funding Agreement(s) in accordance with the terms of the Indenture or upon the occurrence and during the continuation of an Event of Default (as defined in the Standard Indenture Terms to be attached as Exhibit A to the Closing Instrument for the Trust) whereupon such physical custody and possession of the Funding Agreement(s) will be transferred to the Indenture Trustee or another person in the manner directed by the Indenture Trustee. The Indenture Trustee, acting through its Chicago, Illinois office, hereby accepts such appointment and agrees to perform all of its obligations in its capacity as Collateral Custodian for the Funding Agreement(s).

13

ARTICLE 5
PERIODIC PAYMENTS; MATURITY

Section 5.1 DIRECTIONS REGARDING PERIODIC PAYMENTS. As registered owner of the Funding Agreement(s) as collateral securing payments on the Notes, the Indenture Trustee will receive payments on the Funding Agreement(s) on behalf of the Trust. The Trust hereby directs the Indenture Trustee to use such funds to make payments on behalf of the Trust pursuant to the Trust Agreement and the Indenture.

Section 5.2 AMENDMENT TO DIRECTIONS.

(a) The Trust may, at any time and at its sole discretion, amend the directions set forth in Section 5.1 in accordance with the Trust Agreement and the Indenture.

(b) Any notice to a payor of the change in identity of any payee or the appointment of any successor payee, which notice is acknowledged by the Trust, shall be deemed to be an amendment to these directions which replaces such new payee for the payee named in these directions.

Section 5.3 MATURITY OF THE FUNDING AGREEMENT(S). Upon the maturity of the Funding Agreement(s) and the return of funds thereunder, the Trust hereby directs the Indenture Trustee to set aside from such funds an amount sufficient for the repayment of the outstanding principal on the Notes when due.

ARTICLE 6
MISCELLANEOUS

Section 6.1 NO ADDITIONAL LIABILITY. Nothing in this Coordination Agreement shall impose any liability or obligation on the part of any party to this Coordination Agreement to make any payment or disbursement in addition to any liability or obligation such party has under the other documents related to Global Funding's debt issuance program (the "Program Documents"), except to the extent that a party has actually received funds which it is obligated to disburse pursuant to this Coordination Agreement.

Section 6.2 NO CONFLICT. This Coordination Agreement is intended to be in furtherance of the agreements reflected in the documents related to the Program Documents, and not in conflict. To the extent that a provision of this Coordination Agreement conflicts with the provisions of one or more Program Documents, the provisions of such documents shall govern.

Section 6.3 GOVERNING LAW. This Coordination Agreement shall be governed by and construed in accordance with the laws of the State of New York without regard to the principles of conflicts of laws thereof.

Section 6.4 DEFINITIONS. "Series Instrument" means the Series Instrument in which this Coordination Agreement is included as Part F. All capitalized terms not otherwise defined in this Coordination Agreement shall have the meanings set forth in the Distribution Agreement.

14

Section 6.5 SEVERABILITY. If any provision of this Coordination Agreement shall be invalid, illegal or unenforceable, such provisions shall be deemed severable from the remaining provisions of this Coordination Agreement and shall in no way affect the validity or enforceability of such other provisions of this Coordination Agreement.

Section 6.6 COUNTERPARTS. This Coordination Agreement, through this Series Instrument, may be executed in any number of counterparts, each of which counterparts shall be deemed to be an original, and all of which counterparts shall constitute but one and the same instrument.

Section 6.7 NOTICES. All demands, notices and communications under this Coordination Agreement shall be in writing and shall be deemed to have been duly given upon receipt at the addresses set forth below:

if to Allstate Life, at

Allstate Life Insurance Company
3100 Sanders Road
Northbrook, IL 60062
Attention: Secretary

if to Global Funding, at

Allstate Life Global Funding
c/o AMACAR Pacific Corp.
6525 Morrison Boulevard, Suite 318
Charlotte, NC 28211
Attention: President

if to the Trust, at

Allstate Life Global Funding Trust
c/o AMACAR Pacific Corp.
6525 Morrison Boulevard, Suite 318
Charlotte, NC 28211
Attention: President

if to the Indenture Trustee, at

J.P. Morgan Trust Company, National Association
201 North Central Avenue
Phoenix, AZ 85004
Attention: Global Corporate Trust Services Division

15

or at such other address as shall be designated by any such party in a written notice to the other parties.

16

PART G
MISCELLANEOUS AND EXECUTION PAGES

This Series Instrument may be executed by each of the parties hereto in any number of counterparts, and by each of the parties hereto on separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument. Facsimile signatures shall be deemed original signatures.

Each signatory, by its execution hereof, does hereby become a party to, or executes, each of the agreements and certificates identified below for such signatory as of the date specified in such agreements and certificates.

It is expressly understood and agreed by the parties that (a) Wilmington Trust Company (the "Delaware Trustee") is hereby instructed by Global Funding and the Trust to execute this Series Instrument on their behalf, (b) this Series Instrument is executed and delivered by the Delaware Trustee, not individually or personally, but solely as Delaware Trustee, in the exercise of the powers and authority conferred and vested in it, pursuant to the Trust Agreement set forth in Part A herein (the "Trust Agreement"), (c) each of the representations, undertakings and agreements made on the part of the Trust in

this Series Instrument is made and intended not as personal representations, undertakings and agreements by the Delaware Trustee but is made and intended for the purpose of binding only the Trust, (d) nothing contained herein shall be construed as creating any liability on the Delaware Trustee individually or personally, to perform any covenant either expressed or implied contained herein, all such liability, if any, being expressly waived by the parties hereto and by any person claiming by, through or under the parties hereto, and (e) under no circumstances shall the Delaware Trustee be personally liable for the payment of any indebtedness or expenses of the Trust or be liable for any breach or failure of any obligation, representation, warranty or covenant to be made or undertaken by the Trust under the Indenture to be set forth in Part A to the Closing Instrument for the Trust or any other related documents; provided, however, that such waiver shall not affect the liability of the Delaware Trustee (or any entity acting as successor or additional trustee) to any person under any other agreement to the extent expressly agreed to in its individual capacity under the Trust Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Series Instrument.

ALLSTATE INSURANCE COMPANY (for purposes of the Name Licensing Agreement set forth in Part D herein)

By: -----
Name:
Title:

17

ALLSTATE LIFE INSURANCE COMPANY (for purposes of (i) the Support and Expenses Agreement set forth in Part C herein and (ii) the Coordination Agreement set forth in Part F herein)

By: -----
Name:
Title:

ALLSTATE LIFE GLOBAL FUNDING (for purposes of (i) the Trust Agreement set forth in Part A herein, (ii) the Terms Agreement set forth in Part E herein and (iii) the Coordination Agreement set forth in Part F herein)

By: Wilmington Trust Company, solely in its capacity as Delaware Trustee

By: -----
Name:
Title:

THE ALLSTATE LIFE GLOBAL FUNDING TRUST SPECIFIED ABOVE (for purposes of (i) the Administrative Services Agreement set forth in Part B herein, (ii) the Support and Expenses Agreement set forth in Part C herein, (iii) the Name Licensing Agreement set forth in Part D herein, (iv) the Terms Agreement set forth in Part E herein and (v) the Coordination Agreement set forth in Part F herein)

By: Wilmington Trust Company, solely in its capacity as Delaware Trustee

By: -----
Name:
Title:

18

WILMINGTON TRUST COMPANY (for purposes of the Trust Agreement set forth in Part A herein as Delaware Trustee)

By: -----
Name:
Title:

J.P. MORGAN TRUST COMPANY, NATIONAL
ASSOCIATION (for purposes of the Coordination
Agreement set forth in Part F herein)

By: _____
Name:
Title:

AMACAR Pacific Corp. (for purposes of (i) the
Trust Agreement set forth in Part A herein and (ii)
the Administrative Services Agreement set forth in
Part B herein as Administrator)

By: _____
Name:
Title:

[MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED] (for purposes of the Terms
Agreement set forth in Part E herein)

By: _____
Name:
Title:

19

EXHIBIT A

STANDARD TRUST AGREEMENT TERMS

A-1

EXHIBIT B

STANDARD ADMINISTRATIVE SERVICES AGREEMENT TERMS

B-1

EXHIBIT C

STANDARD SUPPORT AND EXPENSES AGREEMENT TERMS

C-1

EXHIBIT D

STANDARD NAME LICENSING AGREEMENT TERMS

D-1

EXHIBIT E

DISTRIBUTION AGREEMENT

E-1

EXHIBIT F

CERTIFICATE OF TRUST

F-1

ANNEX A

PRICING SUPPLEMENT

[PRICING SUPPLEMENT FOR SECURED MEDIUM TERM NOTES PROGRAM]

Filed pursuant to Rule 424(b)()
Registration Statement No. 333-112249
Pricing Supplement No. ___ Dated ____, 200__
(To Prospectus dated ____, 2004, and
Prospectus Supplement dated ____, 2004)
CUSIP: _____

ALLSTATE LIFE GLOBAL FUNDING
SECURED MEDIUM TERM NOTES
ISSUED THROUGH
ALLSTATE LIFE GLOBAL FUNDING TRUST [] - [] (THE "TRUST")

The description in this pricing supplement of the particular terms of the Secured Medium Term Notes offered hereby supplements the description of the general terms and provisions of the notes set forth in the accompanying prospectus and prospectus supplement, to which reference is hereby made.

Principal Amount:	Agent(s) Discount:
Issue Price:	Original Issue Date:
Net Proceeds to the Trust:	Stated Maturity Date:
Funding Agreement Number(s):	Funding Note Number:
Specified Currency:	Trust Expiration Date:
Interest Payment Dates:	Depository:
Initial Interest Payment Date:	
Regular Record Date:	[15 calendar days prior to the Interest Payment Date]
Type of Interest Rate:	// Fixed Rate // Floating Rate
Fixed Rate Notes:	// Yes // No. If, Yes,
Interest Rate:	
Floating Rate Notes:	// Yes // No. If, Yes,
Regular Floating Rate Notes:	// Yes // No. If, Yes,
Interest Rate:	
Interest Rate Basis(es):	
Floating Rate/Fixed Rate Note:	// Yes // No. If, Yes,
Floating Interest Rate:	

A-A-1

Interest Rate Basis(es):	
Fixed Interest Rate:	
Fixed Rate Commencement Date:	
Inverse Floating Rate Note:	// Yes // No. If, Yes,
Fixed Interest Rate:	
Floating Interest Rate:	
Interest Rate Basis(es):	
Initial Interest Rate*, if any:	
Initial Interest Reset Date:	
Interest Rate Basis(es). Check all that apply:	
// CD Rate	// Commercial Paper Rate
// CMT Rate	// Eleventh District Cost of Funds Rate
// LIBOR	// Federal Funds Rate
// EURIBOR	// Treasury Rate
// Prime Rate	// Other (See Attached)
If LIBOR:	
// LIBOR Reuters Page	// LIBOR Moneyline Telerate Page
LIBOR Currency:	
If CMT Rate:	
Designated CMT Telerate Page:	
If 7052:	// Weekly Average
	// Monthly Average
Designated CMT Maturity Index:	
Index Maturity:	
Spread (+/-):	
Spread Multiplier:	

Interest Reset Date(s):

Interest Rate Determination Date(s):

Maximum Interest Rate, if any:

Minimum Interest Rate, if any;

- -----

* From the Original Issue Date to the Initial Interest Payment Date, the Initial Interest Rate shall be deemed to be:

- / / CD Rate
- / / CMT Rate
- / / LIBOR
- / / EURIBOR
- / / Prime Rate
- / / Commercial Paper Rate
- / / Eleventh District Cost of Funds Rate
- / / Federal Funds Rate
- / / Treasury Rate
- / / Other (See Attached)

A-A-2

Calculation Agent: [J.P. Morgan Trust Company, National Association]

Exchange Rate Agent:

Computation of Interest (not applicable unless different than as specified in the prospectus and prospectus supplement):

Day Count Convention (not applicable unless different than as specified in the prospectus and prospectus supplement):

Amortizing Note: / / Yes / / No. If, Yes,
Amortizing Schedule:
Additional/Other Terms:

Discount Note: / / Yes / / No. If, Yes,
Total Amount of Discount:
Initial Accrual Period of Discount:
Additional/Other Terms:

Redemption Provisions: / / Yes / / No. If, Yes,
Initial Redemption Date:
Initial Redemption Percentage:
Annual Redemption Percentage Reduction (if any):
Redemption: / / In whole only and not in part / / May be in whole or in part
Additional/Other Terms:

Repayment: / / Yes / / No. If, Yes,
Repayment Date(s):
Repayment Price:
Repayment: / / In whole only and not in part / / May be in whole or in part
Additional/Other Terms:

Sinking Fund (not applicable unless specified):

Additional Amounts to be Paid for Withholding Tax (not applicable unless specified):

Securities Exchange Listing: / / Yes / / No. If Yes, Name of Exchange:_____

Authorized Denominations: [\$1,000]

Ratings:

The Notes issued under the Program are rated ____ by Standard & Poor's ("S&P"). Allstate Life anticipates Moody's Investors Service, Inc. ("Moody's") to rate the Notes ____ at the Original Issue Date.

Agent(s) Purchasing Notes as Principal: / / Yes / / No. If Yes,
 Agent(s) Principal Amount
 Total: _____
 Agent(s) Acting as Agent: / / Yes / / No. If Yes,
 Agent(s) Principal Amount
 Total: _____
 Additional/Other Terms:
 Special Tax Considerations:

[PRICING SUPPLEMENT FOR
 ALLSTATE LIFE(SM) CORENOTES(SM) PROGRAM]

Filed pursuant to Rule 424(b)()
 Registration Statement No. 333-112249
 Pricing Supplement No. ___ Dated _____, 200__
 (To Prospectus dated _____, 2004, and
 Prospectus Supplement dated _____, 2004)
 CUSIP: _____

[ALLSTATE LOGO]

ALLSTATE LIFE GLOBAL FUNDING
 ISSUED THROUGH
 ALLSTATE LIFE GLOBAL FUNDING TRUST [] - [] (THE "TRUST")

The description in this pricing supplement of the particular terms of the Allstate Life(SM) CoreNotes(SM) offered hereby supplements the description of the general terms and provisions of the notes set forth in the accompanying prospectus and prospectus supplement, to which reference is hereby made.

Principal Amount: Agent(s) Discount:
 Issue Price: Original Issue Date:
 Net Proceeds to the Trust: Stated Maturity Date:
 Funding Agreement Number(s): Funding Note Number:
 Interest Payment Dates: Trust Expiration Date:
 Initial Interest Payment Date: Depository:
 Regular Record Date: [15 calendar days prior to the Interest Payment Date]
 Type of Interest Rate: / / Fixed Rate / / Floating Rate
 Fixed Rate Notes: / / Yes / / No. If, Yes,
 Interest Rate:
 Floating Rate Notes: / / Yes / / No. If, Yes,
 Regular Floating Rate Notes: / / Yes / / No. If, Yes,
 Interest Rate:
 Interest Rate Basis(es):
 Floating Rate/Fixed Rate Note: / / Yes / / No. If, Yes,
 Floating Interest Rate:
 Interest Rate Basis(es):
 Fixed Interest Rate:
 Fixed Rate Commencement Date:

- - - - -
 "Allstate Life(SM)" is a registered servicemark of Allstate Insurance Company.
 "CoreNotes(SM)" is a servicemark of Merrill Lynch & Co., Inc.

Initial Interest Rate*, if any:

Initial Interest Reset Date:

Interest Rate Basis(es). Check all that apply:

/ / CD Rate	/ / CMT Rate
/ / Commercial Paper Rate	/ / LIBOR
/ / Treasury Rate	/ / Prime Rate
/ / Federal Funds Rate	/ / Other (See Attached)

If LIBOR:

/ / LIBOR Reuters Page	/ / LIBOR Moneyline Telerate Page
------------------------	-----------------------------------

LIBOR Currency:

If CMT Rate:

Designated CMT Telerate Page:	
If 7052:	/ / Weekly Average
	/ / Monthly Average

Designated CMT Maturity Index:

Index Maturity:

Spread (+/-):

Spread Multiplier:

Interest Reset Date(s):

Interest Rate Determination Date(s):

Maximum Interest Rate, if any:

Minimum Interest Rate, if any:

Calculation Agent: [J.P. Morgan Trust Company, National Association]

Computation of Interest (not applicable unless different than as specified in the prospectus and prospectus supplement):

Day Count Convention (not applicable unless different than as specified in the prospectus and prospectus supplement):

* From the Original Issue Date to the Initial Interest Payment Date, the Initial Interest Rate shall be deemed to be:

/ / CD Rate	/ / CMT Rate
/ / Commercial Paper Rate	/ / LIBOR
/ / Treasury Rate	/ / Prime Rate
/ / Federal Funds Rate	/ / Other (See Attached)

A-A-6

Discount Note: / / Yes / / No. If, Yes,

Total Amount of Discount:
Initial Accrual Period of Discount:
Additional/Other Terms:

Terms of Survivor's Option:

Annual Put Limitation:	/ / \$2,000,000 or 2%; or
	/ / \$_____ or ___%
Individual Put Limitation:	/ / \$250,000; or
	/ / \$_____
Trust Put Limitation:	/ / _____

Redemption Provisions: / / Yes / / No. If, Yes,

Initial Redemption Date:	
Redemption:	/ / In whole only and not in part
	/ / May be in whole or in part

Additional Other Terms:

Sinking Fund (not applicable unless specified):

Securities Exchange Listing: / / Yes / / No. If Yes, Name of Exchange:_____

Authorized Denominations: [\$1,000]

FORM OF CLOSING INSTRUMENT

TABLE OF CONTENTS

Page PART A

INDENTURE.....1

PART B FUNDING NOTE

INDENTURE.....3 PART C

TRANSFER OF FUNDING AGREEMENT(S) TO THE

TRUST.....5 PART D ACKNOWLEDGEMENT OF FUNDING

AGREEMENT(S) TRANSFER TO THE TRUST.....6 PART E ASSIGNMENT OF

FUNDING AGREEMENT(S) TO THE INDENTURE TRUSTEE.....7 PART F

ACKNOWLEDGEMENT OF FUNDING AGREEMENT(S) ASSIGNMENT TO THE INDENTURE

TRUSTEE.....8 PART G CERTIFICATE REGARDING CUSTODY OF FUNDING

AGREEMENT(S).....9 PART H INSTRUCTIONS OF THE

TRUST.....10 PART I

ACKNOWLEDGEMENT OF INDENTURE TRUSTEE CONCERNING THE NOTE

CERTIFICATE.....11 PART J CERTIFICATE OF INDENTURE TRUSTEE CONCERNING THE

FUNDING AGREEMENT(S).....12 PART K CERTIFICATE OF GLOBAL FUNDING PURSUANT

TO SECTION 6(C) OF THE DISTRIBUTION AGREEMENT.....13 PART L OFFICER'S CERTIFICATE OF

ALLSTATE LIFE INSURANCE COMPANY PURSUANT TO SECTION 6(D) OF THE DISTRIBUTION

AGREEMENT.....14 PART M SECRETARY'S

CERTIFICATE OF ALLSTATE LIFE INSURANCE COMPANY.....15 PART N

CERTIFICATE OF INDENTURE TRUSTEE CONCERNING CORPORATE

MATTERS.....19 PART O CERTIFICATE OF AMACAR PACIFIC

CORP.....21 PART P CROSS-RECEIPT BETWEEN

THE TRUST AND THE AGENT(S).....27 PART Q CROSS-RECEIPT

BETWEEN THE TRUST AND GLOBAL FUNDING.....28 PART R

CROSS-RECEIPT BETWEEN GLOBAL FUNDING AND ALLSTATE

LIFE.....29 PART S CROSS-RECEIPT BETWEEN GLOBAL FUNDING AND

THE TRUST.....30 PART T MISCELLANEOUS AND EXECUTION

PAGES.....31 EXHIBIT A STANDARD

INDENTURE TERMS.....A-1 EXHIBIT

B STANDARD FUNDING NOTE INDENTURE

TERMS.....B-1 EXHIBIT C FUNDING

AGREEMENT(S).....C-1

EXHIBIT D UCC-1 FINANCING

STATEMENT.....D-1 ANNEX A

INDENTURE TRUSTEE SERVICE FEE SCHEDULE.....A-A-

WHEREAS, the parties named herein desire to enter into certain documents relating to the issuance by Allstate Life Global Funding Trust [] - [] (the "Trust") of Notes to investors under Allstate Life Global Funding's ("Global Funding") secured medium term notes program;

WHEREAS, the Notes will be issued pursuant to the Indenture (set forth in Part A herein), dated as of the Original Issue Date specified in the Pricing Supplement (the "Original Issue Date"), between the parties thereto indicated in Part T herein;

WHEREAS, the Funding Note will be issued pursuant to the Funding Note Indenture (set forth in Part B herein), dated as of the Original Issue Date, between the parties thereto indicated in Part T herein;

WHEREAS, certain arrangements relating to the transfer of the Funding Agreement(s) by Global Funding to the Trust are set forth in the Transfer of Funding Agreement(s) to the Trust (set forth in Part C herein), dated as of the Original Issue Date, among the parties thereto indicated in Part T herein;

WHEREAS, certain arrangements relating to Allstate Life Insurance Company's ("Allstate Life") acknowledgement of the transfer of the Funding Agreement(s) from Global Funding to the Trust are set forth in the Acknowledgement of Funding Agreement(s) Transfer to the Trust (set forth in Part D herein), dated as of the Original Issue Date, among the parties thereto indicated in Part T herein;

WHEREAS, certain arrangements relating to the assignment of the Funding Agreement(s) by the Trust to the Indenture Trustee are set forth in the Assignment of Funding Agreement(s) to the Indenture Trustee (set forth in Part E herein), dated as of the Original Issue Date, among the parties thereto indicated in Part T herein;

WHEREAS, certain arrangements relating to Allstate Life's acknowledgement

of the assignment of the Funding Agreement(s) from the Trust to the Indenture Trustee are set forth in the Acknowledgement of Funding Agreement(s) Assignment to the Indenture Trustee (set forth in Part F herein), dated as of the Original Issue Date, among the parties thereto indicated in Part T herein;

WHEREAS, certain certifications of the Indenture Trustee concerning custody of the Funding Agreement(s) are set forth in the Certificate Regarding Custody of the Funding Agreement(s) (set forth in Part G herein), dated as of the Original Issue Date;

WHEREAS, certain instructions of the Trust relating to the authentication, registration, acceptance and retention of the certificate(s) representing the Notes are set forth in the Instructions of the Trust (set forth in Part H herein), dated as of the Original Issue Date, between the parties thereto indicated in Part T herein;

WHEREAS, certain arrangements relating to Allstate Life's acknowledgement of the receipt, authentication, acceptance and retention of the certificate(s) representing the Notes are set forth in the Acknowledgment of Indenture Trustee Concerning the Note Certificate (set forth in Part I herein), dated as of the Original Issue Date;

ii

WHEREAS, certain arrangements relating to the Indenture Trustee's acknowledgement of the receipt and retention of the Funding Agreement(s) are set forth in the Certificate of Indenture Trustee Concerning the Funding Agreement(s) (set forth in Part J herein), dated as of the Original Issue Date;

WHEREAS, certain certifications of Global Funding pursuant to the Distribution Agreement are set forth in the Certificate of Global Funding Pursuant to Section 6(c) of the Distribution Agreement (set forth in Part K herein), dated as of the Original Issue Date;

WHEREAS, certain certifications of Allstate Life pursuant to the Distribution Agreement are set forth in the Officer's Certificate of Allstate Life Insurance Company Pursuant to Section 6(d) of the Distribution Agreement (set forth in Part L herein), dated as of the Original Issue Date;

WHEREAS, certain certifications of the Secretary of Allstate Life are set forth in the Secretary's Certificate of Allstate Life Insurance Company (set forth in Part M herein), dated as of the Original Issue Date;

WHEREAS, certain certifications of the Indenture Trustee concerning corporate matters are set forth in the Certificate of Indenture Trustee Concerning Corporate Matters (set forth in Part N herein), dated as of the Original Issue Date;

WHEREAS, certain certifications of AMACAR Pacific Corp. are set forth in the Certificate of AMACAR Pacific Corp. (set forth in Part O herein), dated as of the Original Issue Date;

WHEREAS, the acknowledgments of the cross-receipt between the Trust and the Agent(s) are set forth in the Cross-Receipt between the Trust and the Agent(s) (set forth in Part P herein), dated as of the Original Issue Date;

WHEREAS, the acknowledgments of the cross-receipt between the Trust and Global Funding are set forth in the Cross-Receipt between the Trust and Global Funding (set forth in Part Q herein), dated as of the Original Issue Date;

WHEREAS, the acknowledgments of the cross-receipt between Global Funding and Allstate Life are set forth in the Cross-Receipt between Global Funding and Allstate Life (set forth in Part R herein), dated as of the Original Issue Date; and

WHEREAS, the acknowledgments of the cross-receipt between Global Funding and the Trust are set forth in the Cross-Receipt between Global Funding and the Trust (set forth in Part S herein), dated as of the Original Issue Date.

All capitalized terms used in the above recitals and not otherwise defined will have the meanings set forth in the Standard Indenture Terms attached to this Closing Instrument as Exhibit A.

iii

PART A INDENTURE

This INDENTURE (the "Indenture") is entered into as of the Original Issue Date specified in the Pricing Supplement attached to the Series Instrument for the Trust as Annex A (the "Pricing Supplement"), between the Allstate Life Global Funding Trust specified in this Closing Instrument (the "Trust") and J.P. Morgan Trust Company, National Association, as indenture trustee (the "Indenture Trustee").

J.P. Morgan Trust Company, National Association in its capacity as

Indenture Trustee, hereby accepts its role as Registrar, Paying Agent and Calculation Agent hereunder.

References herein to "Indenture Trustee," "Registrar," "Paying Agent" or "Calculation Agent" shall include the permitted successors and assigns of any such entity from time to time.

W I T N E S S E T H:

WHEREAS, the Trust has duly authorized the execution and delivery of this Indenture to provide for the issuance of the secured notes referred to in Section 2.2 below (the "Notes");

WHEREAS, all things necessary to make this Indenture a valid and legally binding agreement of the Trust and the other parties to this Indenture, enforceable in accordance with its terms, have been done, and the Trust proposes to do all things necessary to make the Notes, when executed by the Trust and authenticated and delivered pursuant hereto, valid and legally binding obligations of the Trust as hereinafter provided; and

WHEREAS, the parties hereto desire to incorporate by reference those certain Standard Indenture Terms attached to this Closing Instrument as Exhibit A (the "Standard Indenture Terms," together with this Indenture, collectively, the "Indenture").

NOW, THEREFORE, for and in consideration of the premises and the purchase of the Notes by the Holders thereof, it is mutually covenanted and agreed by the parties hereto as follows:

ARTICLE 1

Section 1.1 INCORPORATION BY REFERENCE. All terms, provisions and agreements set forth in the Standard Indenture Terms (except to the extent expressly modified hereby) are hereby incorporated herein by reference (as if fully set forth herein). Should any portion of the Standard Indenture Terms conflict with the terms of this Indenture, the terms of this Indenture shall prevail. References herein to Articles, Sections or Exhibits shall refer respectively to the articles, sections or exhibits of the Standard Indenture Terms, unless otherwise expressly provided.

Section 1.2 DEFINITIONS. "Closing Instrument" means the Closing Instrument in which this Indenture is included as Part A. All capitalized terms not otherwise defined in this Indenture shall have the meanings set forth in the Standard Indenture Terms.

1

ARTICLE 2

Section 2.1 AGREEMENT TO BE BOUND. Each of the Trust, the Indenture Trustee, the Registrar, the Paying Agent and the Calculation Agent hereby agrees to be bound by all of the terms, provisions and agreements set forth herein, with respect to all matters contemplated herein, including, without limitation, those relating to the issuance of the Notes.

Section 2.2 DESIGNATION OF THE TRUST AND THE NOTES. The Trust referred to in this Indenture is the Allstate Life Global Funding Trust specified in this Closing Instrument. The Notes issued by the Trust and governed by this Indenture shall be the Notes specified in the Pricing Supplement.

Section 2.3 COMPENSATION. The Indenture Trustee shall be entitled to receive the fees specified in the Indenture Trustee Service Fee Schedule, which is attached as Annex A to this Closing Instrument.

Section 2.4 ADDITIONAL TERMS. None.

Section 2.5 CLOSING INSTRUMENT; EXECUTION AND INCORPORATION OF TERMS. The parties to this Indenture will enter into this Indenture by executing this Closing Instrument.

By executing the signature page thereto, the Indenture Trustee and the Trust hereby agree that this Indenture will constitute a legal, valid and binding agreement between the Indenture Trustee and the Trust.

All terms relating to the Trust or the Notes not otherwise included in this Indenture will be as specified in this Closing Instrument or the Pricing Supplement, as indicated herein.

Section 2.6 COUNTERPARTS. This Indenture, through this Closing Instrument, may be executed in any number of counterparts, each of which counterparts shall be deemed to be an original, and all of which counterparts shall constitute one and the same instrument.

2

FUNDING NOTE INDENTURE

This FUNDING NOTE INDENTURE (the "Funding Note Indenture") is entered into as of the Original Issue Date specified in the Pricing Supplement attached to the Series Instrument for the Trust as Annex A (the "Pricing Supplement"), between Allstate Life Global Funding ("Global Funding") and J.P. Morgan Trust Company, National Association, as funding note indenture trustee (the "Funding Note Indenture Trustee").

J.P. Morgan Trust Company, National Association in its capacity as Funding Note Indenture Trustee, hereby accepts its role as Registrar, Paying Agent and Calculation Agent hereunder.

References herein to "Funding Note Indenture Trustee," "Registrar," "Paying Agent" or "Calculation Agent" shall include the permitted successors and assigns of any such entity from time to time.

W I T N E S S E T H:

WHEREAS, Global Funding has duly authorized the execution and delivery of this Funding Note Indenture to provide for the issuance of the funding note referred to in Section 2.2 below (the "Funding Note");

WHEREAS, all things necessary to make this Funding Note Indenture a valid and legally binding agreement of Global Funding and the other parties to this Funding Note Indenture, enforceable in accordance with its terms, have been done, and Global Funding proposes to do all things necessary to make the Funding Note, when executed by Global Funding and authenticated and delivered pursuant hereto, valid and legally binding obligations of Global Funding as hereinafter provided; and

WHEREAS, the parties hereto desire to incorporate by reference those certain Standard Funding Note Indenture Terms attached to this Closing Instrument as Exhibit B (the "Standard Funding Note Indenture Terms," together with this Funding Note Indenture, collectively, the "Funding Note Indenture").

NOW, THEREFORE, for and in consideration of the premises and the purchase of the Funding Note by the Holder thereof, it is mutually covenanted and agreed by the parties hereto as follows:

ARTICLE 1

Section 1.1 INCORPORATION BY REFERENCE. All terms, provisions and agreements set forth in the Standard Funding Note Indenture Terms (except to the extent expressly modified hereby) are hereby incorporated herein by reference (as if fully set forth herein). Should any portion of the Standard Funding Note Indenture Terms conflict with the terms of this Funding Note Indenture, the terms of this Funding Note Indenture shall prevail. References herein to Articles, Sections or Exhibits shall refer respectively to the articles, sections or exhibits of the Standard Funding Note Indenture Terms, unless otherwise expressly provided.

3

Section 1.2 DEFINITIONS. "Closing Instrument" means the Closing Instrument in which this Funding Note Indenture is included as Part B. All capitalized terms not otherwise defined in this Funding Note Indenture shall have the meanings set forth in the Standard Funding Note Indenture Terms.

ARTICLE 2

Section 2.1 AGREEMENT TO BE BOUND. Each of Global Funding, the Funding Note Indenture Trustee, the Registrar, the Paying Agent and the Calculation Agent hereby agrees to be bound by all of the terms, provisions and agreements set forth herein, with respect to all matters contemplated herein, including, without limitation, those relating to the issuance of the Funding Note.

Section 2.2 DESIGNATION OF THE FUNDING NOTE. The Funding Note issued by Global Funding and governed by this Funding Note Indenture shall be the Funding Note specified in the Pricing Supplement.

Section 2.3 ADDITIONAL TERMS. None.

Section 2.4 CLOSING INSTRUMENT; EXECUTION AND INCORPORATION OF TERMS. The parties to this Funding Note Indenture will enter into this Funding Note Indenture by executing this Closing Instrument.

By executing the signature page thereto, the Funding Note Indenture Trustee and Global Funding hereby agree that this Funding Note Indenture will constitute a legal, valid and binding agreement between the Funding Note Indenture Trustee and Global Funding.

All terms relating to Global Funding or the Funding Note not otherwise included in this Funding Note Indenture will be as specified in this Closing Instrument or the Pricing Supplement, as indicated herein.

Section 2.5 COUNTERPARTS. This Funding Note Indenture, through this Closing Instrument, may be executed in any number of counterparts, each of which counterparts shall be deemed to be an original, and all of which counterparts shall constitute one and the same instrument.

4

PART C
TRANSFER OF FUNDING AGREEMENT(S) TO THE TRUST

With respect to (a) the Coordination Agreement among Allstate Life Insurance Company ("Allstate Life"), Allstate Life Global Funding ("Global Funding"), the Allstate Life Global Funding Trust specified in this Closing Instrument (the "Trust") and J.P. Morgan Trust Company, National Association, set forth in Part F of the Series Instrument for the Trust and (b) the Terms Agreement set forth in Part E of the Series Instrument for the Trust, Global Funding hereby transfers, as of the Original Issue Date specified in the Pricing Supplement attached to the Series Instrument for the Trust as Annex A, to the Trust all of its rights and interests of every nature as the Owner (as defined in the Funding Agreement(s)) under the Funding Agreement(s), attached as Exhibit C to this Closing Instrument. Global Funding hereby notifies Allstate Life of the transfer of the Funding Agreement(s) to the Trust effected hereby and requests that Allstate Life consent to such transfer, and Allstate Life hereby gives consent to such transfer.

Each of Global Funding, the Trust and Allstate Life hereby agrees that, upon giving effect to the transfer described above (the "Transfer"), the Trust shall be a party to and the "Owner" under the Funding Agreement(s) and shall be the transferee of the rights and interests of Global Funding under the Funding Agreement(s).

Each of Global Funding, the Trust and Allstate Life hereby agrees that the Transfer shall not be effective until the conditions precedent to transfer set forth in Section 5 of the Funding Agreement(s) (other than the giving by Allstate Life of its consent to this Transfer) have been complied with by Global Funding, the Trust and Allstate Life, as the case may be. Each of Global Funding and the Trust hereby undertakes to take all actions necessary to comply with such conditions, and Allstate Life hereby affirms that it will promptly change its books and records to reflect the Transfer upon receipt of documents required under the Funding Agreement(s).

The Transfer and this letter shall be governed by, and shall be construed and enforced in accordance with, the laws of the State of New York, without regard to conflicts of laws principles, and shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and assigns.

All capitalized terms not otherwise defined herein shall have the meanings set forth in the Coordination Agreement set forth in Part F of the Series Instrument for the Trust.

5

PART D
ACKNOWLEDGEMENT OF FUNDING AGREEMENT(S) TRANSFER
TO THE TRUST

With respect to the Transfer of Funding Agreement(s) to the Trust, set forth in Part C of this Closing Instrument (the "Transfer"), between Allstate Life Global Funding ("Global Funding") and the Allstate Life Global Funding Trust specified in this Closing Instrument (the "Funding Agreement Buyer"), and acknowledged by Allstate Life Insurance Company ("Allstate Life") regarding the transfer of the Funding Agreement(s), attached as Exhibit C to this Closing Instrument (the "Funding Agreement(s)"), dated as of the Original Issue Date identified in the Pricing Supplement attached as Annex A to the Series Instrument for the Trust, and in order to induce the Funding Agreement Buyer to purchase the Funding Agreement(s), Allstate Life hereby (a) represents and warrants to Global Funding and the Funding Agreement Buyer that (i) it has changed its books and records to reflect each transfer as required by Section 5 of the Funding Agreement(s), (ii) all other conditions precedent to the transfers set forth in Section 5 of the Funding Agreement(s) have been satisfied and (iii) no person or entity other than the Funding Agreement Buyer or Allstate Life Global Funding has been shown on Allstate Life's books and records as the owner of or as having any interest in the Funding Agreement(s) and (b) covenants and agrees with Global Funding and the Funding Agreement Buyer that it will not hereafter (i) consent to the transfer or assignment of the Funding Agreement(s) to any person or entity other than the Funding Agreement Buyer and the Indenture Trustee or (ii) change its books or records to show any person or entity other than the Indenture Trustee as the owner of or as having any interest in the Funding Agreement(s), except in each case pursuant to written instructions from the Funding Agreement Buyer and the Indenture Trustee or its successors.

Allstate Life hereby also represents that Allstate Life did not receive any notice of any adverse claim prior to (a) its acknowledgment and consent to the Transfer or (b) taking the actions under Section 5 of the Funding Agreement(s) to effect the Transfer.

This agreement shall be governed by, and shall be construed and enforced in accordance with, the laws of the State of New York, without regard to conflicts of laws principles, and shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and assigns.

All capitalized terms not otherwise defined herein shall have the meanings set forth in the Coordination Agreement set forth in Part F of the Series Instrument for the Trust.

6

PART E
ASSIGNMENT OF FUNDING AGREEMENT(S)
TO THE INDENTURE TRUSTEE

With respect to (a) the Indenture set forth in Part A of this Closing Instrument (the "Indenture") between the Allstate Life Global Funding Trust specified in this Closing Instrument (the "Trust") and J.P. Morgan Trust Company, National Association, as trustee (the "Indenture Trustee") and (b) the Terms Agreement set forth in Part E of the Series Instrument for the Trust and in furtherance of the grant to the Indenture Trustee for the benefit and security of the holders of the Notes, the Trust hereby assigns, as of the Original Issue Date specified in the Pricing Supplement attached to the Series Instrument for the Trust as Annex A, to the Indenture Trustee all of its rights and interests of every nature as the Owner (as defined in the Funding Agreement(s)) under the Funding Agreement(s), attached as Exhibit C to this Closing Instrument. The Trust hereby notifies Allstate Life Insurance Company ("Allstate Life") of the assignment of the Funding Agreement(s) to the Indenture Trustee effected hereby and requests that Allstate Life consent to such assignment, and Allstate Life hereby gives consent to such assignment.

Each of the Trust, the Indenture Trustee and Allstate Life hereby agrees that, upon giving effect to the assignment described above (the "Assignment"), the Indenture Trustee shall be a party to and the "Owner" under the Funding Agreement(s) and shall be the assignee of the rights and interests of the Trust under the Funding Agreement(s).

The Indenture Trustee hereby represents and covenants that the Funding Agreement(s) will be held by the Indenture Trustee at its offices in Chicago, Illinois.

Each of the Trust, the Indenture Trustee and Allstate Life hereby agrees that the Assignment shall not be effective until the conditions precedent to assignment set forth in Section 5 of the Funding Agreement(s) (other than the giving by Allstate Life of its consent to this Assignment) have been complied with by the Trust, the Indenture Trustee and Allstate Life, as the case may be. Each of the Trust and the Indenture Trustee hereby undertakes to take all actions necessary to comply with such conditions, and Allstate Life hereby affirms that it will promptly change its books and records to reflect the Assignment upon receipt of documents required under the Funding Agreement(s).

The Assignment and this letter shall be governed by, and shall be construed and enforced in accordance with, the laws of the State of New York, without regard to conflicts of laws principles, and shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and assigns.

All capitalized terms not otherwise defined herein shall have the meanings set forth in the Coordination Agreement set forth in Part F of the Series Instrument for the Trust.

7

PART F
ACKNOWLEDGEMENT OF FUNDING AGREEMENT(S) ASSIGNMENT
TO THE INDENTURE TRUSTEE

With respect to the Assignment of Funding Agreement(s) to the Indenture Trustee, set forth in Part E of this Closing Instrument (the "Assignment"), between the Allstate Life Global Funding Trust specified in this Closing Instrument (the "Funding Agreement Buyer") and J.P. Morgan Trust Company, National Association (the "Indenture Trustee"), and acknowledged by Allstate Life Insurance Company ("Allstate Life") regarding the assignment of the Funding Agreement(s), attached as Exhibit C to this Closing Instrument (the "Funding Agreement(s)"), dated as of the Original Issue Date identified in the Pricing Supplement attached as Annex A to the Series Instrument for the Trust, and in order to induce the Funding Agreement Buyer to purchase the Funding Agreement(s), and the Indenture Trustee to accept the Funding Agreement(s) as security for the Funding Agreement Buyer's obligations under the Notes, Allstate Life hereby (a) represents and warrants to the Funding Agreement Buyer and the Indenture Trustee that (i) it has changed its books and records to reflect each assignment as required by Section 5 of the Funding Agreement(s), (ii) all other conditions precedent to the assignments set forth in Section 5 of the Funding Agreement(s) have been satisfied and (iii) no person or entity other than the Funding Agreement Buyer, Allstate Life Global Funding or the Indenture Trustee

has been, and no person or entity other than the Indenture Trustee is, shown on Allstate Life's books and records as the owner of or as having any interest in the Funding Agreement(s), (b) covenants and agrees with the Funding Agreement Buyer and the Indenture Trustee that it will not hereafter (i) consent to the transfer or assignment of the Funding Agreement(s) to any person or entity other than the Funding Agreement Buyer and the Indenture Trustee or (ii) change its books or records to show any person or entity other than the Indenture Trustee as the owner of or as having any interest in the Funding Agreement(s), except in each case pursuant to written instructions from the Funding Agreement Buyer and the Indenture Trustee or its successors and (c) covenants and agrees with the Funding Agreement Buyer and the Indenture Trustee to (i) consent to any request by the Indenture Trustee to transfer or assign the Funding Agreement(s) to any person or entity, (ii) change its books or records to reflect any such transfer or assignment and (iii) take such other action as may be required on its part to cause the conditions precedent for such a transfer or assignment contained in Section 5 of the Funding Agreement(s) to be satisfied with respect to such transfer or assignment.

Allstate Life hereby also represents that Allstate Life did not receive any notice of any adverse claim prior to (a) its acknowledgment and consent to the Assignment or (b) taking the actions under Section 5 of the Funding Agreement(s) to effect the Assignment.

This agreement shall be governed by, and shall be construed and enforced in accordance with, the laws of the State of New York, without regard to conflicts of laws principles, and shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and assigns.

All capitalized terms not otherwise defined herein shall have the meanings set forth in the Coordination Agreement set forth in Part F of the Series Instrument for the Trust.

8

PART G
CERTIFICATE REGARDING CUSTODY OF FUNDING AGREEMENT(S)

Reference is hereby made to (i) the Indenture set forth in Part A of this Closing Instrument and (ii) the Coordination Agreement set forth in Part F of the Series Instrument for the Trust (the "Coordination Agreement"). Capitalized terms used in this Certificate and not otherwise defined have the meanings ascribed in the Coordination Agreement.

In connection with (i) Funding Agreement(s) attached to this Closing Instrument as Exhibit C (the "Funding Agreement(s)"), issued by Allstate Life Insurance Company ("Allstate Life") and (ii) the Assignment of Funding Agreement(s) to the Indenture Trustee set forth in Part E of this Closing Instrument, the Collateral Custodian hereby represents that:

(1) it is holding the Funding Agreement(s) in custody and the Funding Agreement(s) are in its possession at: J.P. Morgan Trust Company, National Association, 1 Bank One Plaza, Mail Code IL1-0481, Chicago, Illinois 60670; and

(2) it has no claim against Global Funding or the Trust with respect to the Funding Agreement(s) and, to the best of its knowledge, all liens, if any, on the Funding Agreement(s) in favor of Global Funding or the Trust have been satisfied.

9

PART H
INSTRUCTIONS OF THE TRUST

Reference is hereby made to the Indenture set forth in Part A of this Closing Instrument (the "Indenture") between the Allstate Life Global Funding Trust specified in this Closing Instrument (the "Trust") and J.P. Morgan Trust Company, National Association, as Paying Agent, Registrar and Indenture Trustee (the "Indenture Trustee"). All capitalized terms not otherwise defined herein shall have the meanings set forth in the Standard Indenture Terms attached to this Closing Instrument as Exhibit A.

The Trust herewith delivers to the Indenture Trustee, or has caused to be delivered to the Indenture Trustee, pursuant to the Indenture, each Note Certificate representing the Notes (each, a "Note Certificate"), bearing the CUSIP No. identified in the Pricing Supplement attached as Annex A to the Series Instrument for the Trust (the "Pricing Supplement"), having an initial Principal Amount identified in the Pricing Supplement.

The Trust hereby instructs the Indenture Trustee to (i) authenticate each Note Certificate, (ii) register the Notes represented by each Note Certificate in the name of the Depository identified on the Pricing Supplement (the "Depository"), (iii) accept the deposit of each Note Certificate and hold in safe custody each Note Certificate as custodian or common depository for the Depository, and (iv) take all such other reasonable action as may be required to give effect to the foregoing.

The Trust hereby further directs the Indenture Trustee to deposit the Net Proceeds to the Trust (as identified in the Pricing Supplement) in respect of the Notes to:

[] Bank, Chicago
Illinois ABA # []
Credit: []
Account # []: Allstate Life Global Funding
Contract # []

or such other account as may be specified to the Indenture Trustee by or on behalf of the Trust.

10

PART I
ACKNOWLEDGEMENT OF INDENTURE TRUSTEE
CONCERNING THE NOTE CERTIFICATE

J.P. Morgan Trust Company, National Association, as Paying Agent, Registrar and Indenture Trustee, certifies, as of the Original Issue Date identified in the Pricing Supplement attached as Annex A to the Series Instrument for the Trust (the "Pricing Supplement"), the following:

1. it has received each Note Certificate; and

2. (a) it has duly authenticated each Note Certificate (b) if applicable, registered the Notes represented by each Note Certificate in the name of the Depository, (c) it has accepted the deposit and will hold in safe custody each Note Certificate as custodian or common depository for the Depository and (d) it will take all such other reasonable action as may be required to give effect to the foregoing.

In connection with the above issue, it also hereby confirms that, by order of the Agent(s) identified in the Pricing Supplement, it has made the following irrevocable payment instruction:

Payment Date:	Original Issue Date identified in the Pricing Supplement
Amount:	Net Proceeds to the Trust identified in the Pricing Supplement
Payment to:	Account specified in Part H of this Closing Instrument

All capitalized terms not otherwise defined herein shall have the meanings set forth in Part H of this Closing Instrument.

11

PART J
CERTIFICATE OF INDENTURE TRUSTEE CONCERNING
THE FUNDING AGREEMENT(S)

Reference is hereby made to the Indenture set forth in Part A of this Closing Instrument (the "Indenture") between the Allstate Life Global Funding Trust specified in this Closing Instrument (the "Trust") and J.P. Morgan Trust Company, National Association, as indenture trustee (the "Indenture Trustee").

In connection with (i) the Funding Agreement(s) attached as Exhibit C to this Closing Instrument (the "Funding Agreement(s)") and (ii) the Assignment of Funding Agreement(s) to the Indenture Trustee set forth in Part E of this Closing Instrument, the Indenture Trustee hereby represents that it has received delivery of the Funding Agreement(s) and is holding such Funding Agreement(s) for the benefit and security of the holders of the Notes specified in the Pricing Supplement attached as Annex A to the Series Instrument for the Trust and that the Funding Agreement(s) is/are in the possession of the Indenture Trustee at the address below:

J.P. Morgan Trust Company, National Association
1 Bank One Plaza
Mail Code IL1-0481
Chicago, IL 60670

or such other location in the State of Illinois as may be specified to the Trust by the Indenture Trustee.

12

PART K
CERTIFICATE
OF GLOBAL FUNDING
PURSUANT TO SECTION 6(C)
OF THE DISTRIBUTION AGREEMENT

Allstate Life Global Funding, a statutory trust organized under the laws of the State of Delaware ("Global Funding"), does hereby certify to each Agent identified in the Pricing Supplement attached as Annex A to the Series Instrument for the Allstate Life Global Funding Trust specified in this Closing Instrument (the "Trust"), pursuant to Section 6(c) of the Distribution Agreement attached as Exhibit E to the Series Instrument for the Trust (the "Distribution Agreement") that, as of the Original Issue Date (as specified in the Pricing Supplement attached to the Series Instrument for the Trust as Annex A, the "Original Issue Date"):

1. the representations and warranties of Global Funding and, if applicable, the Trust in the Distribution Agreement are true and correct on and as of the Original Issue Date and Global Funding and, if applicable, the Trust have complied with all agreements and satisfied all the conditions on its part to be performed or satisfied at or prior to the Original Issue Date;

2. no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or, to Global Funding's knowledge, threatened; and

3. since the date of the Prospectus there has occurred no event required to be set forth in an amendment or supplement to the Registration Statement or Prospectus, and there has been no document required to be filed under the 1933 Act, the 1933 Act Regulations, the 1934 Act or the 1934 Act Regulations which, upon filing, would be deemed to be incorporated by reference in the Prospectus which has not been so filed.

All capitalized terms not otherwise defined herein shall have the meanings set forth in the Distribution Agreement.

13

PART L
OFFICER'S CERTIFICATE
OF ALLSTATE LIFE INSURANCE COMPANY
PURSUANT TO SECTION 6(D)
OF THE DISTRIBUTION AGREEMENT

The signatory identified in Part T of this Closing Instrument (the "Officer"), a duly elected officer of Allstate Life Insurance Company, an Illinois insurance company ("Allstate Life"), does hereby certify to each Agent identified in the Pricing Supplement attached as Annex A to the Series Instrument for the Allstate Life Global Funding Trust specified in this Closing Instrument (the "Trust"), in such capacity and on behalf of Allstate Life, pursuant to Section 6(d) of the Distribution Agreement attached as Exhibit E to the Series Instrument for the Trust (the "Distribution Agreement") that, to the knowledge of the Officer based upon reasonable investigation, as of the Original Issue Date specified in the Pricing Supplement attached to the Series Instrument for the Trust as Annex A:

1. no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or, to Allstate Life's knowledge, threatened;

2. since the date of the Prospectus there has occurred no event required to be set forth in an amendment or supplement to the Registration Statement or Prospectus, and there has been no document required to be filed under the 1933 Act, the 1933 Act Regulations, the 1934 Act or the 1934 Act Regulations which, upon filing, would be deemed to be incorporated by reference in the Prospectus which has not been so filed; and

3. nothing has come to the attention of Allstate Life that would cause it to believe that the priority status of the Funding Agreement(s) under Section 5/205 of the Illinois Insurance Code has been adversely modified since the date of the last delivery of the opinion issued by Lord, Bissell & Brook, substantially in the form of Exhibit C to the Distribution Agreement.

All capitalized terms not otherwise defined herein shall have the meanings set forth in the Distribution Agreement.

14

PART M
SECRETARY'S CERTIFICATE OF
ALLSTATE LIFE INSURANCE COMPANY

The signatory identified in Part T of this Closing Instrument, the duly elected Secretary of Allstate Life Insurance Company, an Illinois insurance company ("Allstate Life"), does hereby certify as of the Original Issue Date (as specified in the Pricing Supplement attached to the Series Instrument for the Trust as Annex A, the "Original Issue Date") that:

1. Attached hereto as Annex A is a true, complete and correct copy of the Articles of Amendment to the Articles of Incorporation of Allstate Life as amended to date and as in full force and effect on the Original Issue Date; since [December 29, 1999], no action has been taken by Allstate Life or any

officers, directors or shareholders of Allstate Life to effect or authorize any amendment thereto;

2. Attached hereto as Annex B is a true, complete and correct copy of the By-Laws of Allstate Life as amended to the Original Issue Date and as in full force and effect on the Original Issue Date;

3. Attached hereto as Annex C is a true, complete and correct copy of the resolutions of the Board of Directors of Allstate Life duly adopted on November 20, 2003 and such resolutions have not been amended, modified, annulled or revoked, and are in full force and effect on the Original Issue Date; and

4. Each of the following individuals have been duly elected or appointed to the position of Allstate Life shown opposite each of their names along with a true specimen of each of their respective signatures:

NAME	TITLE
-----	-----
-- Casey	
J. Sylla	
President	
-----	-----
-----	-----
Michael J.	
Velotta	
Senior	
Vice	
President,	
General	
Counsel	
and	
Secretary	
-----	-----
-----	-----
Sarah R.	
Donahue	
Assistant	
Vice	
President	
-----	-----
-----	-----

15

EXHIBIT A TO PART M

16

EXHIBIT B TO PART M

17

EXHIBIT C TO PART M

18

PART N
CERTIFICATE OF INDENTURE TRUSTEE CONCERNING CORPORATE MATTERS

Reference is made to the Indenture set forth in Part A of this Closing Instrument (the "Indenture") between the Allstate Life Global Funding Trust specified in this Closing Instrument (the "Trust") and J.P. Morgan Trust Company, National Association, as indenture trustee (the "Indenture Trustee") entered into in connection with the issuance of the secured medium term notes of the Trust (the "Notes"), and to the Coordination Agreement set forth in Part F of the Series Instrument for the Trust (the "Coordination Agreement") between the Trust and the Indenture Trustee. All capitalized terms not otherwise defined herein shall have the meanings set forth in the Standard Indenture Terms attached as Exhibit A to this Closing Instrument (the "Standard Indenture Terms").

1. Each of the Indenture and the Coordination Agreement has been duly executed and delivered on behalf of the Indenture Trustee by an authorized officer of the Indenture Trustee.

2. Each person who, as an officer of the Indenture Trustee, signed the Indenture or the Coordination Agreement, was duly elected or appointed,

qualified and acting as such officer at the respective time of the signing and delivery thereof and was duly authorized to sign such document on behalf of the Indenture Trustee, and the signature of each such person is the genuine signature of such officer.

3. Each person who, as an officer of the Indenture Trustee, authenticated certificates representing the Notes issued under the Indenture was at the time of such authentication and is now a duly elected or appointed officer of the Indenture Trustee authorized and empowered so to act and the signature of each such person appearing on any such certificate is genuine. The Indenture Trustee has examined the form of Notes certificate so authenticated and delivered and has found the same to be in substantially the form called for by the Indenture.

4. Attached hereto as Exhibit A is a true, correct and complete copy of an extract of the bylaws of the Indenture Trustee evidencing the authority of certain officers of the Indenture Trustee to sign indentures and authenticate certificates representing securities, which bylaws are in effect at the Original Issue Date specified in the Pricing Supplement attached to the Series Instrument for the Trust as Annex A and at all times since December 3, 2001.

5. The Indenture Trustee is eligible to act as Indenture Trustee under Section 6.7 of the Standard Indenture Terms.

19

EXHIBIT A TO PART N

J.P. MORGAN TRUST COMPANY, NATIONAL ASSOCIATION

EXTRACT OF BY-LAWS

As amended through December 3, 2001

Section 8.2. EXECUTION OF INSTRUMENTS. All agreements, indentures, mortgages, deeds, conveyances, transfers, certificates, declarations, receipts, discharges, releases, satisfactions, settlements, petitions, schedules, accounts, affidavits, bonds, undertakings, proxies and other instruments or documents may be signed, executed, acknowledged, verified, delivered or accepted on behalf of the Association by the Chairperson or Co-Chairpersons of the board, or the President, or any Vice Chairperson, or any Managing Director, or any Vice President, or any Assistant Vice President, or the Chief Financial Officer, or the Controller, or the Secretary, or the Cashier, or, if in connection with the provision of fiduciary, corporate trust, escrow or agency services, by any of those officers or by any Trust Officer or any Assistant Trust Officer. Any such instruments may also be executed, acknowledged, verified, delivered or accepted on behalf of the Association in such other manner and by such other officers or other persons as the board may from time to time direct. The provisions of this Section 8.2 are supplementary to any other provision of these by-laws.

20

PART O
CERTIFICATE OF AMACAR PACIFIC CORP.

The signatory identified in Part T of this Closing Instrument, the duly appointed Secretary of AMACAR Pacific Corp., a Delaware corporation ("AMACAR"), does hereby certify as of the Original Issue Date identified in the Pricing Supplement attached as Annex A to the Series Instrument for the Trust (the "Original Issue Date") that:

1. Each of the persons named on Exhibit A hereto has been duly elected or appointed and is duly qualified as an officer of AMACAR on the Original Issue Date, holding the office or offices set forth opposite his or her name, and the signature set forth opposite his or her name is a specimen of his or her genuine signature.

2. Attached hereto as Exhibit B is a true and correct copy of the Certificate of Incorporation of AMACAR as in effect on the Original Issue Date.

3. Attached hereto as Exhibit C is a true and correct copy of the By-Laws of AMACAR as in effect on the Original Issue Date.

4. Attached hereto as Exhibit D is a true and correct copy of a resolution duly adopted by the Board of Directors of AMACAR at a meeting thereof duly called and held on [], at which a quorum was present and acting throughout. Such resolution has not been amended, modified, rescinded or revoked and is in full force and effect on the Original Issue Date.

5. Attached hereto as Exhibit E is a true and correct copy of a resolution duly adopted by the Board of Directors of AMACAR at a meeting thereof duly called and held on [], at which a quorum was present and acting throughout. Such resolution has not been amended, modified, rescinded or revoked and is in full force and effect on the Original Issue Date.

representing payment in full of the Notes sold to the Agent(s) pursuant to the Terms Agreement.

2. The Agent(s) hereby acknowledge(s) receipt from the Trust of the Notes sold to the Agent(s) by the Trust pursuant to the Terms Agreement.

27

PART Q
CROSS-RECEIPT BETWEEN THE TRUST
AND GLOBAL FUNDING

Reference is hereby made to the Coordination Agreement set forth in Part F of the Series Instrument for the Trust (the "Coordination Agreement"). All capitalized terms not otherwise defined herein shall have the meanings set forth in the Coordination Agreement.

1. Global Funding hereby acknowledges receipt from the Trust of immediately available funds in the amount of the Net Proceeds to the Trust identified in the Pricing Supplement attached as Annex A to the Series Instrument for the Trust, representing payment in full of the Funding Note sold to the Trust pursuant to the Coordination Agreement.

2. The Trust hereby acknowledges receipt from Global Funding of the Funding Note sold to the Trust pursuant to the Coordination Agreement.

28

PART R
CROSS-RECEIPT BETWEEN
GLOBAL FUNDING AND
ALLSTATE LIFE

Reference is hereby made to the Coordination Agreement set forth in Part F of the Series Instrument for the Trust (the "Coordination Agreement"). All capitalized terms not otherwise defined herein shall have the meanings set forth in the Coordination Agreement.

1. Allstate Life hereby acknowledges receipt from Global Funding of immediately available funds in the amount of the Net Proceeds to the Trust identified in the Pricing Supplement attached as Annex A to the Series Instrument for the Trust, representing payment in full of the Funding Agreement(s) sold to Global Funding pursuant to the Coordination Agreement.

2. Global Funding hereby acknowledges receipt from Allstate Life of the Funding Agreement(s) sold to Global Funding pursuant to the Coordination Agreement.

29

PART S
CROSS-RECEIPT BETWEEN
GLOBAL FUNDING AND
THE TRUST

Reference is hereby made to the Coordination Agreement set forth in Part F of the Series Instrument for the Trust (the "Coordination Agreement"). All capitalized terms not otherwise defined herein shall have the meanings set forth in the Coordination Agreement.

1. The Trust hereby acknowledges receipt from Global Funding of the Funding Agreement(s).

2. Global Funding hereby acknowledges the Trust's surrender of, and the cancellation of indebtedness represented by, the Funding Note.

30

PART T
MISCELLANEOUS AND EXECUTION PAGES

This Closing Instrument may be executed by each of the parties hereto in any number of counterparts, and by each of the parties hereto on separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument. Facsimile signatures shall be deemed original signatures.

Each signatory, by its execution hereof, does hereby become a party to, or executes, each of the agreements and certificates identified below for such signatory as of the date specified in such agreements and certificates.

It is expressly understood and agreed by the parties that (a) Wilmington Trust Company (the "Delaware Trustee") is hereby instructed by Global Funding

and the Trust to execute this Closing Instrument on their behalf, (b) this Closing Instrument is executed and delivered by the Delaware Trustee, not individually or personally, but solely as Delaware Trustee, in the exercise of the powers and authority conferred and vested in it, pursuant to the Trust Agreement set forth in Part A to the Series Instrument for the Trust (the "Trust Agreement"), (c) each of the representations, undertakings and agreements made on the part of the Trust in this Closing Instrument is made and intended not as personal representations, undertakings and agreements by the Delaware Trustee but is made and intended for the purpose of binding only the Trust, (d) nothing contained herein shall be construed as creating any liability on the Delaware Trustee individually or personally, to perform any covenant either expressed or implied contained herein, all such liability, if any, being expressly waived by the parties hereto and by any person claiming by, through or under the parties hereto, and (e) under no circumstances shall the Delaware Trustee be personally liable for the payment of any indebtedness or expenses of the Trust or be liable for any breach or failure of any obligation, representation, warranty or covenant to be made or undertaken by the Trust under the Indenture set forth in Part A to this Closing Instrument or any other related documents; provided, however, that such waiver shall not affect the liability of the Delaware Trustee (or any entity acting as successor or additional trustee) to any person under any other agreement to the extent expressly agreed to in its individual capacity under the Trust Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Closing Instrument.

ALLSTATE LIFE INSURANCE COMPANY (for purposes of (i) the Transfer of Funding Agreement(s) to the Trust set forth in Part C herein, (ii) the Acknowledgement of Funding Agreement(s) Transfer to the Trust set forth in Part D herein, (iii) the Assignment of Funding Agreement(s) to the Indenture Trustee set forth in Part E herein, (iv) the Acknowledgement of Funding Agreement(s) Assignment to the Indenture Trustee set forth in Part F herein and (v) the Cross-Receipt between Global Funding and Allstate Life set forth in Part R herein)

By: _____
Name:
Title:

SECRETARY OF ALLSTATE LIFE INSURANCE COMPANY (for purposes of the Secretary's Certificate of Allstate Life Insurance Company set forth in Part M herein)

By: _____
Name:
Title: Secretary

I, an authorized officer of Allstate Life Insurance Company, do hereby certify that the above signature is the true and genuine signature of the duly elected, qualified and acting Secretary of Allstate Life Insurance Company.

By: _____
Name:
Title:

AUTHORIZED OFFICER OF ALLSTATE LIFE INSURANCE COMPANY (for purposes of the Officer's Certificate of Allstate Life Insurance Company Pursuant to Section 6(d) of the Distribution Agreement set forth in Part L herein)

By: _____
Name:
Title:

ALLSTATE LIFE GLOBAL FUNDING (for purposes of (i) the Funding Note Indenture set forth in Part B herein, (ii) the Transfer of Funding Agreement(s) to the Trust set forth in Part C herein, (iii) the Acknowledgement of Funding Agreement(s) Transfer to the Trust set forth in Part D herein, (iv)

the Certificate of Global Funding pursuant to Section 6(c) of the Distribution Agreement set forth in Part K herein, (v) the Cross-Receipt between the Trust and Global Funding set forth in Part Q herein, (vi) the Cross-Receipt between Global Funding and Allstate Life set forth in Part R herein and (vii) the Cross-Receipt between Global Funding and the Trust set forth in Part S herein)

By: Wilmington Trust Company, solely in its capacity as Delaware Trustee

By: -----
Name:
Title:

32

THE ALLSTATE LIFE GLOBAL FUNDING TRUST SPECIFIED ABOVE (for purposes of (i) the Indenture set forth in Part A herein, (ii) the Transfer of Funding Agreement(s) to the Trust set forth in Part C herein, (iii) the Acknowledgement of Funding Agreement(s) Transfer to the Trust set forth in Part D herein, (iv) the Assignment of Funding Agreement(s) to the Indenture Trustee set forth in Part E herein, (v) the Acknowledgement of Funding Agreement(s) Assignment to the Indenture Trustee set forth in Part F herein, (vi) the Instructions of the Trust set forth in Part H herein, (vii) Cross-Receipt between the Trust and the Agent(s) set forth in Part P herein, (viii) the Cross-Receipt between the Trust and Global Funding set forth in Part Q herein and (ix) the Cross-Receipt between Global Funding and the Trust set forth in Part S herein)

By: Wilmington Trust Company, solely in its capacity as Delaware Trustee

By: -----
Name:
Title:

33

J.P. MORGAN TRUST COMPANY, NATIONAL ASSOCIATION (for purposes of (i) the Indenture set forth in Part A herein, (ii) the Funding Note Indenture set forth in Part B herein, (iii) the Assignment of Funding Agreement(s) to the Indenture Trustee set forth in Part E herein, (iv) the Acknowledgement of Funding Agreement(s) Assignment to the Indenture Trustee set forth in Part F herein, (v) the Instructions of the Trust set forth in Part H herein, (vi) the Acknowledgement of Indenture Trustee Concerning the Note Certificate set forth in Part I herein, (vii) the Certificate of Indenture Trustee Concerning the Funding Agreement(s) set forth in Part J herein and (viii) the Certificate of Indenture Trustee Concerning Corporate Matters set forth in Part N herein)

By: -----
Name:
Title:

J.P. MORGAN TRUST COMPANY, NATIONAL ASSOCIATION, Chicago, Illinois office (for purposes of the Certificate Regarding Custody of Funding Agreement(s) set forth in Part G herein)

By: -----
Name:
Title:

SECRETARY OF AMACAR Pacific Corp. (for purposes of the Certificate of AMACAR Pacific Corp. set forth in Part O herein)

By:

Name:
Title: Secretary

34

I, an authorized officer of AMACAR Pacific Corp., do hereby certify that the above signature is the true and genuine signature of the duly elected, qualified and acting Secretary of AMACAR Pacific Corp.

By:

Name:
Title:

[MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED] (for purposes of the Cross-Receipt between the Trust and the Agent(s) set forth in Part P herein)

By:

Name:
Title:

35

EXHIBIT A

STANDARD INDENTURE TERMS

A-1

EXHIBIT B

STANDARD FUNDING NOTE INDENTURE TERMS

B-1

EXHIBIT C

FUNDING AGREEMENT(S)

C-1

EXHIBIT D

UCC-1 FINANCING STATEMENT

D-1

ANNEX A

INDENTURE TRUSTEE SERVICE
FEE SCHEDULE

A-A-1

[Allstate Life Letterhead]

March 4, 2004

Allstate Life Insurance Company
3100 Sanders Road
Northbrook, Illinois 60062

Re: Allstate Life Insurance Company
Funding Agreements

Ladies and Gentlemen:

In connection with the preparation and filing with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Act"), by Allstate Life Insurance Company, an Illinois life insurance company (the "Company"), and Allstate Life Global Funding, a statutory trust organized under the laws of the State of Delaware ("Global Funding"), of a Registration Statement on Form S-3 (File No. 333-112249), as amended (the "Registration Statement"), including a prospectus (the "Prospectus") relating to secured medium term notes (the "Notes") to be issued by newly formed Delaware statutory trusts (each, a "Trust" and together the "Trusts"), a prospectus supplement relating to secured medium term notes to be issued by the Trusts (the "Institutional Prospectus Supplement") and a prospectus supplement relating to Allstate Life(SM) CoreNotes(SM) to be issued by the Trusts (the "Retail Prospectus Supplement"), you have requested my opinion with respect to the matters set forth below.

The Registration Statement provides for: (i) the registration of up to \$4,000,000,000, or the equivalent amount in one or more foreign currencies, aggregate principal amount of Notes to be issued by the Trusts, with each Trust to issue Notes, pursuant to an Indenture (each an "Indenture") to be entered into between such Trust and J.P. Morgan Trust Company, National Association, as indenture trustee (the "Indenture Trustee"), substantially in the form attached as an exhibit to the Registration Statement, (ii) the registration of up to \$4,000,000,000, or the equivalent amount in one or more foreign currencies, aggregate principal amount of Funding Notes to be issued by Global Funding (each in the form attached as an exhibit to the Registration Statement, a "Funding Note") to be sold to the Trusts in connection with the sale of the Notes and (iii) the registration of up to \$4,000,000,000, or the equivalent amount in one or more foreign currencies, of the Company's funding agreements (each in the form attached as an exhibit to the Registration Statement, a "Funding Agreement") to be sold to Global Funding, which will immediately assign absolutely and deposit the relevant Funding Agreement(s) to the relevant Trust, and the relevant Funding Note will be surrendered, in connection with the sale of Notes.

In my capacity as General Counsel to the Company, I, or other attorneys in the Law Department of the Company under my direction, have examined the Registration Statement.

Allstate Life Insurance Company
March 4, 2004
Page 2

In addition, I, or other attorneys in the Law Department of the Company under my direction, have examined the originals (or copies certified or otherwise identified to my satisfaction) of such other agreements, certificates, documents and records and have reviewed such questions of law and made such inquiries as I have deemed necessary or appropriate for the purposes of the opinions rendered herein.

In such examination, I have assumed, without inquiry, the legal capacity of all natural persons, the genuineness of all signatures on all documents examined by me, the authenticity of all documents submitted to me as originals, the conformity to the original documents of all such documents submitted to me as copies and the authenticity of the originals of such latter documents. As to any facts material to my opinion, I have, when relevant facts were not independently established, relied upon the aforesaid agreements, instruments, certificates, documents and records and upon statements and certificates of officers and representative of the Company and public officials.

Based upon the foregoing, and subject to the limitations, qualifications and assumptions stated herein, I am of the opinion that:

The Funding Agreements have been duly authorized and when they have been duly executed, issued and delivered, will constitute valid and legally binding obligations of the Company in accordance with their terms.

The opinions rendered herein are limited to the laws of the State of Illinois and the Federal law of the United States.

I consent to the filing of this opinion letter as an exhibit to the Registration Statement and to the use of my name under the heading "Legal Opinions" in the Prospectus and to the incorporation by reference of this opinion and consent as exhibits to any Registration Statement filed in accordance with Rule 462(b) under the Act relating to the Notes. In giving such consent, I do not thereby concede that I am within the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission thereunder.

Very truly yours,

/s/ Michael J. Velotta

[Letterhead of LeBoeuf, Lamb, Greene & MacRae, L.L.P.]

March 4, 2004

Allstate Life Global Funding
 c/o AMACAR Pacific Corp.
 6525 Morrison Boulevard, Suite 318
 Charlotte, North Carolina 28211

Re: \$4,000,000,000 Secured Medium Term Notes
 Registration Statement on Form S-3

Ladies and Gentlemen:

We have acted as special counsel to Allstate Life Global Funding, a statutory trust organized under the laws of the State of Delaware ("Global Funding"), in connection with the preparation and filing with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Act"), by Global Funding and Allstate Life Insurance Company ("Allstate Life"), of a Registration Statement on Form S-3 (File No. 333-112249), as amended (the "Registration Statement"), including a prospectus (the "Prospectus") relating to secured medium term notes (the "Notes") to be issued by newly formed Delaware statutory trusts (each, a "Trust" and together the "Trusts"), a prospectus supplement relating to secured medium term notes to be issued by the Trusts (the "Institutional Prospectus Supplement") and a prospectus supplement relating to Allstate Life(SM) CoreNotes(SM) to be issued by the Trusts (the "Retail Prospectus Supplement"). The Registration Statement provides for: (i) the registration of up to \$4,000,000,000, or the equivalent amount in one or more foreign currencies, aggregate principal amount of Notes to be issued by the Trusts, with each Trust to issue Notes, pursuant to an Indenture (each an "Indenture") to be entered into between such Trust and J.P. Morgan Trust Company, National Association, as indenture trustee (the "Indenture Trustee"), substantially in the form attached as an exhibit to the Registration Statement, (ii) the registration of up to \$4,000,000,000, or the equivalent amount in one or more foreign currencies, aggregate principal amount of Funding Notes to be issued by Global Funding (each in the form attached as an exhibit to the Registration Statement, a "Funding Note") to be sold to the Trusts in connection with the sale of the Notes and (iii) the registration of up to \$4,000,000,000, or the equivalent amount in one or more foreign currencies, of Allstate Life's funding agreements (each in the form attached as an exhibit to the Registration Statement, a "Funding Agreement") to be sold to Global Funding, which will immediately assign absolutely and deposit the relevant Funding Agreement(s) to the relevant Trust, and the relevant Funding Note will be surrendered, in connection with the sale of Notes.

Allstate Life Global Funding
 March 4, 2004
 Page 2

In furnishing this opinion, we have reviewed, and participated in the preparation of: (i) the Registration Statement, the Prospectus, the Institutional Prospectus Supplement and the Retail Prospectus Supplement, (ii) the Amended and Restated Trust Agreement for Global Funding filed as an exhibit to the Registration Statement, (iii) the Standard Trust Agreement Terms and the Standard Indenture Terms, each filed as an exhibit to the Registration Statement, (iv) the form of Series Instrument filed as an exhibit to the Registration Statement (the "Series Instrument") that includes the Trust Agreement and the Indenture to be executed through the execution of the Series Instrument, (v) the form of Funding Agreement filed as an exhibit to the Registration Statement, (vi) the form of Funding Note filed as an exhibit to the Registration Statement and (vii) such other certificates, records, and other documents as we have deemed necessary or appropriate to enable us to render our opinions set forth below.

We have also reviewed the corporate action of Allstate Life and the trust action of Global Funding in connection with the issuance of the Notes and the Funding Notes, and have examined, and have relied as to matters of fact upon, originals or copies certified or otherwise identified to our satisfaction, of such records, agreements, documents, and other instruments and such certificates or comparable documents of public officials and of officers and representatives of Allstate Life and Global Funding, as applicable, and have made such other further investigations as we have deemed relevant and necessary as a basis for the opinions hereinafter set forth. In such examination, we have assumed the authenticity of all documents submitted to us as originals, the genuineness of all signatures, the legal capacity of all natural persons and the conformity to authentic original documents of any copies submitted to us for our examination. We have relied as to factual matters upon, and have assumed the accuracy of, representations, statements and certificates of or from public officials and of or from officers and representatives of all persons whom we have deemed appropriate. We have assumed that the Indenture Trustee has the power and authority to authenticate the relevant Notes.

Based upon the foregoing, and subject to the qualifications and limitations stated herein, we are of the opinion:

1. Upon the execution and delivery of the relevant Funding Note issued by Global Funding as contemplated by the Registration Statement, such Funding Note will be a valid and binding obligation of Global Funding, enforceable against Global Funding in accordance with its terms.
2. Upon the execution, issuance, authentication and delivery of the relevant Notes as contemplated by the Registration Statement, such Notes will be the valid and binding obligations of the relevant Trust, enforceable against such Trust in accordance with their terms.

The above opinions with regard to the enforceability of the Notes and the Funding Notes: (i) are qualified by the effects of bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally and general principles of equity (regardless of whether such principles are considered in a proceeding in equity or at law) and (ii) are subject to the further qualification that, to the extent that the relevant Notes or relevant Funding Note are denominated in a currency other than United States dollars, a claim thereunder

Allstate Life Global Funding
March 4, 2004
Page 3

(or foreign currency judgment in respect to such claim) would be converted into United States dollars at a rate of exchange prevailing on a date determined pursuant to applicable law.

We express no opinion as to the laws of any jurisdiction other than the laws of the State of New York, the General Corporation Law of the State of Delaware and the Federal law of the United States, as currently in effect. This opinion letter is rendered as of the date hereof based upon the facts and law in existence on the date hereof. We assume no obligation to update or supplement this opinion letter to reflect any circumstances that may come to our attention after the date of effectiveness of the Registration Statement with respect to the opinion and statements set forth above, including any changes in applicable law that may occur after the date of effectiveness of the Registration Statement.

Very truly yours,

/s/ LeBoeuf, Lamb, Greene & MacRae, L.L.P.

[Letterhead of LeBoeuf, Lamb, Greene & MacRae, L.L.P.]

March 4, 2004

Allstate Life Insurance Company
3100 Sanders Road
Northbrook, Illinois 60062

Allstate Life Global Funding
c/o AMACAR Pacific Corp.
6525 Morrison Boulevard, Suite 318
Charlotte, North Carolina 28211

Re: \$4,000,000,000 Secured Medium Term Notes
Registration Statement on Form S-3

Ladies and Gentlemen:

We have acted as special United States federal income tax counsel to Allstate Life Insurance Company, an Illinois insurance company ("Allstate Life"), and Allstate Life Global Funding, a statutory trust organized under the laws of the State of Delaware (the "Global Funding"), in connection with the preparation and filing with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Act"), by Global Funding and Allstate Life, of a Registration Statement on Form S-3 (File No. 333-112249), as amended (the "Registration Statement"), including a prospectus (the "Prospectus") relating to secured medium term notes (the "Notes") to be issued by newly formed Delaware statutory trusts (each, a "Trust" and together the "Trusts"), a prospectus supplement relating to secured medium term notes to be issued by the Trusts (the "Institutional Prospectus Supplement") and a prospectus supplement relating to Allstate Life(SM) CoreNotes(SM) to be issued by the Trusts (the "Retail Prospectus Supplement", and together with the Institutional Prospectus Supplement, the "Prospectus Supplements"). The Registration Statement provides for: (i) the registration of up to \$4,000,000,000, or the equivalent amount in one or more foreign currencies, aggregate principal amount of Notes to be issued by the Trusts, with each Trust to issue Notes, pursuant to an Indenture (each an "Indenture") to be entered into between such Trust and J.P. Morgan Trust Company, National Association, as indenture trustee (the "Indenture Trustee"), substantially in the form attached as an exhibit to the Registration Statement, (ii) the registration of up to \$4,000,000,000, or the equivalent amount in one or more foreign currencies, aggregate principal amount of Funding Notes to be issued by Global Funding (each in the form attached as

Allstate Life Insurance Company
Allstate Life Global Funding
March 4, 2004
Page 2

an exhibit to the Registration Statement, a "Funding Note") and (iii) the registration of up to \$4,000,000,000, or the equivalent amount in one or more foreign currencies, of Allstate Life's funding agreements (each in the form attached as an exhibit to the Registration Statement, a "Funding Agreement") to be sold to Global Funding.

Each Trust will use the net proceeds received from the issuance of its Notes to purchase a Funding Note from Global Funding. Global Funding will use the net proceeds received from the sale of the Funding Note to purchase Funding Agreement(s) issued by Allstate Life. Global Funding will immediately assign absolutely to, and deposit into, the relevant Trust such Funding Agreement(s), and the Funding Note will be surrendered. The Funding Note and the Funding Agreements will have a principal amount equal to the principal amount of the Notes. The Funding Note and the Funding Agreements will otherwise have payment and other terms substantially similar to the Notes.

The payments under the relevant Funding Agreement(s) issued by Allstate Life will be structured to meet in full the relevant Trust's scheduled payment obligations under the Note issued by such Trust. Payment of principal and interest on the Notes will be made solely from payments made by Allstate Life under the applicable Funding Agreement(s). Capitalized terms used in this opinion letter which are not otherwise defined herein have the meanings ascribed to them in the Standard Indenture Terms.

In formulating our opinions in this letter, we have reviewed (i) the Registration Statement, (ii) the Prospectus, (iii) the Prospectus Supplements, (iv) the Standard Trust Agreement Terms and the Standard Indenture Terms, each filed as an exhibit to the Registration Statement, (v) the form of Series Instrument filed as an exhibit to the Registration Statement that includes the

Trust Agreement and the Indenture to be executed through the execution of the Series Instrument, (vi) the form of Funding Agreement filed as an exhibit to the Registration Statement, (vii) the form of Funding Note filed as an exhibit to the Registration Statement and (viii) such other certificates, records, and other documents as we have deemed necessary or appropriate to enable us to render our opinions set forth below.

In our examination, we have assumed the legal capacity of all natural persons, the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified, conformed or other copies, and the authenticity of the originals of such copies.

In rendering our opinions in this letter, we have assumed that the transactions described in or contemplated by the foregoing documents have been or will be consummated in accordance with the operative documents, and that such documents accurately reflect the material facts of such transactions. Our opinion is also based on the Internal Revenue Code of 1986, as amended (the "Code"), Treasury regulations, administrative rulings, judicial decisions and other applicable authorities. The statutory provisions, regulations and interpretations on which our opinion is based are subject to change, possibly retroactively. In addition, there can be no assurance that the Internal Revenue Service will not take positions contrary to those stated in our opinion letter.

Allstate Life Insurance Company
Allstate Life Global Funding
March 4, 2004
Page 3

Subject to the foregoing, under current law and based upon the facts, assumptions and qualifications contained herein, it is our opinion that:

1. Global Funding and each Trust will be ignored for United States federal income tax purposes and will not be treated as an association or a publicly traded partnership taxable as a corporation; and
2. The Notes will be classified as indebtedness of Allstate Life for United States federal income tax purposes.

The opinions we express herein are limited solely to matters governed by the federal income tax laws of the United States. No opinion may be implied or inferred beyond that which is expressly stated in this opinion letter. We disclaim any obligation to update this opinion letter for events occurring or coming to our attention after the date hereof.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement. In giving such consent, we do not admit that we are in the category of persons whose consent is required under Section 7 of the Act.

Very truly yours,

/s/ LeBoeuf, Lamb, Greene & MacRae, L.L.P.

FORM OF SECURITY FOR
FUNDING NOTE RELATED TO SECURED MEDIUM TERM NOTES ISSUED UNDER THE
ALLSTATE LIFE(SM) CORENOTES(R) PROGRAM
[FACE OF SECURITY]

CUSIP No.:

ALLSTATE LIFE GLOBAL FUNDING

FUNDING NOTE

<p>Title of Note: Trust: Principal Amount: \$ _____ Original Issue Date: Issue Price: Interest Rate or Formula: Fixed Rate Note: / / Yes / / No. If yes, Interest Rate: Interest Payment Dates: Day Count Convention: Additional/Other Terms: Discount Note: / / Yes / / No. If yes, Total Amount of Discount: Initial Accrual Period of Discount: Interest Payment Dates: Additional/Other Terms: Redemption Provisions: / / Yes / / No. If yes, Initial Redemption Date: Initial Redemption Percentage: Annual Redemption Percentage Reduction, if any: Additional/Other Terms:</p>	<p>Stated Maturity Date: Settlement Date and Time: Securities Exchange Listing: / / Yes / / No. If yes, indicate name(s) of Securities Exchange(s): _____ Floating Rate Note: / / Yes / / No. If yes, Regular Floating Rate Notes: / / Floating Rate/Fixed Rate Notes: / / Interest Rate: Interest Rate Basis(es): LIBOR / / / / LIBOR Reuters Page: / / LIBOR Telerate Page: LIBOR Currency: Constant Maturity Treasury Rate / / Designated CMT Telerate Page: If Telerate Page 7052: / / Weekly Average / / Monthly Average Designated CMT Maturity Index:</p>
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"Allstate Life(SM)" is a registered servicemark of Allstate Insurance Company.
"CoreNotes(R)" is a registered servicemark of Merrill Lynch & Co., Inc.

A-1

<p>Regular Interest Record Date(s): Sinking Fund: Calculation Agent: Authorized Denominations: Collateral: Allstate Life Insurance Company Funding Agreement No(s). / /, all proceeds of such funding Agreement(s), all books and records pertaining to such Funding Agreement(s) and all rights of the Trust pertaining to the foregoing. Additional/Other Terms:</p>	<p>CD Rate / / Commercial Paper Rate / / Federal Funds Rate / / Prime Rate / / Treasury Rate / / Other / / See attached. Index Maturity: Spread and/or Spread Multiplier, if any: Initial Interest Rate, if any: Initial Interest Reset Date: Interest Reset Dates: Interest Determination Date(s): Interest Payment Dates: Maximum Interest Rate, if any: Minimum Interest Rate, if any: Fixed Rate Commencement Date, if any: Fixed Interest Rate, if any: Day Count Convention: Additional/Other Terms:</p>
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This note certificate represents a duly authorized funding note (the "Note") of Allstate Life Global Funding, a statutory trust organized under the laws of the State of Delaware ("Global Funding"). The Note is being issued in connection with the issuance and sale by the trust specified above (the "Trust") of the trust notes identified on Annex A to that certain series instrument to which Global Funding and the Trust are parties (the "Series Instrument") (the "Trust Notes"). The Note is being issued under the Funding Note Indenture, dated as of the date hereof (as amended or supplemented from time to time, the "Indenture") between Global Funding and J.P. Morgan Trust Company, National Association, as indenture trustee (including any successor, the "Indenture Trustee"). Capitalized terms used herein and not otherwise defined shall have the respective meanings ascribed in the Standard Funding Note Indenture Terms, dated as of [] (as amended or supplemented from time to time, the "Standard Funding Note Indenture Terms").

Subject to the immediately following paragraph, Global Funding, for value received, hereby promises to pay to the Trust or its registered assigns (the "Holder") on the Maturity Date (as defined below) (or on the date of redemption

or repayment by Global Funding) the principal amount of the Note and, if so specified above, to pay interest from time to time on the Note from the Original Issue Date (the "Original Issue Date") or from the most recent Interest Payment Date to which interest has been paid or duly provided for at the rate per annum determined in accordance with the provisions on the reverse hereof and as specified above, until the principal of the Note is paid or made available for payment and to pay such other amounts due and owing with respect to the Note.

The Note shall be cancelled immediately upon the transfer by Global Funding to, or as directed by, the Trust of each funding agreement identified on Annex A to the Series Instrument (each, a "Funding Agreement"), and such cancellation shall operate as a redemption of, and

A-2

satisfaction of indebtedness represented by, the Note.

On any exchange or purchase and cancellation of the Note, details of such exchange or purchase and cancellation shall be entered in the records of Global Funding. Upon any such exchange or purchase and cancellation, the principal amount of the Note shall be charged by the principal amount so exchanged or purchased and cancelled, as provided in the Standard Indenture Terms.

Unless otherwise set forth above, if the Notes are subject to an Annual Redemption Percentage Reduction as specified above, the Redemption Price of the Notes represented by this Note Certificate shall initially be the Initial Redemption Percentage of the principal amount of the Notes represented by this Note Certificate on the Initial Redemption Date and shall decline at each anniversary of the Initial Redemption Date (each such date, a "Redemption Date") by the Annual Redemption Percentage Reduction of such principal amount until the Redemption Price is 100% of such principal amount.

The Notes will mature on the earlier of the Stated Maturity Date and the Maturity Date (as defined in the Trust Notes) of the Trust Notes (the "Trust Notes Maturity Date"), unless its principal (or, any installment of its principal) becomes due and payable prior to any such date, whether, as applicable, by the declaration of acceleration of maturity, notice of redemption at the option of the Trust, notice of the Holder's option to elect repayment or otherwise (the Stated Maturity Date, the Trust Notes Maturity Date or any date prior to any such date on which the Note becomes due and payable, as the case may be, are referred to as the "Maturity Date" with respect to principal of the Note repayable on such date).

Unless otherwise provided above and except as provided in the following paragraph, Global Funding will pay interest on each Interest Payment Date specified above, commencing with the first Interest Payment Date next succeeding the Original Issue Date, and on the Maturity Date; PROVIDED that any payment of principal, premium, if any, interest or other amounts to be made on any Interest Payment Date or on a Maturity Date that is not a Business Day shall be made on the next succeeding Business Day, PROVIDED, HOWEVER, with respect to an Interest Payment Date other than the Maturity Date, if the Note is a LIBOR Note (as defined in Section 3 on the reverse hereof) and that next succeeding Business Day falls in the next succeeding calendar month, such payment shall be made on the immediately preceding Business Day.

Unless otherwise specified above, the interest payable on each Interest Payment Date or on the Maturity Date will be the amount equal to the interest accrued from and including the immediately preceding Interest Payment Date in respect of which interest has been paid or from and including the date of issue, if no interest has been paid, to but excluding the applicable Interest Payment Date or the Maturity Date, as the case may be (each, an "Interest Period").

Reference is hereby made to the further provisions of the Note set forth on the reverse hereof and, if so specified on the face hereof, in an Addendum hereto, which further provisions shall for all purposes have the same force and effect as if set forth on the face hereof.

Notwithstanding the foregoing, if an Addendum is attached hereto or "Other/Additional Provisions" apply to the Note as specified above, the Note shall be subject to the terms set forth

A-3

in such Addendum or such "Other/Additional Provisions."

The Notes represented by this Note Certificate shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been executed by the Indenture Trustee pursuant to the Indenture.

A-4

IN WITNESS WHEREOF, Global Funding has caused this instrument to be duly executed on its behalf.

Dated: Original Issue Date

ALLSTATE LIFE GLOBAL FUNDING

as Issuer

By:

Name:
Title:

CERTIFICATE OF AUTHENTICATION

This Note Certificate represents the Note described in the within-mentioned Indenture and is being issued in accordance with Section [2.5(f)] of the Standard Funding Note Indenture Terms.

Dated: Original Issue Date

J.P. MORGAN TRUST COMPANY, NATIONAL
ASSOCIATION,
as Indenture Trustee

By:

Authorized Signatory

A-5

[REVERSE OF DEFINITIVE SECURITY]

SECTION 1. GENERAL. This Note is being issued pursuant to the Indenture in connection with the issuance and sale by the Trust of the Trust Notes. The Note shall be cancelled immediately upon the transfer by Global Funding to, or as directed by, the Trust of each Funding Agreement, and such cancellation shall operate as a redemption of, and satisfaction of indebtedness represented by, the Note.

SECTION 2. CURRENCY. The Note is denominated in, and payments of principal, premium, if any, and/or interest, if any, will be made in U.S. dollars.

SECTION 3. DETERMINATION OF INTEREST RATE AND OTHER PAYMENT PROVISIONS.

FIXED RATE NOTE. If the Note is designated on the face hereof as a "Fixed Rate Note," the Note will bear interest from the Original Issue Date until the Maturity Date. Unless otherwise specified on the face hereof, the rate of interest payable on the Note will not be adjusted; unless otherwise specified on the face hereof, interest will be payable on the Interest Payment Dates set forth on the face hereof and at the Maturity Date. Interest will be computed on the basis of a 360-day year of twelve 30-day months. If any Interest Payment Date or the Maturity Date of a Fixed Rate Note falls on a day that is not a Business Day, any payments of principal, premium, if any, and/or interest or other amounts required to be made, may be made on the next succeeding Business Day, and no additional interest will accrue in respect of the payment made on that next succeeding Business Day.

DISCOUNT NOTE. If the Note is designated on the face hereof as a "Discount Notes" (as defined below), payments in respect of the Note shall be made as set forth on the face hereof. In the event a Discount Note is redeemed, repaid or accelerated, the amount payable to the Holder of such Note on the Maturity Date will be equal to the sum of (1) the Issue Price (increased by any accruals of discount) and, in the event of any redemption of such Discount Note, if applicable, multiplied by the Initial Redemption Percentage (as adjusted by the Annual Redemption Percentage Reduction, if applicable); and (2) any unpaid interest accrued on such Discount Note to the date of redemption, repayment or acceleration of maturity, as applicable. For purposes of determining the amount of discount that has accrued as of any date on which a redemption, repayment or acceleration of maturity of the Note occurs for a Discount Note, the discount will be accrued using a constant yield method. The constant yield will be calculated using a 30-day month, 360-day year convention, a compounding period that, except for the Initial Period (as defined below), corresponds to the shortest period between Interest Payment Dates for a Discount Note (with ratable accruals within a compounding period), a coupon rate equal to the initial coupon rate applicable to a Discount Note and an assumption that the maturity of such Discount Note will not be accelerated. If the period from the date of issue to the first Interest Payment Date for a Discount Note (the "Initial Period") is shorter than the compounding period for such Discount Note, a proportionate amount of the yield for an entire compounding period will be accrued. If the Initial Period is longer than the compounding period, then the period will be divided into a regular compounding period and a short period with the short period being treated as provided in the preceding sentence. A "Discount Note" is any Note that has an Issue Price that is less than 100% of the principal amount thereof by more than a percentage equal to the product of 0.25% and the number of full years to the Stated Maturity Date.

A-6

FLOATING RATE NOTE. If the Note is specified on the face hereof as "Floating Rate Note," interest on the Note shall accrue and be payable in accordance with this Section 3. A Floating Rate Note may be a CD Rate Note, CMT

Rate Note, Commercial Paper Rate Note, Federal Funds Rate Note, LIBOR Note, Prime Rate Note, Treasury Rate Note, or as otherwise set forth on the face hereof. If the Note is designated on the face hereof as Floating Rate Note, the face hereof will specify whether the Note is a Regular Floating Rate Note or Floating Rate/Fixed Rate Note. For the period from the date of issue to, but not including, the first Interest Reset Date set forth on the face hereof, the interest rate hereon shall be the Initial Interest Rate specified on the face hereof. Thereafter, the interest rate hereon will be reset as of and be effective as of each Interest Reset Date.

- (A) If any Interest Reset Date would otherwise be a day that is not a Business Day, such Interest Reset Date shall be postponed to the next day that is a Business Day; PROVIDED, HOWEVER, that if the Note is a LIBOR Note and such Business Day is in the next succeeding calendar month, such Interest Reset Date shall be the Business Day immediately preceding such Interest Reset Date.
- (B) Unless specified otherwise on the face hereof, Interest Reset Dates are as follows: (1) if the Note resets daily, each Business Day, (2) if the Note resets weekly, other than a Treasury Rate Note, the Wednesday of each week, (3) if the Note is a Treasury Rate Note that resets weekly, and except as provided below under "Treasury Rate Note," the Tuesday of each week, (4) if the Note resets monthly, the third Wednesday of each month, (5) if the Note resets quarterly, the third Wednesday of March, June, September and December of each year, (6) if the Note resets semiannually, the third Wednesday of each of the two months specified on the face hereof and (7) if the Note resets annually, the third Wednesday of the month specified each year; PROVIDED, HOWEVER, that with respect to Floating Rate/ Fixed Rate Note, the rate of interest thereon will not reset after the particular Fixed Rate Commencement Date specified on the face hereof (the "Fixed Rate Commencement Date").
- (C) Accrued interest is calculated by multiplying the principal amount of such Floating Rate Note by an accrued interest factor. The accrued interest factor is computed by adding the interest factor calculated for each day in the particular Interest Period. The interest factor for each day will be computed by dividing the interest rate applicable to such day by 360, in the case of a Floating Rate Note as to which the CD Rate, the Commercial Paper Rate, the Federal Funds Rate, LIBOR or the Prime Rate is an applicable Interest Rate Basis (as defined below), or by the actual number of days in the year, in the case of a Floating Rate Note as to which the CMT Rate or the Treasury Rate is an applicable Interest Rate Basis. The interest factor for a Floating Rate Note as to which the interest rate is calculated with reference to two or more Interest Rate Bases will be calculated in each period in the same manner as if only the applicable Interest Rate Basis specified on the face hereof applied. The interest rate shall be set forth on the face hereof. For purposes of making the foregoing calculation, the interest rate in effect on any Interest Reset Date will be the applicable rate as reset on that date. Unless otherwise specified on the face hereof, the interest rate that is effective on

A-7

the applicable Interest Reset Date will be determined on the applicable Interest Determination Date and calculated on the applicable Calculation Date (as defined below). "Calculation Date" means the date by which the Calculation Agent designated on the face hereof, is to calculate the interest rate which will be the earlier of (1) the tenth calendar day after the particular Interest Determination Date or, if such day is not a Business Day, the next succeeding Business Day; or (2) the Business Day immediately preceding the applicable Interest Payment Date or the Maturity Date, as the case may be.

- (D) Unless otherwise specified on the face hereof, all percentages resulting from any calculation on a Floating Rate Note will be rounded to the nearest one hundred-thousandth of a percentage point, with five one-millionths of a percentage point rounded upwards. All dollar amounts used in or resulting from any calculation on a Floating Rate Note will be rounded to the nearest cent.

Unless otherwise specified on the face hereof and except as provided below, interest will be payable as follows: (1) if the Interest Reset Date for the Note is daily, weekly or monthly, interest will be payable on the third Wednesday of each month or on the third Wednesday of March, June, September and December of each year, as specified on the face hereof, (2) if the Interest Reset Date for the Note is quarterly, interest will be payable on the third Wednesday of March, June, September, and December of each year, (3) if the Interest Reset Date for the Note is semiannually, interest will be payable on the third Wednesday of each of two months specified on the face hereof of each year, (4) if the Interest Reset Date for the Note is annually, interest will be payable on the third Wednesday of the month specified on the face hereof of each year. In each of these cases, interest will also be payable on the Maturity Date.

If specified on the face hereof, the Note may have either or both of a

Maximum Interest Rate or Minimum Interest Rate. If a Maximum Interest Rate is so designated, the interest rate that may accrue during any Interest Period for a Floating Rate Note cannot ever exceed such Maximum Interest Rate and in the event that the interest rate on any Interest Reset Date would exceed such Maximum Interest Rate (as if no Maximum Interest Rate were in effect) then the interest rate on such Interest Reset Date shall be the Maximum Interest Rate. If a Minimum Interest Rate is so designated, the interest rate that may accrue during any Interest Period for a Floating Rate Note cannot ever be less than such Minimum Interest Rate and in the event that the interest rate on any Interest Reset Date would be less than such Minimum Interest Rate (as if no Minimum Interest Rate were in effect) then the interest rate on such Interest Reset Date shall be the Minimum Interest Rate. Notwithstanding anything to the contrary contained herein, if the Note is designated on the face hereof as a Floating Rate Note, the interest rate on the Note shall not exceed the maximum interest rate permitted by applicable law.

All determinations of interest by the Calculation Agent designated on the face hereof will, in the absence of manifest error, be conclusive for all purposes and binding on the Holder of the Note and neither the Indenture Trustee nor the Calculation Agent shall have any liability to the Holder of the Note in respect of any determination, calculation, quote or rate made or provided by the Calculation Agent. Upon request of the Holder of the Note, the Calculation Agent will provide the interest rate then in effect and, if determined, the interest rate that will become effective on the next Interest Reset Date with respect to the Note. If the Calculation

A-8

Agent is incapable or unwilling to act as such or if the Calculation Agent fails duly to establish the interest rate for any interest accrual period or to calculate the interest amount or any other requirements, Global Funding will appoint a successor to act as such in its place. The Calculation Agent may not resign its duties until a successor has been appointed and such successor has accepted its appointment.

Subject to applicable provisions of law and except as specified herein, on each Interest Reset Date, the rate of interest on the Note on and after the first Interest Reset Date shall be the interest rate determined in accordance with the provisions of the heading below which has been designated as the Interest Rate Basis on the face hereof (the "Interest Rate Basis"), the base rate, plus or minus the Spread, if any, specified on the face hereof and/or multiplied by the Spread Multiplier, if any, specified on the face hereof.

- (A) CD RATE NOTE. If the Interest Rate Basis is the CD Rate, the Note shall be deemed to be a "CD Rate Note." A CD Rate Note will bear interest at the interest rate calculated with reference to the CD Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the CD Rate on each Interest Determination Date. The Interest Determination Date is the second Business Day immediately preceding the related Interest Reset Date. "CD Rate" means the rate on the particular Interest Determination Date for negotiable United States dollar certificates of deposit having the Index Maturity specified on the face hereof as published in H.15(519) (as defined below) under the caption "CDs (secondary market)", or, if not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date for negotiable United States dollar certificates of the particular Index Maturity as published in the H.15 Daily Update (as defined below) or other recognized electronic source used for the purpose of displaying the applicable rate under the heading "CDs (secondary market)." If such rate is not yet published in either H.15(519) or the H.15 Daily Update by 3:00 P.M., New York City time, on the related Calculation Date, then the CD Rate will be the rate on the particular Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the secondary market offered rates as of 10:00 A.M., New York City time on that Interest Determination Date of three leading nonbank dealers in negotiable United States dollar certificates of deposit in The City of New York (which may include the Agents or their affiliates) selected by the Calculation Agent for negotiable United States dollar certificates of deposit of major United States money market banks for negotiable United States certificates of deposit with a remaining maturity closest to the particular Index Maturity in an amount that is representative for a single transaction in that market at that time, or, if the dealers so selected by the Calculation Agent are not quoting as described in the preceding sentence, the CD Rate in effect on the particular Interest Determination Date. "H.15(519)" means the weekly statistical release designated as H.15(519), or any successor publication, published by the Board of Governors of the Federal Reserve System; and "H.15 Daily Update" means the daily update of H.15(519), available through the Board of Governors of the Federal Reserve System at

A-9

(B) CMT RATE NOTE. If the Interest Basis is the CMT Rate, the Note shall be deemed to be a "CMT Rate Note." A CMT Rate Note will bear interest at the interest rate calculated with reference to the CMT Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the CMT Rate on each applicable Interest Determination Date. The applicable Interest Determination Date is the second Business Day prior to the Interest Reset Date. "CMT Rate" means (1) if CMT Moneyline Telerate Page 7051 is specified on the face hereof: (a) the percentage equal to the yield for United States Treasury securities at "constant maturity" having the Index Maturity specified on the face hereof as published in H.15(519) under the caption "Treasury Constant Maturities", as the yield is displayed on Moneyline Telerate (or any successor service) on page 7051 (or any other page as may replace the specified page on that service) ("Moneyline Telerate Page 7051"), for the particular Interest Determination Date, or (b) if the rate referred to in clause (a) does not so appear on Moneyline Telerate Page 7051, the percentage equal to the yield for United States Treasury securities at "constant maturity" having the particular Index Maturity and for the particular Interest Determination Date as published in H.15(519) under the caption "Treasury Constant Maturities", or (c) if the rate referred to in clause (b) does not so appear in H.15(519), the rate on the particular Interest Determination Date for the period of the particular Index Maturity as may then be published by either the Federal Reserve System Board of Governors or the United States Department of the Treasury that the Calculation Agent determines to be comparable to the rate which would otherwise have been published in H.15(519), or (d) if the rate referred to in clause (c) is not so published, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on that Interest Determination Date of three leading primary United States government securities dealers in The City of New York (which may include the Agents or their affiliates) (each, a "Reference Dealer"), selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation or, in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the particular Index Maturity, a remaining term to maturity no more than one year shorter than that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or (e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated, or (f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time,

A-10

on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the particular Index Maturity, a remaining term to maturity closest to that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or (g) if fewer than five but more than two prices referred to in clause (f) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated, or (h) if fewer than three prices referred to in clause (f) are provided as requested, the CMT Rate in effect on the particular Interest Determination Date; (2) if CMT Moneyline Telerate Page 7052 is specified on the face hereof (a) the percentage equal to the one-week or one-month, as specified on the face hereof, average yield for United States Treasury securities at "constant maturity" having the Index Maturity specified on the face hereof as published in H.15(519) opposite the caption "Treasury Constant Maturities", as the yield is displayed on Moneyline Telerate (or any successor service) (on page 7052 or any other page as may replace the specified page on that service) ("Moneyline Telerate Page 7052"), for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the particular Interest Determination Date falls, or (b) if the rate referred to in clause (a) does not so appear on Moneyline Telerate Page 7052, the percentage equal to the one-week or one-month, as specified on the face hereof, average yield for United States Treasury securities at "constant maturity" having the

particular Index Maturity and for the week or month, as applicable, preceding the particular Interest Determination Date as published in H.15(519) opposite the caption "Treasury Constant Maturities", or (c) if the rate referred to in clause (b) does not so appear in H.15(519), the one-week or one-month, as specified on the face hereof, average yield for United States Treasury securities at "constant maturity" having the particular Index Maturity as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the particular Interest Determination Date falls, or (d) if the rate referred to in clause (c) is not so published, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the particular Index Maturity, a remaining term to maturity no more than one year shorter than that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or (e) if fewer

A-11

than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated, or (f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the particular Index Maturity, a remaining term to maturity closest to that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at the time, or (g) if fewer than five but more than two prices referred to in clause (f) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated, or (h) if fewer than three prices referred to in clause (f) are provided as requested, the CMT Rate in effect on that Interest Determination Date.

If two United States Treasury securities with an original maturity greater than the Index Maturity specified on the face hereof have remaining terms to maturity equally close to the particular Index Maturity, the quotes for the United States Treasury security with the shorter original remaining term to maturity will be used.

- (C) COMMERCIAL PAPER RATE NOTE. If the Interest Rate Basis is the Commercial Paper Rate, the Note shall be deemed to be a "Commercial Paper Rate Note." A Commercial Paper Rate Note will bear interest for each Interest Reset Date at the interest rate calculated with reference to the Commercial Paper Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the Commercial Paper Rate on each applicable Interest Determination Date. The Interest Determination Date is the Business Day immediately preceding the related Interest Reset Date. "Commercial Paper Rate" means the Money Market Yield (calculated as described below) on the Interest Determination Date of the rate for commercial paper having the applicable Index Maturity as such rate is published in H.15(519) under the heading "Commercial Paper -- Nonfinancial." If such rate is not published by

A-12

3:00 P.M., New York City time, on the Calculation Date pertaining to such Interest Determination Date, then the Commercial Paper Rate shall be the Money Market Yield on the particular Interest Determination Date of the rate for commercial paper having the particular Index Maturity as published on H.15 Daily Update or such other recognized electronic source used for the purposes of displaying the applicable rate, under the caption "Commercial Paper -- Nonfinancial", or if such rate is not published by 3:00 P.M., New York City time, on the

Calculation Date, then the Commercial Paper Rate as calculated by the Calculation Agent shall be the Money Market Yield of the arithmetic mean of the offered rates at approximately 11:00 A.M., New York City time, on that Interest Determination Date of three leading dealers of United States dollar commercial paper in The City of New York (which may include the Agents or their affiliates) selected by the Calculation Agent for commercial paper having the particular Index Maturity placed for industrial issuers whose bond rating is "Aa", or the equivalent, from a nationally recognized statistical rating organization; PROVIDED, HOWEVER, that if the dealers selected by the Calculation Agent are not quoting offered rates as mentioned above, the Commercial Paper Rate in effect on the particular Interest Determination Date.

"Money Market Yield" shall be a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where "D" refers to the per annum rate for the commercial paper, quoted on a bank discount basis and expressed as a decimal; and "M" refers to the actual number of days in the applicable Interest Period.

- (D) FEDERAL FUNDS RATE NOTE. If the Interest Rate Basis is the Federal Funds Rate, the Note shall be deemed to be a "Federal Funds Rate Note." A Federal Funds Rate Note will bear interest for each Interest Reset Date at the interest rate calculated with reference to the Federal Funds Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the Federal Funds Rate on each applicable Interest Determination Date. The Interest Determination Date is the Business Day immediately preceding the related Interest Reset Date. "Federal Funds Rate" means (1) the rate on the particular Interest Determination Date for United States dollar federal funds as published in H.15(519) under the caption "Federal Funds (Effective)" and displayed on Moneyline Telerate (or any successor service) on page 120 (or any other page as may replace the specified page on that service) ("Moneyline Telerate Page 120"), or (2) if the rate referred to in clause (1) does not so appear on Moneyline Telerate Page 120 or is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date for United States dollar federal funds as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the caption "Federal Funds (Effective)", or (3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the rates for the last transaction in overnight United States dollar federal funds arranged by three leading brokers of United States dollar federal funds transactions in The City of New York (which may include the Agents or their affiliates), selected by the Calculation Agent prior to 9:00 A.M., New York City time, on that Interest Determination Date, or (4) if the brokers so selected by the Calculation Agent are not quoting as mentioned in

A-13

clause (3), the Federal Funds Rate in effect on the particular Interest Determination Date.

- (E) LIBOR NOTE. If the Interest Rate Basis is LIBOR (as defined below), the Note shall be deemed to be a "LIBOR Note." A LIBOR Note will bear interest for each Interest Period at the interest rate calculated with reference to LIBOR and the Spread or Spread Multiplier, if any. On each applicable Interest Determination Date the Calculation Agent will determine LIBOR. The applicable Interest Determination Date is the second London Banking Day preceding the related Interest Reset Date.

LIBOR means: (1) if "LIBOR Moneyline Telerate" is specified on the face hereof or if neither "LIBOR Reuters" nor "LIBOR Moneyline Telerate" is specified on the face hereof as the method for calculating LIBOR, the rate for deposits in the LIBOR Currency (as defined below) having the Index Maturity specified on the face hereof, commencing on the related Interest Reset Date, that appears on the LIBOR Page (as defined below) as of 11:00 A.M., London time, on the particular Interest Determination Date, or (2) if "LIBOR Reuters" is specified on the face hereof, the arithmetic mean of the offered rates, calculated by the Calculation Agent, or the offered rate, if the LIBOR Page by its terms provides only for a single rate, for deposits in the LIBOR Currency having the particular Index Maturity, commencing on the related Interest Reset Date, that appear or appears, as the case may be, on the LIBOR Page as of 11:00 A.M., London time, on the particular Interest Determination Date, or (3) if fewer than two

offered rates appear, or no rate appears, as the case may be, on the particular Interest Determination Date on the LIBOR Page as specified in clause (1) or (2), as applicable, the rate calculated by the Calculation Agent of at least two offered quotations obtained by the Calculation Agent after requesting the principal London offices of each of four major reference banks (which may include affiliates of the Agents), in the London interbank market to provide the Calculation Agent with its offered quotation for deposits in the LIBOR Currency for the period of the particular Index Maturity, commencing on the related Interest Reset Date, to prime banks in the London interbank market at approximately 11:00 A.M., London time, on that Interest Determination Date and in a principal amount that is representative for a single transaction in the LIBOR Currency in that market at that time, or (4) if fewer than two offered quotations referred to in clause (3) are provided as requested, the rate calculated by the Calculation Agent as the arithmetic mean of the rates quoted at approximately 11:00 A.M., in the applicable Principal Financial Center, on the particular Interest Determination Date by three major banks (which may include affiliates of the Agents), in that Principal Financial Center selected by the Calculation Agent for loans in the LIBOR Currency to leading European banks, having the particular Index Maturity and in a principal amount that is representative for a single transaction in the LIBOR Currency in that market at that time, or (5) if the banks so

A-14

selected by the Calculation Agent are not quoting as mentioned in clause (4), LIBOR in effect on the particular Interest Determination Date.

"LIBOR Currency" means United States dollars.

"LIBOR Page" means either: if "LIBOR Reuters" is specified on the face hereof, the display on the Reuter Monitor Money Rates Service (or any successor service) on the page specified on the face hereof (or any other page as may replace that page on that service) for the purpose of displaying the London interbank rates of major banks for the LIBOR Currency; or if "LIBOR Moneyline Telerate" is specified on the face hereof or neither "LIBOR Reuters" nor "LIBOR Moneyline Telerate" is specified on the face hereof as the method for calculating LIBOR, the display on Moneyline Telerate (or any successor service) on the page specified on the face hereof (or any other page as may replace such page on such service) for the purpose of displaying the London interbank rates of major banks for the LIBOR Currency.

- (F) PRIME RATE NOTE. If the Interest Rate Basis is the Prime Rate, the Note shall be deemed to be "Prime Rate Note." Prime Rate Note will bear interest for each Interest Reset Date calculated with reference to the Prime Rate and the Spread or Spread Multiplier, if any, subject to the Minimum Interest Rate and/or Maximum Interest Rate, if any, specified on the face hereof. The Calculation Agent will determine the Prime Rate for each Interest Reset Date on each applicable Interest Determination Date. The Interest Determination Date is the Business Day immediately preceding the related Interest Reset Date. "Prime Rate" means (1) the rate on the particular Interest Determination Date as published in H.15(519) under the caption "Bank Prime Loan", or (2) if the rate referred to in clause (1) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the caption "Bank Prime Loan", or (3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen US PRIME 1 Page (as defined below) as the applicable bank's prime rate or base lending rate as of 11:00 A.M., New York City time, on that Interest Determination Date, or (4) if fewer than four rates referred to in clause (3) are so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the prime rates or base lending rates quoted on the basis of the actual number of days in the year divided by a 360-day year as of the close of business on that Interest Determination Date by three major banks (which may include affiliates of the Agents) in The City of New York selected by the Calculation Agent, or (5) if the banks so selected by the Calculation Agent are not quoting as mentioned in clause (4), the Prime Rate in

A-15

effect on the particular Interest Determination Date. "Reuters Screen US PRIME 1 Page" means the display on the Reuter Monitor Money Rates Service (or any successor service) on the "US PRIME 1" page (or any other page as may replace that page on that service) for the purpose of displaying prime rates or base lending rates of major United States banks.

(G) TREASURY RATE NOTE. If the Interest Rate Basis is the Treasury Rate, the Note shall be deemed to be a "Treasury Rate Note." A Treasury Rate Note will bear interest for each Interest Reset Date at the interest rate calculated with reference to the Treasury Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the Treasury Rate on each Treasury Rate Determination Date (as defined below). "Treasury Rate" means (1) the rate from the auction held on the Treasury Rate Interest Determination Date (the "Auction") of direct obligations of the United States ("Treasury Bills") having the Index Maturity specified on the face hereof under the caption "INVESTMENT RATE" on the display on Moneyline Telerate (or any successor service) on page 56 (or any other page as may replace that page on that service) ("Moneyline Telerate Page 56") or page 57 (or any other page as may replace that page on that service) ("Moneyline Telerate Page 57"), or (2) if the rate referred to in clause (1) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the Bond Equivalent Yield (as defined below) of the rate for the applicable Treasury Bills as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the caption "U.S. Government Securities/Treasury Bills/Auction High", or (3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the Bond Equivalent Yield of the auction rate of the applicable Treasury Bills as announced by the United States Department of the Treasury, or (4) if the rate referred to in clause (3) is not so announced by the United States Department of the Treasury, or if the Auction is not held, the Bond Equivalent Yield of the rate on the particular Interest Determination Date of the applicable Treasury Bills as published in H.15(519) under the caption "U.S. Government Securities/Treasury Bills/Secondary Market", or (5) if the rate referred to in clause (4) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date of the applicable Treasury Bills as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the caption "U.S. Government Securities/Treasury Bills/Secondary Market", or (6) if the rate referred to in clause (5) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date calculated by the Calculation Agent as the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 P.M., New York City time, on that Interest Determination Date, of three primary United States government securities dealers (which may include the Agents or their affiliates) selected by the Calculation Agent, for the issue of Treasury Bills with a remaining maturity closest to the Index Maturity specified on the face hereof, or (7) if the dealers so selected by the Calculation Agent are not quoting as mentioned in clause (6), the Treasury Rate in

A-16

effect on the particular Interest Determination Date.

"Bond Equivalent Yield" means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for Treasury Bills quoted on a bank discount basis and expressed as a decimal, "N" refers to 365 or 366, as the case may be, and "M" refers to the actual number of days in the applicable Interest Period.

The "Treasury Rate Determination Date" for each Interest Reset Date means the day in the week in which the related Interest Reset Date falls on which day Treasury Bills are normally auctioned (i.e., Treasury Bills are normally sold at auction on Monday of each week, unless that day is a legal holiday, in which case the auction is normally held on the following Tuesday, except that the auction may be held on the preceding Friday); PROVIDED, HOWEVER, that if an auction is held on the Friday of the week preceding the related Interest Reset Date, the Interest Determination Date will be the preceding Friday.

(H) REGULAR FLOATING RATE NOTE. Unless the Note is designated as a Floating Rate/Fixed Rate Note or as having an Addendum attached or having other/additional provisions apply, in each case relating to a different interest rate formula, such Note that bears interest at

floating rates will be a Regular Floating Rate Note and will bear interest at the rate determined by reference to the applicable Interest Rate Basis or Bases plus or minus the applicable Spread, if any, and/or multiplied by the applicable Spread Multiplier, if any. Commencing on the first Interest Reset Date, as specified on the face hereof, the rate at which interest on a Regular Floating Rate Note is payable will be reset as of each Interest Reset Date; PROVIDED, HOWEVER, that the interest rate in effect for the period, if any, from the date of issue to the first Interest Reset Date will be the Initial Interest Rate.

- (I) FLOATING RATE/FIXED RATE NOTE. If the Note is designated as a "Floating Rate/Fixed Rate Note" on the face hereof, such Note that bears interest at floating rates will bear interest at the rate determined by reference to the applicable Interest Rate Basis or Bases plus or minus the applicable Spread, if any, and/or multiplied by the applicable Spread Multiplier, if any. Commencing on the first Interest Reset Date, the rate at which interest on a Floating Rate/Fixed Rate Note is payable will be reset as of each Interest Reset Date; PROVIDED, HOWEVER, that the interest rate in effect for the period, if any, from the date of issue to the first Interest Reset Date will be the Initial Interest Rate, as specified on the face hereof; and the interest rate in effect commencing on the Fixed Rate Commencement Date will be the Fixed Interest Rate, if specified on the face hereof, or, if not so

A-17

specified, the interest rate in effect on the day immediately preceding the Fixed Rate Commencement Date.

SECTION 4. OPTIONAL REDEMPTION. Global Funding may redeem the Note prior to the Stated Maturity Date at its option on any Business Day on or after the Original Issue Date in whole or from time to time in part in increments of \$1,000 or any other integral multiple of an authorized denomination specified on the face hereof (provided that any remaining principal amount of the Note shall be at least \$1,000 or other minimum authorized denomination applicable thereto), at the applicable Redemption Price (as defined below), together with unpaid interest accrued on the Note, any Additional Amounts and other amounts payable with respect thereto to the date of redemption. Global Funding must give written notice to the Holder of the Note to be redeemed at its option not more than 60 nor less than 30 calendar days prior to the date of redemption. "Redemption Price" means an amount equal to the Initial Redemption Percentage specified on the face hereof (as adjusted by the Annual Redemption Percentage Reduction, if applicable) multiplied by the unpaid principal amount of Note to be redeemed. The Initial Redemption Percentage, if any, shall decline at each anniversary of the Initial Redemption Date by an amount equal to the applicable Annual Redemption Percentage Reduction, if any, until the Redemption Price is equal to 100% of the unpaid amount thereof to be redeemed. Notwithstanding anything herein to the contrary, Global Funding may redeem the Note on the Original Issue Date without notice at a price equal to the principal amount of the Note (the "Immediate Redemption Price"). Global Funding may pay the Redemption Price or the Immediate Redemption Price in cash or Funding Agreement(s).

SECTION 5. SINKING FUND. Unless otherwise specified on the face hereof, the Note will not be subject to any sinking fund.

SECTION 6. MODIFICATIONS AND AMENDMENTS. Sections [9.1 and 9.2] of the Standard Funding Note Indenture Terms contain provisions permitting Global Funding and the Indenture Trustee (1) without the consent of any Holder, to execute Supplemental Indentures for limited purposes and take other actions set forth in the Standard Funding Note Indenture Terms, and (2) with the consent of the Holder of not less than 66 2/3% in aggregate principal amount of the Note at the time outstanding, evidenced as in the Standard Funding Note Indenture Terms, to execute Supplemental Indentures adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or any Supplemental Indenture or modifying in any manner the rights of the Holder of the Note subject to specified limitations.

SECTION 7. OBLIGATIONS UNCONDITIONAL. No reference herein to the Indenture or the Standard Funding Note Indenture Terms and no provision of the Note or of the Indenture shall alter or impair the obligation of Global Funding, which is absolute and unconditional, to pay the principal of, interest on, or any other amount due and owing with respect to, the Note at the places, at the respective times, and at the rate herein prescribed.

SECTION 8. COLLATERAL. Pursuant to the Indenture, Global Funding will assign the relevant Funding Agreement(s) issued by Allstate Life in connection with the issuance of the Note (each, a "Funding Agreement") to the Indenture Trustee on behalf of the holder of the Note. The Note will be secured by a first priority perfected security interest in the Collateral described on the face hereof (the "Collateral") in favor of the Indenture Trustee and the other persons

A-18

identified in the Standard Indenture Terms.

SECTION 9. SECURITY; LIMITED RECOURSE. The Note is solely the obligation of Global Funding, and will not be guaranteed by any person, including but not limited to Allstate Life Insurance Company ("Allstate Life"), any Allstate Life Global Funding Trust, any Agent, the Trust Beneficial Owner, the Delaware Trustee, the Indenture Trustee or any of their affiliates. Global Funding's obligations under the Note will be secured by all of Global Funding's rights and title in one or more Funding Agreement(s) issued by Allstate Life and other rights and assets included in the applicable Collateral. The Holder of the Note has no direct contractual rights against Allstate Life under the Funding Agreement(s). Under the terms of each Funding Agreement, recourse rights to Allstate Life will belong to Global Funding, its successors and permitted assignees. Global Funding has pledged, collaterally assigned and granted a first priority perfected security interest in the Collateral for the Note to the Indenture Trustee on behalf of the Holder of the Note and the other persons identified in the Standard Funding Note Indenture Terms. Recourse to Allstate Life under each Funding Agreement will be enforceable only by the Indenture Trustee as a secured party on behalf of the Holder of Note and the other persons identified in the Standard Funding Note Indenture Terms.

SECTION 10. EVENTS OF DEFAULT. In case an Event of Default, as defined in the Standard Indenture Terms, shall have occurred and be continuing, the principal of the Note may be declared, and upon such declaration shall become, due and payable in the manner, with the effect and subject to the conditions provided in the Standard Indenture Terms. If the Note is a Discount Note, the amount of principal of the Note that becomes due and payable upon such acceleration shall be equal to the amount calculated as set forth in Section 3 hereof.

SECTION 11. WITHHOLDING; ADDITIONAL AMOUNTS. All amounts due in respect of the Note will be made without withholding or deduction for or on account of any present or future taxes, duties, levies, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of any governmental authority in the United States having the power to tax on payments on the Note unless the withholding or deduction is required by law. Unless otherwise specified on the face hereof, Global Funding will not pay any additional amounts ("Additional Amounts") to the Holder of the Note in the event that any withholding or deduction is so required by law, regulation or official interpretation thereof, and the imposition of a requirement to make any such withholding or deduction will not give rise to any independent right or obligation to redeem the Note.

SECTION 12. LISTING. Unless otherwise specified on the face hereof, the Note will not be listed on any securities exchange.

SECTION 13. NO RECOURSE AGAINST CERTAIN PERSONS. No recourse shall be had for the payment of the principal of or the interest on the Note, or for any claim based hereon, or otherwise in respect thereof, or based on or in respect of the Indenture or any Supplemental Indenture, against the Nonrecourse Parties, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such personal liability being, by the acceptance of any Note and as part of the consideration for issue of the Note, expressly waived and released.

A-19

SECTION 14. GOVERNING LAW. The Note shall be governed by, and construed in accordance with, the laws of the State of New York.

A-20

ASSIGNMENT FORM

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto Please Insert Social Security or

Other Identifying Number of Assignee

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE

the within Security of ALLSTATE LIFE GLOBAL FUNDING and does hereby irrevocably constitute and appoint _____ attorney to transfer said Security on the books of the Issuer, with full power of substitution in the premises.

Dated:

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within instrument in every particular, without alteration or enlargement or any change whatsoever.

FORM OF SECURITY FOR
FUNDING NOTE RELATED TO SECURED MEDIUM TERM NOTES ISSUED UNDER THE
SECURED MEDIUM TERM NOTES PROGRAM

[FACE OF SECURITY]

CUSIP No.:

ALLSTATE LIFE GLOBAL FUNDING

FUNDING NOTE

<p>Title of Note: Trust: Principal Amount: \$ _____ (or principal amount of foreign or composite currency) Original Issue Date: Issue Price: Interest Rate or Formula: Fixed Rate Note: / / Yes / / No. If yes, Interest Rate: Interest Payment Dates: Day Count Convention: Additional/Other Terms: Amortizing Note: / / Yes / / No. If yes, Amortization schedule or formula: Additional/Other Terms: Discount Note: / / Yes / / No. If yes, Total Amount of Discount: Initial Accrual Period of Discount: Interest Payment Dates: Additional/Other Terms: Redemption Provisions: / / Yes / / No. If yes, Initial Redemption Date: Initial Redemption Percentage: Annual Redemption Percentage Reduction, if any: Additional/Other Terms: Repayment Provisions: / / Yes / / No. If yes, Optional Repayment Date(s): Optional Repayment Price: Additional/Other Terms:</p>	<p>Stated Maturity Date: Settlement Date and Time: Securities Exchange Listing: / / Yes / / No. If yes, indicate name(s) of Securities Exchange(s): Floating Rate Note: / / Yes / / No. If yes, Regular Floating Rate Notes: / / Inverse Floating Rate Notes: / / Floating Rate/Fixed Rate Notes: / / Interest Rate: Interest Rate Basis(es): LIBOR / / / / LIBOR Reuters Page: / / LIBOR Telerate Page: LIBOR Currency: Constant Maturity Treasury Rate / / Designated CMT Telerate Page: If Telerate Page 7052: / / Weekly Average / / Monthly Average Designated CMT Maturity Index: CD Rate / / Commercial Paper Rate / / Federal Funds Rate / / Prime Rate / / Treasury Rate / / Eleventh District Cost of Funds Rate / / EURIBOR Rate / / Other / / See attached. Index Maturity:</p>
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<p>Regular Interest Record Date(s): Sinking Fund: Specified Currency: Exchange Rate Agent: Calculation Agent: Authorized Denominations: Collateral: Allstate Life Insurance Company Funding Agreement No(s). / /, all proceeds of such Funding Agreement(s), all books and records pertaining to such Funding Agreement(s) and all rights of Global Funding pertaining to the foregoing. Additional Amounts to be Paid: / / Yes / / No Additional/Other Terms:</p>	<p>Spread and/or Spread Multiplier, if any: Initial Interest Rate, if any: Initial Interest Reset Date: Interest Reset Dates: Interest Determination Date(s): Interest Payment Dates: Maximum Interest Rate, if any: Minimum Interest Rate, if any: Fixed Rate Commencement Date, if any: Fixed Interest Rate, if any: Day Count Convention: Additional/Other Terms:</p>
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This note certificate represents a duly authorized funding note (the "Note") of Allstate Life Global Funding, a statutory trust organized under the laws of the State of Delaware ("Global Funding"). The Note is being issued in connection with the issuance and sale by the trust specified above (the "Trust") of the trust notes identified on Annex A to that certain series instrument to which Global Funding and the Trust are parties (the "Series Instrument") (the "Trust Notes"). The Note is being issued under the Funding Note Indenture, dated as of the date hereof (as amended or supplemented from time to time, the "Indenture") between Global Funding and J.P. Morgan Trust Company, National Association, as indenture trustee (including any successor, the "Indenture Trustee"). Capitalized terms used herein and not otherwise defined shall have the respective meanings ascribed in the Standard Funding Note Indenture Terms, dated as of [] (as amended or supplemented from time to time, the "Standard Funding Note Indenture Terms").

Subject to the immediately following paragraph, Global Funding, for value received, hereby promises to pay to the Trust or its registered assigns (the "Holder") on the Maturity Date (as defined below) (or on the date of redemption or repayment by Global Funding) the principal amount of the Note and, if so specified above, to pay interest from time to time on the Note from the Original Issue Date (the "Original Issue Date") or from the most recent Interest Payment Date to which interest has been paid or duly provided for at the rate per annum determined in accordance with the provisions on the reverse hereof and as specified above, until the principal of the Note is paid or made available for payment and to pay such other amounts due and owing with respect to the Note.

The Note shall be cancelled immediately upon the transfer by Global Funding to, or as directed by, the Trust of each funding agreement identified on Annex A to the Series Instrument (each, a "Funding Agreement"), and such cancellation shall operate as a redemption of, and satisfaction of indebtedness represented by, the Note.

On any exchange or purchase and cancellation of the Note, details of such exchange or purchase and cancellation shall be entered in the records of Global Funding. Upon any such exchange or purchase and cancellation, the principal amount of the Note shall be charged by the principal amount so exchanged or purchased and cancelled, as provided in the Standard Indenture Terms.

Unless otherwise set forth above, if the Notes are subject to an Annual Redemption Percentage Reduction as specified above, the Redemption Price of the Notes represented by this Note Certificate shall initially be the Initial Redemption Percentage of the principal amount of the Notes represented by this Note Certificate on the Initial Redemption Date and shall decline at each anniversary of the Initial Redemption Date (each such date, a "Redemption Date") by the Annual Redemption Percentage Reduction of such principal amount until the Redemption Price is 100% of such principal amount.

The Notes will mature on the earlier of the Stated Maturity Date and the Maturity Date (as defined in the Trust Notes) of the Trust Notes (the "Trust Notes Maturity Date"), unless its principal (or, any installment of its principal) becomes due and payable prior to any such date, whether, as applicable, by the declaration of acceleration of maturity, notice of redemption at the option of the Trust, notice of the Holder's option to elect repayment or otherwise (the Stated Maturity Date, the Trust Notes Maturity Date or any date prior to any such date on which the Note becomes due and payable, as the case may be, are referred to as the "Maturity Date" with respect to principal of the Note repayable on such date).

Unless otherwise provided above and except as provided in the following paragraph, Global Funding will pay interest on each Interest Payment Date specified above, commencing with the first Interest Payment Date next succeeding the Original Issue Date, and on the Maturity Date; PROVIDED that any payment of principal, premium, if any, interest or other amounts to be made on any Interest Payment Date or on a Maturity Date that is not a Business Day shall be made on the next succeeding Business Day, PROVIDED, HOWEVER, with respect to an Interest Payment Date other than the Maturity Date, if the Note is a LIBOR Note (as defined in Section 3 on the reverse hereof) and that next succeeding Business Day falls in the next succeeding calendar month, such payment shall be made on the immediately preceding Business Day.

Unless otherwise specified above, the interest payable on each Interest Payment Date or on the Maturity Date will be the amount equal to the interest accrued from and including the immediately preceding Interest Payment Date in respect of which interest has been paid or from and including the date of issue, if no interest has been paid, to but excluding the applicable Interest Payment Date or the Maturity Date, as the case may be (each, an "Interest Period").

Reference is hereby made to the further provisions of the Note set forth on the reverse hereof and, if so specified on the face hereof, in an Addendum hereto, which further provisions shall for all purposes have the same force and effect as if set forth on the face hereof.

Notwithstanding the foregoing, if an Addendum is attached hereto or "Other/Additional Provisions" apply to the Note as specified above, the Note shall be subject to the terms set forth in such Addendum or such "Other/Additional Provisions."

The Note represented by this Note Certificate shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been executed by the Indenture Trustee pursuant to the Indenture.

IN WITNESS WHEREOF, Global Funding has caused this instrument to be duly executed on its behalf.

Dated: Original Issue Date

ALLSTATE LIFE GLOBAL FUNDING
as Issuer

By:

Name:
Title:

CERTIFICATE OF AUTHENTICATION

This Note Certificate represents the Note described in the within-mentioned Indenture and is being issued in accordance with Section [2.5(f)] of the Standard Funding Note Indenture Terms.

Dated: Original Issue Date J.P. MORGAN TRUST COMPANY, NATIONAL
ASSOCIATION,
as Indenture Trustee

By: -----
Authorized Signatory

[REVERSE OF DEFINITIVE SECURITY]

SECTION 1. GENERAL. This Note is being issued pursuant to the Indenture in connection with the issuance and sale by the Trust of the Trust Notes. The Note shall be cancelled immediately upon the transfer by Global Funding to, or as directed by, the Trust of each Funding Agreement, and such cancellation shall operate as a redemption of, and satisfaction of indebtedness represented by, the Note.

SECTION 2. CURRENCY. The Note is denominated in, and payments of principal of, premium, if any, and interest on, if any, and other amounts in respect of, the Note will be in the Specified Currency designated on the face hereof. If the Note is a Foreign Currency Note, any amounts so payable by Global Funding in the Specified Currency will be converted by the exchange rate agent designated on the face hereof (the "Exchange Rate Agent") into United States dollars for payment to the registered holders hereof unless otherwise specified on the face hereof or a registered holder elects, in the manner described below, to receive payments in the Specified Currency.

If the Specified Currency for Foreign Currency Note is not available for any required payment of principal, premium, if any, and/or interest, if any, due to the imposition of exchange controls or other circumstances beyond the control of Global Funding, Global Funding will be entitled to satisfy the obligations to the registered holders of such Foreign Currency Note by making payments in United States dollars based on the highest bid quotation in The City of New York received by the Exchange Rate Agent at approximately 11:00 A.M., New York City time, on the second Business Day preceding the applicable payment date from three recognized foreign exchange dealers (one of whom may be the Exchange Rate Agent) selected by the Exchange Rate Agent and approved by Global Funding for the purchase by the quoting dealer of the Specified Currency for United States dollars for settlement on that payment date in the aggregate amount of the Specified Currency payable to all registered holders of such Foreign Currency Note scheduled to receive United States dollar payments and at which the applicable dealer commits to execute a contract. All currency exchange costs will be borne by the relevant registered holders of such Foreign Currency Note by deductions from any payments. If three bid quotations are not available, payments will be made in the Specified Currency.

Registered holders of a Foreign Currency Note may elect to receive all or a specified portion of any payment of principal, premium, if any, and/or interest, if any, in the Specified Currency by submitting a written request to the Indenture Trustee at its corporate trust office in The City of New York on or prior to the applicable Regular Interest Record Date or at least fifteen calendar days prior to the Maturity Date, as the case may be. This written request may be mailed or hand delivered or sent by cable, telex or other form of facsimile transmission. This election will remain in effect until revoked by written notice delivered to the Indenture Trustee on or prior to a Regular Interest Record Date or at least fifteen calendar days prior to the Maturity Date, as the case may be. Registered holders of a Foreign Currency Note to be held in the name of a broker or nominee should contact their broker or nominee to determine whether and how an election to receive payments in the Specified Currency may be made.

Unless otherwise specified on the face hereof, if the Specified Currency is other than

United States dollars, if the Holder hereof elects to receive payments of principal, premium, if any, and/or interest, if any, in the Specified Currency, the Holder must notify the Indenture Trustee of that election on or prior to the fifth Business Day after the applicable Regular Interest Record Date or at least ten calendar days prior to the Maturity Date, as the case may be. If complete instructions are received by the Indenture Trustee on or prior to such dates, then the Holder will receive payments in the Specified Currency.

Unless otherwise specified on the face hereof, if payment in the Specified

Currency hereon is not available to Global Funding for any required payment of principal, premium, if any, and/or interest, if any, due to the imposition of exchange controls or other circumstances beyond Global Funding's control, then Global Funding will be entitled to satisfy its obligations by making payments in United States dollars on the basis of the Market Exchange Rate, computed by the Exchange Rate Agent as described above, on the second Business Day prior to the particular payment or, if the Market Exchange Rate is not then available, on the basis of the most recently available Market Exchange Rate. The "Market Exchange Rate" for a Specified Currency other than United States dollars means the noon dollar buying rate in The City of New York for cable transfers for the Specified Currency as certified for customs purposes (or, if not so certified, as otherwise determined) by the Federal Reserve Bank of New York. Any payment in respect hereof made under such circumstances in U.S. Dollars will not constitute an Event of Default under the Indenture.

In the event that a member state of the European Union in whose national currency is the Specified Currency becomes a participant member in the third stage of the European economic and monetary union, Global Funding may on or after the date of such occurrence, without the consent of the Holder hereof, redenominate all, but not less than all, of the Note hereof.

All determinations referred to above made by the Exchange Rate Agent shall be at its sole discretion and, in the absence of manifest error, shall be conclusive for all purposes and binding on the Holder hereof and any applicable Entitlement Holders.

All currency exchange costs will be borne by the Holder hereof by deduction from the payments made hereon.

SECTION 3. DETERMINATION OF INTEREST RATE AND OTHER PAYMENT PROVISIONS.

FIXED RATE NOTE. If the Note is designated on the face hereof as a "Fixed Rate Note," the Note will bear interest from the Original Issue Date until the Maturity Date. Unless otherwise specified on the face hereof, the rate of interest payable on the Note will not be adjusted; unless otherwise specified on the face hereof, interest will be payable on the Interest Payment Dates set forth on the face hereof and at the Maturity Date. Interest will be computed on the basis of a 360-day year of twelve 30-day months. If any Interest Payment Date or the Maturity Date of a Fixed Rate Note falls on a day that is not a Business Day, any payments of principal, premium, if any, and/or interest or other amounts required to be made, may be made on the next succeeding Business Day, and no additional interest will accrue in respect of the payment made on that next succeeding Business Day.

DISCOUNT NOTE. If the Note is designated on the face hereof as a "Discount Note" (as

defined below), payments in respect of the Note shall be made as set forth on the face hereof. In the event a Discount Note is redeemed, repaid or accelerated, the amount payable to the Holder of such Note on the Maturity Date will be equal to the sum of (1) the Issue Price (increased by any accruals of discount) and, in the event of any redemption of such Discount Note, if applicable, multiplied by the Initial Redemption Percentage (as adjusted by the Annual Redemption Percentage Reduction, if applicable); and (2) any unpaid interest accrued on such Discount Note to the date of redemption, repayment or acceleration of maturity, as applicable. For purposes of determining the amount of discount that has accrued as of any date on which a redemption, repayment or acceleration of maturity of the Note occurs for a Discount Note, the discount will be accrued using a constant yield method. The constant yield will be calculated using a 30-day month, 360-day year convention, a compounding period that, except for the Initial Period (as defined below), corresponds to the shortest period between Interest Payment Dates for a Discount Note (with ratable accruals within a compounding period), a coupon rate equal to the initial coupon rate applicable to a Discount Note and an assumption that the maturity of such Discount Note will not be accelerated. If the period from the date of issue to the first Interest Payment Date for a Discount Note (the "Initial Period") is shorter than the compounding period for such Discount Note, a proportionate amount of the yield for an entire compounding period will be accrued. If the Initial Period is longer than the compounding period, then the period will be divided into a regular compounding period and a short period with the short period being treated as provided in the preceding sentence. A "Discount Note" is any Note that has an Issue Price that is less than 100% of the principal amount thereof by more than a percentage equal to the product of 0.25% and the number of full years to the Stated Maturity Date.

AMORTIZING NOTE. If the Note is specified on the face hereof as a "Amortizing Note," the Note shall bear interest at the rate set forth on the face hereof, and payments of principal and interest shall be made as set forth on the face hereof and/or in accordance with SCHEDULE I attached hereto. Unless otherwise specified on the face hereof, interest on the Note will be computed on the basis of a 360-day year of twelve 30-day months. Payments with respect to an Amortizing Note will be applied first to interest due and payable on the Note and then to the reduction of the unpaid principal amount of the Note.

FLOATING RATE NOTE. If the Note is specified on the face hereof as a "Floating Rate Note," interest on the Note shall accrue and be payable in

accordance with this Section 3. A Floating Rate Note may be a CD Rate Note, CMT Rate Note, Commercial Paper Rate Note, Eleventh District Cost of Funds Rate Note, Federal Funds Rate Note, LIBOR Note, EURIBOR Note, Prime Rate Note, Treasury Rate Note, or as otherwise set forth on the face hereof. If the Note is designated on the face hereof as a Floating Rate Note, the face hereof will specify whether the Note is a Regular Floating Rate Note, Inverse Floating Rate Note or Floating Rate/Fixed Rate Note. For the period from the date of issue to, but not including, the first Interest Reset Date set forth on the face hereof, the interest rate hereon shall be the Initial Interest Rate specified on the face hereof. Thereafter, the interest rate hereon will be reset as of and be effective as of each Interest Reset Date.

- (A) If any Interest Reset Date would otherwise be a day that is not a Business Day, such Interest Reset Date shall be postponed to the next day that is a Business Day; PROVIDED, HOWEVER, that if the Note is a LIBOR Note and such Business Day is in the next succeeding calendar month, such Interest Reset Date shall be the

Business Day immediately preceding such Interest Reset Date.

- (B) Unless specified otherwise on the face hereof, Interest Reset Dates are as follows: (1) if the Note resets daily, each Business Day, (2) if the Note resets weekly, other than Treasury Rate Note, the Wednesday of each week, (3) if the Note is a Treasury Rate Note that resets weekly, and except as provided below under "Treasury Rate Note," the Tuesday of each week, (4) if the Note resets monthly, the third Wednesday of each month, unless the Eleventh District Cost of Funds Rate is the Interest Rate Basis (as defined below) applicable to the Note, in which case the Note will reset the first calendar day of the month, (5) if the Note resets quarterly, the third Wednesday of March, June, September and December of each year, (6) if the Note resets semiannually, the third Wednesday of each of the two months specified on the face hereof and (7) if the Note resets annually, the third Wednesday of the month specified each year; PROVIDED, HOWEVER, that with respect to Floating Rate/ Fixed Rate Note, the rate of interest thereon will not reset after the particular Fixed Rate Commencement Date specified on the face hereof (the "Fixed Rate Commencement Date").

- (C) Accrued interest is calculated by multiplying the principal amount of such Floating Rate Note by an accrued interest factor. The accrued interest factor is computed by adding the interest factor calculated for each day in the particular Interest Period. The interest factor for each day will be computed by dividing the interest rate applicable to such day by 360, in the case of a Floating Rate Note as to which the CD Rate, the Commercial Paper Rate, the Eleventh District Cost of Funds Rate, the Federal Funds Rate, LIBOR or the Prime Rate is an applicable Interest Rate Basis, or by the actual number of days in the year, in the case of a Floating Rate Note as to which the CMT Rate or the Treasury Rate is an applicable Interest Rate Basis. The interest factor for a Floating Rate Note as to which the interest rate is calculated with reference to two or more Interest Rate Bases will be calculated in each period in the same manner as if only the applicable Interest Rate Basis specified on the face hereof applied. The interest rate shall be set forth on the face hereof. For purposes of making the foregoing calculation, the interest rate in effect on any Interest Reset Date will be the applicable rate as reset on that date. Unless otherwise specified on the face hereof, the interest rate that is effective on the applicable Interest Reset Date will be determined on the applicable Interest Determination Date and calculated on the applicable Calculation Date (as defined below). "Calculation Date" means the date by which the Calculation Agent designated on the face hereof, is to calculate the interest rate which will be the earlier of (1) the tenth calendar day after the particular Interest Determination Date or, if such day is not a Business Day, the next succeeding Business Day; or (2) the Business Day immediately preceding the applicable Interest Payment Date or the Maturity Date, as the case may be.

- (D) Unless otherwise specified on the face hereof, all percentages resulting from any calculation on a Floating Rate Note will be rounded to the nearest one hundred-thousandth of a percentage point, with five one-millionths of a percentage point rounded upwards. All dollar amounts used in or resulting from

any calculation on a Floating Rate Note will be rounded, in the case of United States dollars, to the nearest cent or, in the case of a foreign currency, to the nearest unit (with one-half cent or unit being rounded upwards).

Unless otherwise specified on the face hereof and except as provided below, interest will be payable as follows: (1) if the Interest Reset Date for the Note is daily, weekly or monthly, interest will be payable on the third Wednesday of each month or on the third Wednesday of March, June, September and December of

each year, as specified on the face hereof, (2) if the Interest Reset Date for the Note is quarterly, interest will be payable on the third Wednesday of March, June, September, and December of each year, (3) if the Interest Reset Date for the Note is semiannually, interest will be payable on the third Wednesday of each of two months specified on the face hereof of each year, (4) if the Interest Reset Date for the Note is annually, interest will be payable on the third Wednesday of the month specified on the face hereof of each year. In each of these cases, interest will also be payable on the Maturity Date.

If specified on the face hereof, the Note may have either or both of a Maximum Interest Rate or Minimum Interest Rate. If a Maximum Interest Rate is so designated, the interest rate that may accrue during any Interest Period for a Floating Rate Note cannot ever exceed such Maximum Interest Rate and in the event that the interest rate on any Interest Reset Date would exceed such Maximum Interest Rate (as if no Maximum Interest Rate were in effect) then the interest rate on such Interest Reset Date shall be the Maximum Interest Rate. If a Minimum Interest Rate is so designated, the interest rate that may accrue during any Interest Period for a Floating Rate Note cannot ever be less than such Minimum Interest Rate and in the event that the interest rate on any Interest Reset Date would be less than such Minimum Interest Rate (as if no Minimum Interest Rate were in effect) then the interest rate on such Interest Reset Date shall be the Minimum Interest Rate. Notwithstanding anything to the contrary contained herein, if the Note is designated on the face hereof as a Floating Rate Note, the interest rate on the Note shall not exceed the maximum interest rate permitted by applicable law.

All determinations of interest by the Calculation Agent designated on the face hereof will, in the absence of manifest error, be conclusive for all purposes and binding on the Holder of the Note and neither the Indenture Trustee nor the Calculation Agent shall have any liability to the Holder of the Note in respect of any determination, calculation, quote or rate made or provided by the Calculation Agent. Upon request of the Holder of the Note, the Calculation Agent will provide the interest rate then in effect and, if determined, the interest rate that will become effective on the next Interest Reset Date with respect to the Note. If the Calculation Agent is incapable or unwilling to act as such or if the Calculation Agent fails duly to establish the interest rate for any interest accrual period or to calculate the interest amount or any other requirements, Global Funding will appoint a successor to act as such in its place. The Calculation Agent may not resign its duties until a successor has been appointed and such successor has accepted its appointment.

Subject to applicable provisions of law and except as specified herein, on each Interest Reset Date, the rate of interest on the Note on and after the first Interest Reset Date shall be the interest rate determined in accordance with the provisions of the heading below which has been designated as the Interest Rate Basis on the face hereof (the "Interest Rate Basis"), the base rate, plus or minus the Spread, if any, specified on the face hereof and/or multiplied by the Spread

Multiplier, if any, specified on the face hereof.

- (A) CD RATE NOTE. If the Interest Rate Basis is the CD Rate, the Note shall be deemed to be a "CD Rate Note." A CD Rate Note will bear interest at the interest rate calculated with reference to the CD Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the CD Rate on each Interest Determination Date. The Interest Determination Date is the second Business Day immediately preceding the related Interest Reset Date. "CD Rate" means the rate on the particular Interest Determination Date for negotiable United States dollar certificates of deposit having the Index Maturity specified on the face hereof as published in H.15(519) (as defined below) under the caption "CDs (secondary market)", or, if not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date for negotiable United States dollar certificates of the particular Index Maturity as published in the H.15 Daily Update (as defined below) or other recognized electronic source used for the purpose of displaying the applicable rate under the heading "CDs (secondary market)." If such rate is not yet published in either H.15(519) or the H.15 Daily Update by 3:00 P.M., New York City time, on the related Calculation Date, then the CD Rate will be the rate on the particular Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the secondary market offered rates as of 10:00 A.M., New York City time on that Interest Determination Date of three leading nonbank dealers in negotiable United States dollar certificates of deposit in The City of New York (which may include the Agents or their affiliates) selected by the Calculation Agent for negotiable United States dollar certificates of deposit of major United States money market banks for negotiable United States certificates of deposit with a remaining maturity closest to the particular Index Maturity in an amount that is representative for a single transaction in that market at that time, or, if the dealers so selected by the Calculation Agent are not quoting as described in the preceding sentence, the CD Rate in effect on the particular Interest Determination Date. "H.15(519)" means the weekly statistical release designated as H.15(519), or any successor publication, published by

the Board of Governors of the Federal Reserve System; and "H.15 Daily Update" means the daily update of H.15(519), available through the Board of Governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/H15/update>, or any successor site or publication.

- (B) CMT RATE NOTE. If the Interest Basis is the CMT Rate, the Note shall be deemed to be a "CMT Rate Note." A CMT Rate Note will bear interest at the interest rate calculated with reference to the CMT Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the CMT Rate on each applicable Interest Determination Date. The applicable Interest Determination Date is the second Business Day prior to the Interest Reset Date. "CMT Rate" means (1) if CMT Moneyline Telerate Page 7051 is specified on the face hereof: (a) the percentage equal to the yield for United States Treasury securities at "constant maturity" having the Index Maturity specified on the face hereof as published in H.15(519) under the caption "Treasury Constant Maturities", as the yield is

displayed on Moneyline Telerate (or any successor service) on page 7051 (or any other page as may replace the specified page on that service) ("Moneyline Telerate Page 7051"), for the particular Interest Determination Date, or (b) if the rate referred to in clause (a) does not so appear on Moneyline Telerate Page 7051, the percentage equal to the yield for United States Treasury securities at "constant maturity" having the particular Index Maturity and for the particular Interest Determination Date as published in H.15(519) under the caption "Treasury Constant Maturities", or (c) if the rate referred to in clause (b) does not so appear in H.15(519), the rate on the particular Interest Determination Date for the period of the particular Index Maturity as may then be published by either the Federal Reserve System Board of Governors or the United States Department of the Treasury that the Calculation Agent determines to be comparable to the rate which would otherwise have been published in H.15(519), or (d) if the rate referred to in clause (c) is not so published, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on that Interest Determination Date of three leading primary United States government securities dealers in The City of New York (which may include the Agents or their affiliates) (each, a "Reference Dealer"), selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation or, in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the particular Index Maturity, a remaining term to maturity no more than one year shorter than that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or (e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated, or (f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the particular Index Maturity, a remaining term to maturity closest to that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or (g) if fewer than five but more than two prices referred to in clause (f) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated, or (h) if fewer than three prices

referred to in clause (f) are provided as requested, the CMT Rate in effect on the particular Interest Determination Date; (2) if CMT Moneyline Telerate Page 7052 is specified on the face hereof (a) the percentage equal to the one-week or one-month, as specified on the face hereof, average yield for United States Treasury securities at "constant maturity" having the Index Maturity specified on the face hereof as published in H.15(519) opposite the caption "Treasury Constant Maturities", as the yield is displayed on Moneyline Telerate (or any successor service) (on page 7052 or any other page as may

replace the specified page on that service) ("Moneyline Telerate Page 7052"), for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the particular Interest Determination Date falls, or (b) if the rate referred to in clause (a) does not so appear on Moneyline Telerate Page 7052, the percentage equal to the one-week or one-month, as specified on the face hereof, average yield for United States Treasury securities at "constant maturity" having the particular Index Maturity and for the week or month, as applicable, preceding the particular Interest Determination Date as published in H.15(519) opposite the caption "Treasury Constant Maturities", or (c) if the rate referred to in clause (b) does not so appear in H.15(519), the one-week or one-month, as specified on the face hereof, average yield for United States Treasury securities at "constant maturity" having the particular Index Maturity as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the particular Interest Determination Date falls, or (d) if the rate referred to in clause (c) is not so published, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation or, in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the particular Index Maturity, a remaining term to maturity no more than one year shorter than that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or (e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated, or (f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by the Calculation Agent from five Reference Dealers selected by the Calculation Agent and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States

Treasury securities with an original maturity greater than the particular Index Maturity, a remaining term to maturity closest to that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at the time, or (g) if fewer than five but more than two prices referred to in clause (f) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated, or (h) if fewer than three prices referred to in clause (f) are provided as requested, the CMT Rate in effect on that Interest Determination Date.

If two United States Treasury securities with an original maturity greater than the Index Maturity specified on the face hereof have remaining terms to maturity equally close to the particular Index Maturity, the quotes for the United States Treasury security with the shorter original remaining term to maturity will be used.

- (C) COMMERCIAL PAPER RATE NOTE. If the Interest Rate Basis is the Commercial Paper Rate, the Note shall be deemed to be a "Commercial Paper Rate Note." A Commercial Paper Rate Note will bear interest for each Interest Reset Date at the interest rate calculated with reference to the Commercial Paper Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the Commercial Paper Rate on each applicable Interest Determination Date. The Interest Determination Date is the Business Day immediately preceding the related Interest Reset Date. "Commercial Paper Rate" means the Money Market Yield (calculated as described below) on the Interest Determination Date of the rate for commercial paper having the applicable Index Maturity as such rate is published in H.15(519) under the heading "Commercial Paper -- Nonfinancial." If such rate is not published by 3:00 P.M., New York City time, on the Calculation Date pertaining to such Interest Determination Date, then the Commercial Paper Rate shall be the Money Market Yield on the particular Interest Determination Date of the rate for commercial paper having the particular Index Maturity as published on H.15 Daily Update or such other recognized electronic source used for the purposes of displaying the applicable rate, under the caption

"Commercial Paper -- Nonfinancial", or if such rate is not published by 3:00 P.M., New York City time, on the Calculation Date, then the Commercial Paper Rate as calculated by the Calculation Agent shall be the Money Market Yield of the arithmetic mean of the offered rates at approximately 11:00 A.M., New York City time, on that Interest Determination Date of three leading dealers of United States dollar commercial paper in The City of New York (which may include the Agents or their affiliates) selected by the Calculation Agent for commercial paper having the particular Index Maturity placed for industrial issuers whose bond rating is "Aa", or the equivalent, from a nationally recognized statistical rating organization; PROVIDED, HOWEVER, that if the dealers selected by the Calculation Agent are not quoting offered rates as mentioned above, the Commercial Paper Rate in effect on the particular Interest Determination Date.

"Money Market Yield" shall be a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where "D" refers to the per annum rate for the commercial paper, quoted on a bank discount basis and expressed as a decimal; and "M" refers to the actual number of days in the applicable Interest Period.

- (D) ELEVENTH DISTRICT COST OF FUNDS RATE NOTE. If the Interest Basis is the Eleventh District Costs of Funds Rate, the Note shall be deemed to be a "Eleventh District Cost of Funds Rate Note." An Eleventh District Cost of Funds Note will bear interest at the interest rate calculated with reference to the Eleventh District Cost of Funds Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the Eleventh District Cost of Rate on each applicable Interest Determination Date. The applicable Interest Determination Date is the last working day of the month immediately preceding the related Interest Reset Date on which the Federal Home Loan Bank of San Francisco publishes the Eleventh District Index. The "Eleventh District Cost of Funds Rate" means (1) the rate equal to the monthly weighted average cost of funds for the calendar month immediately preceding the month in which the particular Interest Determination Date falls as set forth under the caption "11th District" on the display on Moneyline Telerate (or any successor service) on page 7058 (or any other page as may replace the specified page on that service) ("Moneyline Telerate Page 7058") as of 11:00 A.M., San Francisco time, on that Interest Determination Date, or (2) if the rate referred to in clause (1) does not so appear on Moneyline Telerate Page 7058, the monthly weighted average cost of funds paid by member institutions of the Eleventh Federal Home Loan Bank District that was most recently announced (the "Eleventh District Index") by the Federal Home Loan Bank of San Francisco as the cost of funds for the calendar month immediately preceding that Interest Determination Date, or (3) if the Federal Home Loan Bank of San Francisco fails to announce the Eleventh District Index on or prior to the particular Interest Determination Date for the calendar month immediately preceding that Interest Determination Date, the Eleventh District Cost of Funds Rate in effect on the particular Interest Determination Date.
- (E) FEDERAL FUNDS RATE NOTE. If the Interest Rate Basis is the Federal Funds Rate, the Note shall be deemed to be a "Federal Funds Rate Note." A Federal Funds Rate Note will bear interest for each Interest Reset Date at the interest rate calculated with reference to the Federal Funds Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the Federal Funds Rate on each applicable Interest Determination Date. The Interest Determination Date is the Business Day immediately preceding the related Interest Reset Date. "Federal Funds Rate" means (1) the rate on the particular Interest Determination Date for United States dollar federal funds as published in H.15(519) under the caption "Federal Funds (Effective)" and displayed on Moneyline Telerate (or any

successor service) on page 120 (or any other page as may replace the specified page on that service) ("Moneyline Telerate Page 120"), or (2) if the rate referred to in clause (1) does not so appear on Moneyline Telerate Page 120 or is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date for United States dollar federal funds as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the caption "Federal Funds (Effective)", or (3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the rates for the last

transaction in overnight United States dollar federal funds arranged by three leading brokers of United States dollar federal funds transactions in The City of New York (which may include the Agents or their affiliates), selected by the Calculation Agent prior to 9:00 A.M., New York City time, on that Interest Determination Date, or (4) if the brokers so selected by the Calculation Agent are not quoting as mentioned in clause (3), the Federal Funds Rate in effect on the particular Interest Determination Date.

- (F) LIBOR NOTE. If the Interest Rate Basis is LIBOR (as defined below), the Note shall be deemed to be a "LIBOR Note." A LIBOR Note will bear interest for each Interest Period at the interest rate calculated with reference to LIBOR and the Spread or Spread Multiplier, if any. On each applicable Interest Determination Date the Calculation Agent will determine LIBOR. The applicable Interest Determination Date is the second London Banking Day preceding the related Interest Reset Date.

LIBOR means: (1) if "LIBOR Moneyline Telerate" is specified on the face hereof or if neither "LIBOR Reuters" nor "LIBOR Moneyline Telerate" is specified on the face hereof as the method for calculating LIBOR, the rate for deposits in the LIBOR Currency (as defined below) having the Index Maturity specified on the face hereof, commencing on the related Interest Reset Date, that appears on the LIBOR Page (as defined below) as of 11:00 A.M., London time, on the particular Interest Determination Date, or (2) if "LIBOR Reuters" is specified on the face hereof, the arithmetic mean of the offered rates, calculated by the Calculation Agent, or the offered rate, if the LIBOR Page by its terms provides only for a single rate, for deposits in the LIBOR Currency having the particular Index Maturity, commencing on the related Interest Reset Date, that appear or appears, as the case may be, on the LIBOR Page as of 11:00 A.M., London time, on the particular Interest Determination Date, or (3) if fewer than two offered rates appear, or no rate appears, as the case may be, on the particular Interest Determination Date on the LIBOR Page as specified in clause (1) or (2), as applicable, the rate calculated by the Calculation Agent of at least two offered quotations obtained by the Calculation Agent after requesting the principal London offices of each of four major reference banks (which may include affiliates of the Agents), in

the London interbank market to provide the Calculation Agent with its offered quotation for deposits in the LIBOR Currency for the period of the particular Index Maturity, commencing on the related Interest Reset Date, to prime banks in the London interbank market at approximately 11:00 A.M., London time, on that Interest Determination Date and in a principal amount that is representative for a single transaction in the LIBOR Currency in that market at that time, or (4) if fewer than two offered quotations referred to in clause (3) are provided as requested, the rate calculated by the Calculation Agent as the arithmetic mean of the rates quoted at approximately 11:00 A.M., in the applicable Principal Financial Center, on the particular Interest Determination Date by three major banks (which may include affiliates of the Agents), in that Principal Financial Center selected by the Calculation Agent for loans in the LIBOR Currency to leading European banks, having the particular Index Maturity and in a principal amount that is representative for a single transaction in the LIBOR Currency in that market at that time, or (5) if the banks so selected by the Calculation Agent are not quoting as mentioned in clause (4), LIBOR in effect on the particular Interest Determination Date.

"LIBOR Currency" means the currency specified on the face hereof as to which LIBOR shall be calculated or, if no currency is specified on the face hereof, United States dollars.

"LIBOR Page" means either: if "LIBOR Reuters" is specified on the face hereof, the display on the Reuter Monitor Money Rates Service (or any successor service) on the page specified on the face hereof (or any other page as may replace that page on that service) for the purpose of displaying the London interbank rates of major banks for the LIBOR Currency; or if "LIBOR Moneyline Telerate" is specified on the face hereof or neither "LIBOR Reuters" nor "LIBOR Moneyline Telerate" is specified on the face hereof as the method for calculating LIBOR, the display on Moneyline Telerate (or any successor service) on the page specified on the face hereof (or any other page as may replace such page on such service) for the purpose of displaying the London interbank rates of major banks for the LIBOR Currency.

"London Banking Day" means a day on which commercial banks are open for business (including dealings in the LIBOR Currency) in London.

- (G) EURIBOR RATE NOTE. If the Interest Rate Basis is EURIBOR (as defined

below), the Note shall be deemed to be a "EURIBOR Note." A EURIBOR Note will bear interest at the rates (calculated with references to the European inter-bank offered rate for deposits in Euro, or "EURIBOR", and the Spread and/or Spread Multiplier, if any) specified on the face hereof.

"EURIBOR" means, with respect to any Interest Determination Date relating to a EURIBOR Note or a Note that bears interest at floating rates

for which the interest rate is determined with reference to EURIBOR (a "EURIBOR Interest Determination Date"), the rate for deposits in Euros as sponsored, calculated and published jointly by the European Banking Federation and ACI -- The Financial Market Association, or any company established by the joint sponsors for purposes of compiling and publishing those rates, having the Index Maturity specified on the face hereof, commencing on the applicable Interest Reset Date, as the rate appears on Moneyline Telerate, Inc., or any successor service, on page 248 (or any other page as may replace that specified page on the service) ("Moneyline Telerate Page 248") as of 11:00 A.M., Brussels time, on the applicable EURIBOR Interest Determination Date. If such rate does not appear on Moneyline Telerate Page 248, or is not so published by 11:00 A.M., Brussels time, on the applicable EURIBOR Interest Determination Date, such rate will be calculated by the Calculation Agent and will be the arithmetic mean of at least two quotations obtained by the Calculation Agent after requesting the principal Euro-zone (as defined below) offices of four major banks in the Euro-zone interbank market to provide the Calculation Agent with its offered quotation for deposits in Euros for the period of the Index Maturity specified on the face hereof, commencing on the applicable Interest Reset Date, to prime banks in the Euro-zone interbank market at approximately 11:00 A.M., Brussels time, on the applicable EURIBOR Interest Determination Date and in a principal amount not less than the equivalent of \$1 million in Euros that is representative for a single transaction in Euro in the market at that time. If fewer than two such quotations are so provided, the rate on the applicable EURIBOR Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the rates quoted at approximately 11:00 A.M., Brussels time, on such EURIBOR Interest Determination Date by four major banks in the Euro-zone for loans in Euro to leading European banks, having the Index Maturity specified on the face hereof, commencing on the applicable Interest Reset Date and in a principal amount not less than the equivalent of \$1 million in Euros that is representative for a single transaction in Euros in the market at that time. If the banks so selected by the Calculation Agent are not quoting as mentioned above, EURIBOR will be EURIBOR in effect on the applicable EURIBOR Interest Determination Date.

"Euro-zone" means the region comprised of member states of the European Union that have adopted the single currency in accordance with the treaty establishing the European Community, as amended by the treaty on European Union.

- (H) PRIME RATE NOTE. If the Interest Rate Basis is the Prime Rate, the Note shall be deemed to be a "Prime Rate Note." A Prime Rate Note will bear interest for each Interest Reset Date calculated with reference to the Prime Rate and the Spread or Spread Multiplier, if any, subject to the Minimum Interest Rate and/or Maximum Interest Rate, if any, specified on the face hereof. The Calculation Agent will

determine the Prime Rate for each Interest Reset Date on each applicable Interest Determination Date. The Interest Determination Date is the Business Day immediately preceding the related Interest Reset Date. "Prime Rate" means (1) the rate on the particular Interest Determination Date as published in H.15(519) under the caption "Bank Prime Loan", or (2) if the rate referred to in clause (1) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate, under the caption "Bank Prime Loan", or (3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen US PRIME 1 Page (as defined below) as the applicable bank's prime rate or base lending rate as of 11:00 A.M., New York City time, on that Interest Determination Date, or (4) if fewer than four rates referred to in clause (3) are so published by 3:00 P.M., New York City time, on the related Calculation

Date, the rate on the particular Interest Determination Date calculated by the Calculation Agent as the arithmetic mean of the prime rates or base lending rates quoted on the basis of the actual number of days in the year divided by a 360-day year as of the close of business on that Interest Determination Date by three major banks (which may include affiliates of the Agents) in The City of New York selected by the Calculation Agent, or (5) if the banks so selected by the Calculation Agent are not quoting as mentioned in clause (4), the Prime Rate in effect on the particular Interest Determination Date. "Reuters Screen US PRIME 1 Page" means the display on the Reuter Monitor Money Rates Service (or any successor service) on the "US PRIME 1" page (or any other page as may replace that page on that service) for the purpose of displaying prime rates or base lending rates of major United States banks.

- (I) TREASURY RATE NOTE. If the Interest Rate Basis is the Treasury Rate, the Note shall be deemed to be a "Treasury Rate Note." A Treasury Rate Note will bear interest for each Interest Reset Date at the interest rate calculated with reference to the Treasury Rate and the Spread or Spread Multiplier, if any. The Calculation Agent will determine the Treasury Rate on each Treasury Rate Determination Date (as defined below). "Treasury Rate" means (1) the rate from the auction held on the Treasury Rate Interest Determination Date (the "Auction") of direct obligations of the United States ("Treasury Bills") having the Index Maturity specified on the face hereof under the caption "INVESTMENT RATE" on the display on Moneyline Telerate (or any successor service) on page 56 (or any other page as may replace that page on that service) ("Moneyline Telerate Page 56") or page 57 (or any other page as may replace that page on that service) ("Moneyline Telerate Page 57"), or (2) if the rate referred to in clause (1) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the Bond Equivalent Yield (as defined below) of the rate for the applicable Treasury Bills as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the caption "U.S.

Government Securities/Treasury Bills/Auction High", or (3) if the rate referred to in clause (2) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the Bond Equivalent Yield of the auction rate of the applicable Treasury Bills as announced by the United States Department of the Treasury, or (4) if the rate referred to in clause (3) is not so announced by the United States Department of the Treasury, or if the Auction is not held, the Bond Equivalent Yield of the rate on the particular Interest Determination Date of the applicable Treasury Bills as published in H.15(519) under the caption "U.S. Government Securities/Treasury Bills/Secondary Market", or (5) if the rate referred to in clause (4) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date of the applicable Treasury Bills as published in H.15 Daily Update, or another recognized electronic source used for the purpose of displaying the applicable rate, under the caption "U.S. Government Securities/Treasury Bills/Secondary Market", or (6) if the rate referred to in clause (5) is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on the particular Interest Determination Date calculated by the Calculation Agent as the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 P.M., New York City time, on that Interest Determination Date, of three primary United States government securities dealers (which may include the Agents or their affiliates) selected by the Calculation Agent, for the issue of Treasury Bills with a remaining maturity closest to the Index Maturity specified on the face hereof, or (7) if the dealers so selected by the Calculation Agent are not quoting as mentioned in clause (6), the Treasury Rate in effect on the particular Interest Determination Date.

"Bond Equivalent Yield" means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for Treasury Bills quoted on a bank discount basis and expressed as a decimal, "N" refers to 365 or 366, as the case may be, and "M" refers to the actual number of days in the applicable Interest Period.

The "Treasury Rate Determination Date" for each Interest Reset Date means the day in the week in which the related Interest Reset Date falls on which day Treasury Bills are normally auctioned (i.e., Treasury Bills are normally sold at auction on Monday of each week, unless that day is a legal holiday, in which case the auction is normally held on the following Tuesday, except that the auction may be held on the preceding Friday); PROVIDED, HOWEVER, that if an auction is held on the Friday of

the week preceding the related Interest Reset Date, the Interest Determination Date will be the preceding Friday.

- (J) REGULAR FLOATING RATE NOTE. Unless the Note is designated as a Floating Rate/Fixed Rate Note or an Inverse Floating Rate Note, or as having an Addendum attached or having other/additional provisions apply, in each case relating to a different interest rate formula, such Note that bears interest at floating rates will be a Regular Floating Rate Note and will bear interest at the rate determined by reference to the applicable Interest Rate Basis or Bases plus or minus the applicable Spread, if any, and/or multiplied by the applicable Spread Multiplier, if any. Commencing on the first Interest Reset Date, as specified on the face hereof, the rate at which interest on a Regular Floating Rate Note is payable will be reset as of each Interest Reset Date; PROVIDED, HOWEVER, that the interest rate in effect for the period, if any, from the date of issue to the first Interest Reset Date will be the Initial Interest Rate.
- (K) FLOATING RATE/FIXED RATE NOTE. If the Note is designated as a "Floating Rate/Fixed Rate Note" on the face hereof, such Note that bears interest at floating rates will bear interest at the rate determined by reference to the applicable Interest Rate Basis or Bases plus or minus the applicable Spread, if any, and/or multiplied by the applicable Spread Multiplier, if any. Commencing on the first Interest Reset Date, the rate at which interest on a Floating Rate/Fixed Rate Note is payable will be reset as of each Interest Reset Date; PROVIDED, however, that the interest rate in effect for the period, if any, from the date of issue to the first Interest Reset Date will be the Initial Interest Rate, as specified on the face hereof; and the interest rate in effect commencing on the Fixed Rate Commencement Date will be the Fixed Interest Rate, if specified on the face hereof, or, if not so specified, the interest rate in effect on the day immediately preceding the Fixed Rate Commencement Date.
- (L) INVERSE FLOATING RATE NOTE. If the Note is designated as an "Inverse Floating Rate Note" on the face hereof, the Inverse Floating Rate shall be equal to the Fixed Interest Rate minus the rate determined by reference to the applicable Interest Rate Basis or Bases plus or minus the applicable Spread, if any, and/or multiplied by the applicable Spread Multiplier, if any; PROVIDED, HOWEVER, that interest on an Inverse Floating Rate Note will not be less than zero. Commencing on the first Interest Reset Date, the rate at which interest on an Inverse Floating Rate Note is payable will be reset as of each Interest Reset Date; provided, however, that the interest rate in effect for the period, if any, from the date of issue to the first Interest Reset Date will be the Initial Interest Rate.

SECTION 4. OPTIONAL REDEMPTION. Global Funding may redeem the Note prior to the Stated Maturity Date at its option on any Business Day on or after the Original Issue Date in whole or from time to time in part in increments of \$1,000 or any other integral multiple of an authorized denomination specified on the face hereof (provided that any remaining principal amount of the Note shall be at least \$1,000 or other minimum authorized denomination applicable thereto), at the applicable Redemption Price (as defined below), together with unpaid interest accrued on the Note, any Additional Amounts and other amounts payable with respect thereto to the date of redemption. Global Funding must give written notice to the Holders of the Note to be redeemed at its option not more than 60 nor less than 30 calendar days prior to the

date of redemption. "Redemption Price" means an amount equal to the Initial Redemption Percentage specified on the face hereof (as adjusted by the Annual Redemption Percentage Reduction, if applicable) multiplied by the unpaid principal amount of the Note to be redeemed. The Initial Redemption Percentage, if any, shall decline at each anniversary of the Initial Redemption Date by an amount equal to the applicable Annual Redemption Percentage Reduction, if any, until the Redemption Price is equal to 100% of the unpaid amount thereof to be redeemed. Notwithstanding anything herein to the contrary, Global Funding may redeem the Note on the Original Issue Date without notice at a price equal to the principal amount of the Note (the "Immediate Redemption Price"). Global Funding may pay the Redemption Price or the Immediate Redemption Price in cash or Funding Agreement(s).

SECTION 5. SINKING FUNDS AND AMORTIZING NOTE. Unless otherwise specified on the face hereof or unless the Note is an Amortizing Note, the Note will not be subject to any sinking fund. If it is specified on the face hereof that the Note is an Amortizing Note, Global Funding will make payments combining principal and interest on the dates and in the amounts set forth in the table appearing in SCHEDULE I, attached to this Note Certificate. If the Note is an Amortizing Note, payments made on the Note will be applied first to interest due and payable on each such payment date and then to the reduction of the unpaid principal amount.

SECTION 6. OPTIONAL REPAYMENT. If so specified on the face hereof, the Note will be subject to repayment by Global Funding at the option of the Holder of

the Note on the Optional Repayment Date(s) specified on the face hereof, in whole or in part in increments of U.S.\$1,000 (PROVIDED that any remaining principal amount of the Note shall be at least U.S.\$1,000), at a repayment price equal to 100% of the unpaid principal amount of the Note to be repaid, together with unpaid interest accrued thereon to the Repayment Date (as defined below). For the Note to be so repaid, the Indenture Trustee must receive at its corporate trust office not more than 60 nor less than 30 calendar days prior to the applicable Optional Repayment Date, a properly completed Option to Elect Repayment form, which is attached hereto as Annex A, forwarded by the Holder hereof. Exercise of such repayment option shall be irrevocable. As used herein, the term "Repayment Date" shall mean the date fixed for repayment in accordance with the repayment provisions specified above.

SECTION 7. MODIFICATIONS AND AMENDMENTS. Sections [9.1 and 9.2] of the Standard Funding Note Indenture Terms contain provisions permitting Global Funding and the Indenture Trustee (1) without the consent of the Holder, to execute Supplemental Indentures for limited purposes and take other actions set forth in the Standard Funding Note Indenture Terms, and (2) with the consent of the Holder of not less than 66 2/3% in aggregate principal amount of the Note at the time outstanding, evidenced as in the Standard Funding Note Indenture Terms, to execute Supplemental Indentures adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or any Supplemental Indenture or modifying in any manner the rights of the Holder of the Note subject to specified limitations.

SECTION 8. OBLIGATIONS UNCONDITIONAL. No reference herein to the Indenture or the Standard Funding Note Indenture Terms and no provision of the Note or of the Indenture shall alter or impair the obligation of Global Funding, which is absolute and unconditional, to pay the principal of, interest on, or any other amount due and owing with respect to, the Note at the places, at the respective times, at the rate, and in the coin or currency, herein prescribed.

SECTION 9. COLLATERAL. Pursuant to the Indenture, Global Funding will assign the relevant Funding Agreement(s) issued by Allstate Life Insurance Company ("Allstate Life") in connection with the issuance of the Note (each, a "Funding Agreement") to the Indenture Trustee on behalf of the holders of the Note. The Note will be secured by a first priority perfected security interest in the Collateral described on the face hereof (the "Collateral") in favor of the Indenture Trustee and the other persons identified in the Standard Funding Note Indenture Terms.

SECTION 10. SECURITY; LIMITED RECOURSE. The Note is solely the obligation of Global Funding, and will not be guaranteed by any person, including but not limited to Allstate Life, any Allstate Life Global Funding Trust, any Agent, the Trust Beneficial Owner, the Delaware Trustee, the Indenture Trustee or any of their affiliates. Global Funding's obligations under the Note will be secured by all of Global Funding's rights and title in one or more Funding Agreement(s) issued by Allstate Life and other rights and assets included in the applicable Collateral. The Holder of the Note has no direct contractual rights against Allstate Life under the Funding Agreement(s). Under the terms of each Funding Agreement, recourse rights to Allstate Life will belong to Global Funding, its successors and permitted assignees. Global Funding has pledged, collaterally assigned and granted a first priority perfected security interest in the Collateral for the Note to the Indenture Trustee on behalf of the Holder of the Note and the other persons identified in the Standard Funding Note Indenture Terms. Recourse to Allstate Life under each Funding Agreement will be enforceable only by the Indenture Trustee as a secured party on behalf of the Holder of the Note and the other persons identified in the Standard Funding Note Indenture Terms.

SECTION 11. EVENTS OF DEFAULT. In case an Event of Default, as defined in the Standard Indenture Terms, shall have occurred and be continuing, the principal of the Note may be declared, and upon such declaration shall become, due and payable in the manner, with the effect and subject to the conditions provided in the Standard Indenture Terms. If the Note is a Discount Note, the amount of principal of the Note that becomes due and payable upon such acceleration shall be equal to the amount calculated as set forth in Section 3 hereof.

SECTION 12. WITHHOLDING; ADDITIONAL AMOUNTS. All amounts due in respect of the Note will be made without withholding or deduction for or on account of any present or future taxes, duties, levies, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of any governmental authority in the United States having the power to tax payments on the Note unless the withholding or deduction is required by law. Unless otherwise specified on the face hereof, Global Funding will not pay any additional amounts ("Additional Amounts") to Holders of the Note in the event that any withholding or deduction is so required by law, regulation or official interpretation thereof, and the imposition of a requirement to make any such withholding or deduction will not give rise to any independent right or obligation to redeem the Note.

SECTION 13. LISTING. Unless otherwise specified on the face hereof, the Note will not be listed on any securities exchange.

SECTION 14. NO RECOURSE AGAINST CERTAIN PERSONS. No recourse shall be had

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AMENDED AND RESTATED
SUPPORT AND EXPENSES AGREEMENT
BETWEEN
ALLSTATE LIFE INSURANCE COMPANY
AND
ALLSTATE LIFE GLOBAL FUNDING
DATED AS OF -, 2004

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This AMENDED AND RESTATED SUPPORT AND EXPENSES AGREEMENT, dated as of -, 2004 (this "AMENDED AND RESTATED SUPPORT AGREEMENT"), is entered into between Allstate Life Insurance Company, an Illinois stock life insurance company ("ALLSTATE LIFE") and Allstate Life Global Funding, a statutory trust organized under the laws of the State of Delaware ("GLOBAL FUNDING").

WHEREAS, Allstate Life and Global Funding entered into that certain Support and Expenses Agreement, dated as of June 27, 2002 (the "Base Support Agreement"), and the parties hereto desire to amend and restate the Base Support and Expenses Agreement in its entirety;

WHEREAS, Global Funding desires to facilitate a program (the "PROGRAM") for the issuance, from time to time, of secured medium term notes (the "NOTES");

WHEREAS, the Notes will be issued by newly created Delaware statutory trusts (each, a "TRUST").

WHEREAS, each Trust will purchase a funding note issued by Global Funding (each, a "FUNDING NOTE") with the proceeds from the sale of the Notes;

WHEREAS, Global Funding will sell a Funding Note to each Trust and use the proceeds therefrom to purchase one or more Funding Agreement(s) (the "FUNDING AGREEMENT(S)") from Allstate Life;

WHEREAS, Allstate Life will sell the Funding Agreement(s) to Global Funding in consideration for the proceeds Global Funding receives from the sale of such Funding Note;

WHEREAS, Global Funding will immediately assign absolutely and deposit such Funding Agreement(s) to the relevant Trust, and the relevant Funding Note will be surrendered; and

WHEREAS, each Trust will issue the Notes and collaterally assign the Funding Agreement(s) to the Indenture Trustee to secure payment of the Notes.

NOW THEREFORE, in consideration of the premises and covenants set forth in this Amended and Restated Support and Expenses Agreement, the parties agree as follows:

ARTICLE 1
DEFINITIONS; OTHER DEFINITIONAL PROVISIONS

SECTION 1.1 DEFINITIONS. The following terms, as used in this Amended and Restated Support Agreement, have the following meanings:

"ADDITIONAL AMOUNTS" has the meaning set forth in the Standard Indenture Terms.

"ADMINISTRATOR" means AMACAR Pacific Corp. and its successors.

"AFFILIATE" means, as applied to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, that Person and, in the case of an individual, any spouse or other member of that individual's immediate family. For the purposes of this definition, "control" (including with correlative meanings, the terms "controlling", "controlled by", and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities, by contract or otherwise.

"AGENTS" has the meaning set forth in the Distribution Agreement.

"BUSINESS DAY" means a day (other than a Saturday, Sunday or legal holiday) on which commercial banks in the City of New York, the Borough of Manhattan and Cook County, State of Illinois, are open for business.

"DELAWARE TRUSTEE" means Wilmington Trust Company, not in its individual capacity but solely as trustee, and its successors.

"DISTRIBUTION AGREEMENT" means that certain Distribution Agreement dated as of -, 2004, by and among Global Funding and the Agents named therein, as the same may be amended, restated, modified, supplemented or replaced from time to time.

"EXCLUDED AMOUNTS" means (i) any obligation of Global Funding or any Trust to make any payment in accordance with the terms of the Funding Note or the Notes, (ii) any obligation or expense of Global Funding or any Trust to the extent that such obligation or expense has actually been paid utilizing funds from payments under the Funding Agreement(s) or the Funding Note, as applicable, (iii) any cost, loss, damage, claim, action, suit, expense, disbursement, tax, penalty and liability of any kind or nature whatsoever resulting from or relating to any insurance regulatory or other governmental authority asserting that: (a) the Funding Note or the Notes are, or are deemed to be, (1) participations in the Funding Agreement(s) or (2) contracts of insurance, or (b) the offer, purchase, sale or transfer of the Funding Notes or the Notes, or the pledge and collateral assignment of, or the grant of a security interest in, the Funding Agreement(s), (1) constitute the conduct of the business of insurance or reinsurance in any jurisdiction or (2) require Global Funding, any Trust or any Holder to be licensed as an insurer, insurance agent or broker in any jurisdiction, (iv) any cost, loss, damage, claim, action, suit, expense, disbursement, tax, penalty and liability of any kind imposed on a Service Provider resulting from the bad faith, misconduct or negligence of such Service Provider, (v) any income taxes or overhead expenses of any Service Provider, (vi) any withholding taxes imposed with respect to payments made under any Funding Agreement(s), the Funding Note or the Notes, or (viii) any Additional Amounts paid to any Holder.

With respect to any Support Obligation owed to the Delaware Trustee and the Administrator, clause (iii) of the definition of "Excluded Amounts" shall not apply.

"GLOBAL FUNDING" means Allstate Life Global Funding, a statutory trust formed under the laws of the State of Delaware.

2

"HOLDER" means any holder of the Notes.

"INDENTURE TRUSTEE" means J.P. Morgan Trust Company, National Association and its successors.

"NOTICE OF OBLIGATION" means the instrument evidencing a Support Obligation of Global Funding in, or substantially in, the form attached as Exhibit A.

"SERVICE PROVIDER" means each of the Delaware Trustee, the Indenture Trustee, the Administrator and any other agent or provider of services to Global Funding (other than the Agents).

"STANDARD INDENTURE TERMS" means the Standard Indenture Terms relating to Global Funding's Program for the issuance of Notes.

"SUPPORT OBLIGATIONS" means any and all (i) reasonable costs and expenses reasonably incurred (including the reasonable fees and expenses of any Service Provider), relating to the offering, sale and issuance of the Funding Notes and the Notes and (ii) costs, expenses and taxes of Global Funding; in each case except the Excluded Amounts.

SECTION 1.2 OTHER DEFINITIONAL PROVISIONS. For all purposes of this Amended and Restated Support Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- (a) the terms defined in this Article shall have the meanings ascribed to them in this Article and shall include the plural as well as the singular;
- (b) the words "include", "includes" and "including" shall be construed to be followed by the words "without limitation";
- (c) Article and Section headings are for the convenience of the reader and shall not be considered in interpreting this Amended and Restated Support Agreement or the intent of the parties to this Amended and Restated Support Agreement; and
- (d) capitalized terms not otherwise defined in this Amended and Restated Support Agreement will have the respective meanings set forth in the Standard Indenture Terms.

ARTICLE 2
REPRESENTATIONS

SECTION 2.1 GENERAL. Each party to this Amended and Restated Support Agreement represents and warrants to the other that as of the date of this Amended and Restated Support Agreement:

3

- (a) it has the power to enter into this Amended and Restated Support Agreement and to consummate the transactions contemplated by this Amended and Restated Support Agreement;
- (b) it has duly authorized, executed and delivered this Amended and Restated Support Agreement;
- (c) assuming the due authorization, execution and delivery of this Amended and Restated Support Agreement by the other party, this Amended and Restated Support Agreement constitutes a legal, valid and binding obligation of the representing party;
- (d) this Amended and Restated Support Agreement is enforceable against the representing party in accordance with its terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights, and subject as to enforceability to general principles of equity, regardless of whether enforcement is sought in a proceeding in equity or at law;
- (e) its execution and delivery of this Amended and Restated Support Agreement, consummation by it of the transactions contemplated by this Amended and Restated Support Agreement and the performance of its obligations under this Amended and Restated Support Agreement do not and will not constitute or result in a default, breach or violation of the terms or provisions of its organizational documents or any material indenture, contract, agreement, instrument, mortgage, judgment, injunction or order applicable to which it is a party or by which any of its properties may be bound; and
- (f) no filing with or authorization, order, consent, permit or approval of any federal or state governmental authority or agency or political subdivision thereof is required for the execution, delivery and performance of this Amended and Restated Support Agreement that has not been already obtained or acquired.

ARTICLE 3
SUPPORT OBLIGATIONS

SECTION 3.1 PAYMENT OF SUPPORT OBLIGATIONS.

- (a) Allstate Life irrevocably and unconditionally agrees to (i) indemnify Global Funding against, and pay, all Support Obligations and (ii) without duplication, indemnify each Service Provider against, and pay, all Support Obligations due and payable by Global Funding to such Service Provider, in each case within two Business Days of receipt of the applicable Notice of Obligation, subject only to the terms and conditions of this Amended and Restated Support Agreement.

4

- (b) Allstate Life agrees to pay any amount due under this Amended and Restated Support Agreement in the currency in which the related Support Obligation originated.
- (c) Allstate Life and Global Funding agree that all payments due under this Section 3.1 in respect of any Support Obligation shall be effected, and any responsibility of Allstate Life to pay such Support Obligation pursuant to the indemnity provided to Global Funding in this Amended and Restated Support Agreement shall be discharged, by the payment by Allstate Life, at the order of Global Funding, to the account of the person to whom such Support Obligation is owed, as specified in the applicable Notice of Obligation.

SECTION 3.2 AMENDED OR ADDITIONAL ARRANGEMENTS. Global Funding will not, without the prior written approval of Allstate Life (a) enter into or amend, modify, restate, and/or supplement any compensation or indemnification arrangements with respect to the Program or (b) waive any of its rights under any compensation or indemnification provisions under the Program.

SECTION 3.3 WAIVER OF NOTICE. Allstate Life waives notice of any fact or circumstance that could give rise to the payment of any Support Obligation under Section 3.1 and, except as otherwise provided in this Amended and Restated Support Agreement, Allstate Life also waives presentment, demand for payment, protest, notice of nonpayment, notice of dishonor, notice of redemption and all

other notices and demands.

SECTION 3.4 NO IMPAIRMENT. The obligations, covenants, agreements and duties of Allstate Life under this Amended and Restated Support Agreement will in no way be affected or impaired by reason of the happening from time to time of any of:

- (a) the extension of time for the payment of all or any portion of any Support Obligation or for the performance of any other obligation arising under, out of, or in connection with, any Support Obligation;
- (b) any failure, omission, delay or lack of diligence on the part of Global Funding to enforce, assert or exercise any right, privilege, power or remedy conferred on Global Funding with respect to any Support Obligation or any action on the part of Global Funding granting indulgence or extension of any kind;
- (c) the voluntary or involuntary liquidation, dissolution, sale of any collateral, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition or readjustment of debt of, or other similar proceedings affecting, Global Funding or any of the assets of Global Funding;

5

- (d) the existence of any claim, set-off or other rights that Allstate Life may have at any time against Global Funding; PROVIDED, that nothing in this Amended and Restated Support Agreement shall prevent the assertion of any such claim by separate suit or compulsory counterclaim; or
- (e) any other act or omission to act or delay of any kind by Global Funding or any other Person or any other circumstance whatsoever which might, but for the provisions of this Section 3.4(e), constitute a legal or equitable discharge of or defense to Allstate Life's obligations under this Amended and Restated Support Agreement.

SECTION 3.5 ENFORCEMENT. Notwithstanding any rights granted to Allstate Life under Section 3.7, Allstate Life waives any right or remedy to require that any action be brought against any Person prior to the assertion of a claim under this Amended and Restated Support Agreement.

SECTION 3.6 SUBROGATION. Upon, and subject to, the payment by Allstate Life of any Support Obligation:

- (a) Allstate Life shall be subrogated to all of the rights, interests and remedies, if any, of Global Funding in respect of such Support Obligation; and
- (b) Global Funding will (i) from time to time execute all such instruments and other agreements and take all such other actions as may be necessary or desirable, or that Allstate Life may request, to protect any interest of Allstate Life with respect to any Support Obligation or to enable Allstate Life to exercise or enforce any right, interest or remedy it may have with respect to any such Support Obligation and (ii) release to Allstate Life any amount received relating to any Support Obligation, or any portion of any Support Obligation, immediately after any such amount relating to such Support Obligation, or any portion of any such Support Obligation, is received by Global Funding.

SECTION 3.7 ACTIONS; NOTIFICATION.

- (a) Global Funding shall give prompt written notice to Allstate Life of any litigation, or any investigation or proceeding by any governmental agency or body or other Person, whether commenced or threatened, against Global Funding that may give rise to any Support Obligation (each, a "PROCEEDING"), but Global Funding's failure to so notify Allstate Life shall not relieve Allstate Life from any liability which it may have otherwise under this

6

Amended and Restated Support Agreement unless the failure to so notify had an adverse impact on Allstate Life.

- (b) Allstate Life may, in its sole discretion, elect to assume the defense of Global Funding in any Proceeding that could give rise to any Support Obligation, and if it so elects, Allstate Life shall select counsel reasonably acceptable to Global Funding to represent Global Funding in such Proceeding and pay the fees and expenses of such counsel. In any Proceeding, Global Funding shall have the right to retain its own counsel, but the fees and

disbursements of such counsel shall not constitute a Support Obligation unless (i) Allstate Life and Global Funding shall have mutually agreed to the retention of such counsel or (ii) the named parties to any such Proceeding (including any impleaded parties) include both Allstate Life and Global Funding, and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. In no event shall Allstate Life be liable for fees and expenses of more than one counsel (in addition to any local counsel) for Global Funding in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances.

SECTION 3.8 SETTLEMENT WITHOUT CONSENT. Global Funding may not settle any Proceeding without the consent of Allstate Life.

SECTION 3.9 THIRD PARTY BENEFICIARIES. Allstate Life understands and agrees that each Service Provider (including such parties in their respective individual capacity) shall be a third party beneficiary of the indemnity provided under this Amended and Restated Support Agreement, subject to the limitations on such indemnity provided in this Amended and Restated Support Agreement. No other Person shall have any legal or equitable right, remedy or claim under or in respect of this Amended and Restated Support Agreement or any covenants, conditions or provisions contained in this Amended and Restated Support Agreement.

ARTICLE 4 GENERAL PROVISIONS

SECTION 4.1 BINDING EFFECT. All obligations, covenants, agreements and duties contained in this Amended and Restated Support Agreement shall bind the permitted successors and assigns, and receivers, trustees and representatives of each of Allstate Life and Global Funding.

SECTION 4.2 AMENDMENTS; ASSIGNMENTS.

- (a) This Amended and Restated Support Agreement will not be amended, modified, restated, supplemented or replaced in any

7

manner, except with the unanimous written consent of Global Funding, Allstate Life, the Administrator, the Delaware Trustee and the Indenture Trustee.

- (b) Neither this Amended and Restated Support Agreement nor any title, right or interest in this Amended and Restated Support Agreement may be sold, transferred, assigned, hypothecated or alienated in any manner whatsoever, except with the express written consent of Global Funding and Allstate Life.

SECTION 4.3 TERM OF SUPPORT AGREEMENT. This Amended and Restated Support Agreement shall terminate and be of no further force and effect upon the date on which the Amended and Restated Trust Agreement terminates. Unless and until this Amended and Restated Support Agreement is terminated as specified in this Section 4.3, this Amended and Restated Support Agreement will be continuing, irrevocable, unconditional and absolute.

SECTION 4.4 NOTICES. All demands, notices, instructions or other communications required or permitted to be given under this Amended and Restated Support Agreement shall be given in writing by delivering the same against receipt by facsimile transmission (confirmed by registered or certified mail, postage prepaid, return receipt requested), or by registered or certified mail, postage prepaid, return receipt requested, addressed as follows (and if so given, shall be deemed given when mailed or upon receipt of a confirmation, if sent by facsimile):

If to Global Funding, to:

c/o AMACAR Pacific Corp.
6525 Morrison Boulevard, Suite 318
Charlotte, North Carolina 28211
Attention: Douglas K. Johnson
Facsimile: (704) 365-1632

If to Allstate Life, to:

Allstate Life Insurance Company
3100 Sanders Road, Suite M3A
Northbrook, Illinois 60062
Attention: Assistant Vice President, Institutional Markets
Facsimile: (847) 326-6289

or such other address previously furnished in writing to the other party.

SECTION 4.5 GOVERNING LAW. Pursuant to Section 5-1401 of the General

Obligations Law of the State of New York, this Amended and Restated Support Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

8

SECTION 4.6 CONSENT TO JURISDICTION. Each party to this Amended and Restated Support Agreement submits for itself and in connection with its properties, generally and unconditionally, to the nonexclusive jurisdiction of the United States Federal court located in the City of New York, the Borough of Manhattan for purposes of any legal proceeding arising out of or relating to this Amended and Restated Support Agreement or the transactions contemplated by this Amended and Restated Support Agreement. Each party to this Amended and Restated Support Agreement irrevocably waives, to the fullest extent permitted by law, any objection which it may have to the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum. Each party to this Amended and Restated Support Agreement consents to process being served in any suit, action or proceeding with respect to this Amended and Restated Support Agreement, or any document delivered pursuant to this Amended and Restated Support Agreement by the mailing of a copy thereof by registered or certified mail, postage prepaid, return receipt requested, to its respective address specified at the time for notices under this Amended and Restated Support Agreement or to any other address of which it shall have given written notice to the other party. The foregoing shall not limit the ability of any party to this Amended and Restated Support Agreement to bring suit in the courts of any other jurisdiction.

SECTION 4.7 WAIVER OF JURY TRIAL. Each of the parties to this Amended and Restated Support Agreement irrevocably and expressly waives any and all right to a trial by jury with respect to any legal proceeding arising out of or relating to this Amended and Restated Support Agreement or any claims or transactions in connection with this Amended and Restated Support Agreement. Each of the parties to this Amended and Restated Support Agreement acknowledges that such waiver is made with full understanding and knowledge of the nature of the rights and benefits waived.

SECTION 4.8 COUNTERPARTS. This Amended and Restated Support Agreement and any amendments, modifications, restatements, supplements or replacements of this Amended and Restated Support Agreement, or waivers or consents to this Amended and Restated Support Agreement, may be executed in any number of counterparts, and by parties to this Amended and Restated Support Agreement in separate counterparts, each of which, when so executed and delivered, shall be deemed to be an original and all of which counterparts, when taken together shall constitute one and the same instrument. This Amended and Restated Support Agreement shall become effective upon the execution of a counterpart by each of the parties to this Amended and Restated Support Agreement.

SECTION 4.9 SEVERABILITY. In the event any provision or obligation of this Amended and Restated Support Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby to the fullest extent permitted under applicable law.

SECTION 4.10 ENTIRE AGREEMENT. This Amended and Restated Support Agreement constitutes the entire agreement between the parties relating to its subject

9

matter, and supersedes all previous agreements between the parties, whether written or oral.

SECTION 4.11 NO WAIVER. No failure on the part of the parties to this Amended and Restated Support Agreement to exercise, and no delay in exercising, and no course of dealing with respect to, any right, power or privilege under this Amended and Restated Support Agreement shall operate as a waiver thereof, nor shall any single or partial exercise thereof or the exercise of any other right, power or privilege operate as such a waiver.

SECTION 4.12 REMEDIES CUMULATIVE. No right, power or remedy of the parties under this Amended and Restated Support Agreement shall be exclusive of any other right, power or remedy, but shall be cumulative and in addition to any other right, power or remedy thereunder or existing by law or in equity.

SECTION 4.13 LIMITATION OF DELAWARE TRUSTEE LIABILITY. Notwithstanding any provision of this Amended and Restated Support Agreement to the contrary, it is expressly understood and agreed by the parties that (a) this Amended and Restated Support Agreement is executed and delivered by Wilmington Trust Company, not individually or personally, but solely as Delaware Trustee, in the exercise of the powers and authority conferred and vested in it pursuant to the Amended and Restated Support Agreement, (b) each of the representations, undertakings and agreements in this Amended and Restated Support Agreement made on the part of Global Funding is made and intended not as personal representations, undertakings and agreements by Wilmington Trust Company, but is

made and intended for the purpose of binding only Global Funding, (c) nothing contained in this Amended and Restated Support Agreement shall be construed as creating any liability on Wilmington Trust Company, individually or personally, to perform any covenant either expressed or implied in this Amended and Restated Support Agreement, all such liability, if any, being expressly waived by the parties to this Amended and Restated Support Agreement and by any person claiming by, through or under the parties to this Amended and Restated Support Agreement and (d) under no circumstances shall Wilmington Trust Company be personally liable for the payment of any indebtedness or expenses of Global Funding or be liable for the breach or failure of any obligation, representation, warranty or covenant made or undertaken by Global Funding under this Amended and Restated Support Agreement or any other related documents.

IN WITNESS WHEREOF, the parties have caused this Amended and Restated Support Agreement to be executed by duly authorized representatives as of the day and year first above written.

ALLSTATE LIFE INSURANCE COMPANY

By:

Name: Sarah R. Donahue
Title: Assistant Vice President

ALLSTATE LIFE GLOBAL FUNDING,

By: WILMINGTON TRUST COMPANY, not in its individual capacity, but solely as Delaware Trustee

By:

Name: Donald G. MacKelcan
Title: Vice President

EXHIBIT A

NOTICE OF OBLIGATION

Date: -

BY [HAND OR OVERNIGHT] DELIVERY AND/OR FACSIMILE

Allstate Life Insurance Company
Office of the General Counsel
3100 Sanders Road
Northbrook, Illinois 60062
Telephone: -
Facsimile: -

Ladies and Gentlemen:

Reference is hereby made to the Amended and Restated Support and Expenses Agreement dated as of - (the "AMENDED AND RESTATED SUPPORT AGREEMENT") entered into between Allstate Life Insurance Company, an Illinois stock life insurance company ("ALLSTATE LIFE") and Allstate Life Global Funding, a statutory trust organized under the laws of the State of Delaware ("GLOBAL FUNDING"). Capitalized terms used in this notice (this "NOTICE OF OBLIGATION") and not otherwise defined have the respective meanings ascribed in this Amended and Restated Support Agreement.

Global Funding hereby represents to Allstate Life that:

- (a) on -, Global Funding incurred a Support Obligation in an amount of \$ -;
- (b) the Support Obligation resulted from -; and
- (c) all documents and instruments evidencing the Support Obligation are attached to this Notice of Obligation.

Global Funding hereby requests Allstate Life to pay the Support Obligation in accordance with this Amended and Restated Support Agreement to the following account:

[Name of Bank:
Account No.:
Reference No.:]

IN WITNESS WHEREOF, Global Funding has executed and delivered this Notice of Obligation as of the date first written above.

ALLSTATE LIFE GLOBAL FUNDING

By: Wilmington Trust Company, not in its individual capacity, but solely as Delaware Trustee

By:

Name:

Title:

STANDARD SUPPORT AND EXPENSES AGREEMENT TERMS

WITH RESPECT TO

ALLSTATE LIFE GLOBAL FUNDING TRUSTS

This document constitutes the Standard Support and Expenses Agreement Terms, which will be incorporated by reference in, and form a part of, the Support Agreement (as defined below) by and between Allstate Life Insurance Company, an Illinois stock life insurance company ("ALLSTATE LIFE") and the Trust (as defined below).

These Standard Support and Expenses Terms shall be of no force and effect unless and until incorporated by reference in and then only to the extent not modified by, the Support Agreement.

The following terms and provisions shall govern the reimbursement arrangement and terms of indemnity with respect to the Trust, subject to contrary terms and provisions expressly adopted in the Support Agreement, which contrary terms shall be controlling.

ARTICLE 1

DEFINITIONS; OTHER DEFINITIONAL PROVISIONS

SECTION 1.1 DEFINITIONS. The following terms, as used in the Support Agreement, have the following meanings:

"ADDITIONAL AMOUNTS" has the meaning set forth in the Indenture.

"ADMINISTRATIVE SERVICES AGREEMENT" means that certain Administrative Services Agreement included in Part B of the Series Instrument, by and between the Trust and the Administrator, as the same may be amended, modified or supplemented from time to time.

"ADMINISTRATOR" means AMACAR Pacific Corp. and its successors.

"AFFILIATE" means, as applied to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, that Person and, in the case of an individual, any spouse or other member of that individual's immediate family. For the purposes of this definition, "control" (including with correlative meanings, the terms "controlling", "controlled by", and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities, by contract or otherwise.

"AGENTS" has the meaning set forth in the Distribution Agreement.

"BUSINESS DAY" means a day (other than a Saturday, Sunday or legal holiday) on which commercial banks in the City of New York, the Borough of Manhattan and Cook County, State of Illinois, are open for business.

"CLOSING INSTRUMENT" means the closing instrument of the Trust, pursuant to which the Indenture is entered into, and certain other documents are executed, in connection with the issuance of the Notes by the Trust.

"COORDINATION AGREEMENT" means that certain Coordination Agreement included in Part F of the Series Instrument, among Allstate Life, the Trust and the Indenture Trustee, as the same may be amended, modified or supplemented from time to time.

"DELAWARE TRUSTEE" means Wilmington Trust Company, not in its individual capacity but solely as trustee, and its successors.

"DISTRIBUTION AGREEMENT" means that certain Distribution Agreement dated as of -, 2004, by and among Global Funding and the Agents named therein, as the same may be amended, restated, modified, supplemented or replaced from time to time.

"EXCLUDED AMOUNTS" means (i) any obligation of Global Funding or the Trust to make any payment in accordance with the terms of the Funding Note or the Notes, (ii) any obligation or expense of Global Funding or the Trust to the extent that such obligation or expense has actually been paid utilizing funds from payments under the Funding Agreement(s) or the Funding Note, as applicable,

(iii) any cost, loss, damage, claim, action, suit, expense, disbursement, tax, penalty and liability of any kind or nature whatsoever resulting from or relating to any insurance regulatory or other governmental authority asserting that: (a) the Funding Note or the Notes are, or are deemed to be, (1) participations in the Funding Agreement(s) or (2) contracts of insurance, or (b) the offer, purchase, sale or transfer of the Funding Notes or the Notes, or the pledge and collateral assignment of, or the grant of a security interest in, the Funding Agreement(s), (1) constitute the conduct of the business of insurance or reinsurance in any jurisdiction or (2) require Global Funding, the Trust or any Holder to be licensed as an insurer, insurance agent or broker in any jurisdiction, (iv) any cost, loss, damage, claim, action, suit, expense, disbursement, tax, penalty and liability of any kind imposed on a Service Provider resulting from the bad faith, misconduct or negligence of such Service Provider, (v) any income taxes or overhead expenses of any Service Provider, (vi) any withholding taxes imposed with respect to payments made under any Funding Agreement(s), the Funding Note or the Notes, or (viii) any Additional Amounts paid to any Holder.

With respect to any Support Obligation owed to the Delaware Trustee and the Administrator, clause (iii) of the definition of "Excluded Amounts" shall not apply.

"FUNDING AGREEMENT" means each funding agreement issued by Allstate Life, which is sold to, and deposited into, the Trust by Global Funding.

"FUNDING NOTE" has the meaning set forth in Part F of the Series Instrument.

"GLOBAL FUNDING" means Allstate Life Global Funding, a statutory trust formed under the laws of the State of Delaware.

"HOLDER" means any holder of the Notes.

"INDENTURE" means that certain Indenture included in Part A of the Closing Instrument, between the Trust and the Indenture Trustee, as the same may be amended, modified or supplemented from time to time.

2

"INDENTURE TRUSTEE" means J.P. Morgan Trust Company, National Association and its successors.

"NAME LICENSING AGREEMENT" means that certain Name Licensing Agreement included in Part D of the Series Instrument, between Allstate Insurance Company and the Trust, as the same may be amended, modified or supplemented from time to time.

"NOTE" has the meaning specified in the Indenture.

"NOTICE OF OBLIGATION" means the instrument evidencing a Support Obligation of the Trust in, or substantially in, the form attached as Exhibit A.

"PROGRAM" means the program for the issuance, from time to time, of secured medium term notes of the Allstate Life Global Funding Trusts.

"SERIES INSTRUMENT" means the series instrument of the Trust, pursuant to which the Administrative Services Agreement, the Coordination Agreement, the Name Licensing Agreement, the Support Agreement, the Terms Agreement and the Trust Agreement are entered into, and certain other documents are executed, in connection with the issuance of the Notes by the Trust.

"SERVICE PROVIDER" means each of the Delaware Trustee, the Indenture Trustee, the Administrator and any other agent or provider of services to the Trust (other than the Agents), in each case acting in such capacity with respect to the Notes.

"SUPPORT AGREEMENT" means the Support and Expenses Agreement with respect to the Trust included in Part C of the Series Instrument, and which incorporates by reference these Standard Support and Expenses Agreement Terms as the same may be amended, modified or supplemented from time to time, which Support Agreement incorporates by reference these Standard Support and Expenses Agreement Terms.

"SUPPORT OBLIGATIONS" means any and all (i) reasonable costs and expenses reasonably incurred (including the reasonable fees and expenses of counsel), relating to the offering, sale and issuance of the Notes by the Trust and (ii) costs, expenses and taxes of the Trust; in each case except the Excluded Amounts.

"TERMS AGREEMENT" means that certain Terms Agreement related to the offering of the Notes, included in Part E of the Series Instrument, by and among Global Funding, the Trust and each Agent named therein, which will incorporate by reference the terms of the Distribution Agreement.

"TRUST" means the Allstate Life Global Funding Trust specified in the Series Instrument, together with its permitted successors and assigns.

"TRUST AGREEMENT" means that certain Trust Agreement, included in Part A of the Series Instrument, pursuant to which the Trust is created.

3

SECTION 1.2 OTHER DEFINITIONAL PROVISIONS. For all purposes of the Support Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- (a) the terms defined in this Article shall have the meanings ascribed to them in this Article and shall include the plural as well as the singular;
- (b) the words "include", "includes" and "including" shall be construed to be followed by the words "without limitation";
- (c) Article and Section headings are for the convenience of the reader and shall not be considered in interpreting the Support Agreement or the intent of the parties to the Support Agreement; and
- (d) capitalized terms not otherwise defined in the Support Agreement will have the respective meanings set forth in the Indenture.

ARTICLE 2 REPRESENTATIONS

SECTION 2.1 GENERAL. Each party to the Support Agreement represents and warrants to the other that as of the date of the Support Agreement:

- (a) it has the power to enter into the Support Agreement and to consummate the transactions contemplated by the Support Agreement;
- (b) it has duly authorized, executed and delivered the Support Agreement;
- (c) assuming the due authorization, execution and delivery of the Support Agreement by the other party, the Support Agreement constitutes a legal, valid and binding obligation of the representing party;
- (d) the Support Agreement is enforceable against the representing party in accordance with its terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights, and subject as to enforceability to general principles of equity, regardless of whether enforcement is sought in a proceeding in equity or at law;
- (e) its execution and delivery of the Support Agreement, consummation by it of the transactions contemplated by the Support Agreement and the performance of its obligations under the Support Agreement do not and will not constitute or result in a default, breach or violation of the terms or provisions of its

4

organizational documents or any material indenture, contract, agreement, instrument, mortgage, judgment, injunction or order applicable to which it is a party or by which any of its properties may be bound; and

- (f) no filing with or authorization, order, consent, permit or approval of any federal or state governmental authority or agency or political subdivision thereof is required for the execution, delivery and performance of the Support Agreement that has not been already obtained or acquired.

ARTICLE 3 SUPPORT OBLIGATIONS

SECTION 3.1 PAYMENT OF SUPPORT OBLIGATIONS.

- (a) Allstate Life irrevocably and unconditionally agrees to (i) indemnify the Trust against, and pay, all Support Obligations and (ii) without duplication, indemnify each Service Provider against, and pay, all Support Obligations due and payable by the Trust to such Service Provider, in each case within two Business Days of receipt of the applicable Notice of Obligation, subject only to the terms and conditions of the Support Agreement.
- (b) Allstate Life agrees to pay any amount due under the Support Agreement in the currency in which the related Support Obligation originated.

- (c) Allstate Life and the Trust agree that all payments due under this Section 3.1 in respect of any Support Obligation shall be effected, and any responsibility of Allstate Life to pay such Support Obligation pursuant to the indemnity provided to the Trust in the Support Agreement shall be discharged, by the payment by Allstate Life, at the order of the Trust, to the account of the person to whom such Support Obligation is owed, as specified in the applicable Notice of Obligation.

SECTION 3.2 AMENDED OR ADDITIONAL ARRANGEMENTS. The Trust will not, without the prior written approval of Allstate Life (a) enter into or amend, modify, restate, and/or supplement any compensation or indemnification arrangements with respect to the Program or (b) waive any of its rights under any compensation or indemnification provisions under the Program.

SECTION 3.3 WAIVER OF NOTICE. Allstate Life waives notice of any fact or circumstance that could give rise to the payment of any Support Obligation under Section 3.1 and, except as otherwise provided in the Support Agreement, Allstate Life also waives presentment, demand for payment, protest, notice of nonpayment, notice of dishonor, notice of redemption and all other notices and demands.

5

SECTION 3.4 NO IMPAIRMENT. The obligations, covenants, agreements and duties of Allstate Life under the Support Agreement will in no way be affected or impaired by reason of the happening from time to time of any of:

- (a) the extension of time for the payment of all or any portion of any Support Obligation or for the performance of any other obligation arising under, out of, or in connection with, any Support Obligation;
- (b) any failure, omission, delay or lack of diligence on the part of the Trust to enforce, assert or exercise any right, privilege, power or remedy conferred on the Trust with respect to any Support Obligation or any action on the part of the Trust granting indulgence or extension of any kind;
- (c) the voluntary or involuntary liquidation, dissolution, sale of any collateral, receivership, insolvency, bankruptcy, assignment for the benefit of creditors, reorganization, arrangement, composition or readjustment of debt of, or other similar proceedings affecting, the Trust or any of the assets of the Trust;
- (d) the existence of any claim, set-off or other rights that Allstate Life may have at any time against the Trust; PROVIDED, that nothing in the Support Agreement shall prevent the assertion of any such claim by separate suit or compulsory counterclaim; or
- (e) any other act or omission to act or delay of any kind by the Trust or any other Person or any other circumstance whatsoever which might, but for the provisions of this Section 3.4(e), constitute a legal or equitable discharge of or defense to Allstate Life's obligations under the Support Agreement.

SECTION 3.5 ENFORCEMENT. Notwithstanding any rights granted to Allstate Life under Section 3.7, Allstate Life waives any right or remedy to require that any action be brought against any Person prior to the assertion of a claim under the Support Agreement.

SECTION 3.6 SUBROGATION. Upon, and subject to, the payment by Allstate Life of any Support Obligation:

- (a) Allstate Life shall be subrogated to all of the rights, interests and remedies, if any, of the Trust in respect of such Support Obligation; and
- (b) the Trust will (i) from time to time execute all such instruments and other agreements and take all such other actions as may be necessary or desirable, or that Allstate Life may request, to protect any interest of Allstate Life with respect to any Support Obligation

6

or to enable Allstate Life to exercise or enforce any right, interest or remedy it may have with respect to any such Support Obligation and (ii) release to Allstate Life any amount received relating to any Support Obligation, or any portion of any Support Obligation, immediately after any such amount relating to such Support Obligation, or any portion of any such Support Obligation, is received by the Trust.

SECTION 3.7 ACTIONS; NOTIFICATION.

- (a) The Trust shall give prompt written notice to Allstate Life of any litigation, or any investigation or proceeding by any governmental agency or body or other Person, whether commenced or threatened, against the Trust that may give rise to any Support Obligation (each, a "Proceeding"), but the Trust's failure to so notify Allstate Life shall not relieve Allstate Life from any liability which it may have otherwise under the Support Agreement unless the failure to so notify had an adverse impact on Allstate Life.
- (b) Allstate Life may, in its sole discretion, elect to assume the defense of the Trust in any Proceeding that could give rise to any Support Obligation, and if it so elects, Allstate Life shall select counsel reasonably acceptable to the Trust to represent the Trust in such Proceeding and pay the fees and expenses of such counsel. In any Proceeding, the Trust shall have the right to retain its own counsel, but the fees and disbursements of such counsel shall not constitute a Support Obligation unless (i) Allstate Life and the Trust shall have mutually agreed to the retention of such counsel or (ii) the named parties to any such Proceeding (including any impleaded parties) include both Allstate Life and the Trust, and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. In no event shall Allstate Life be liable for fees and expenses of more than one counsel (in addition to any local counsel) for the Trust in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances.

SECTION 3.8 SETTLEMENT WITHOUT CONSENT. The Trust may not settle any Proceeding without the consent of Allstate Life.

SECTION 3.9 THIRD PARTY BENEFICIARIES. Allstate Life understands and agrees that each Service Provider (including such parties in their respective individual capacity) shall be a third party beneficiary of the indemnity provided under the Support Agreement, subject to the limitations on such indemnity provided in the Support Agreement. No other Person shall have any legal or equitable right, remedy or claim

7

under or in respect of the Support Agreement or any covenants, conditions or provisions contained in the Support Agreement.

ARTICLE 4 GENERAL PROVISIONS

SECTION 4.1 BINDING EFFECT. All obligations, covenants, agreements and duties contained in the Support Agreement shall bind the permitted successors and assigns, and receivers, trustees and representatives of each of Allstate Life and the Trust.

SECTION 4.2 AMENDMENTS; ASSIGNMENTS.

- (a) The Support Agreement will not be amended, modified, restated, supplemented or replaced in any manner, except with the unanimous written consent of the Trust, Allstate Life, the Administrator, the Delaware Trustee and the Indenture Trustee.
- (b) Neither the Support Agreement nor any title, right or interest in the Support Agreement may be sold, transferred, assigned, hypothecated or alienated in any manner whatsoever, except with the express written consent of the Trust and Allstate Life.

SECTION 4.3 TERM OF SUPPORT AGREEMENT. The Support Agreement shall terminate and be of no further force and effect upon the later of (a) the date on which full payment has been made of all amounts payable to each Holder in accordance with the terms of the Notes, whether upon maturity, redemption or otherwise, and (b) the date on which the Trust Agreement and the Trust created by the Trust Agreement terminate. Unless and until the Support Agreement is terminated as specified in this Section 4.3, the Support Agreement will be continuing, irrevocable, unconditional and absolute.

SECTION 4.4 NOTICES. All demands, notices, instructions or other communications required or permitted to be given under the Support Agreement shall be given in writing by delivering the same against receipt by facsimile transmission (confirmed by registered or certified mail, postage prepaid, return receipt requested), or by registered or certified mail, postage prepaid, return receipt requested, addressed as follows (and if so given, shall be deemed given when mailed or upon receipt of a confirmation, if sent by facsimile):

If to the Trust, to:

c/o AMACAR Pacific Corp.
6525 Morrison Boulevard, Suite 318
Charlotte, North Carolina 28211

If to Allstate Life, to:

Allstate Life Insurance Company
3100 Sanders Road, Suite M3A
Northbrook, Illinois 60062
Attention: Assistant Vice President, Institutional Markets
Facsimile: (847) 326-6289

or such other address previously furnished in writing to the other party.

SECTION 4.5 GOVERNING LAW. Pursuant to Section 5-1401 of the General Obligations Law of the State of New York, the Support Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

SECTION 4.6 CONSENT TO JURISDICTION. Each party to the Support Agreement submits for itself and in connection with its properties, generally and unconditionally, to the nonexclusive jurisdiction of the United States Federal court located in the City of New York, the Borough of Manhattan for purposes of any legal proceeding arising out of or relating to the Support Agreement or the transactions contemplated by the Support Agreement. Each party to the Support Agreement irrevocably waives, to the fullest extent permitted by law, any objection which it may have to the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum. Each party to the Support Agreement consents to process being served in any suit, action or proceeding with respect to the Support Agreement, or any document delivered pursuant to the Support Agreement by the mailing of a copy thereof by registered or certified mail, postage prepaid, return receipt requested, to its respective address specified at the time for notices under the Support Agreement or to any other address of which it shall have given written notice to the other party. The foregoing shall not limit the ability of any party to the Support Agreement to bring suit in the courts of any other jurisdiction.

SECTION 4.7 WAIVER OF JURY TRIAL. Each of the parties to the Support Agreement irrevocably and expressly waives any and all right to a trial by jury with respect to any legal proceeding arising out of or relating to the Support Agreement or any claims or transactions in connection with the Support Agreement. Each of the parties to the Support Agreement acknowledges that such waiver is made with full understanding and knowledge of the nature of the rights and benefits waived.

SECTION 4.8 COUNTERPARTS. The Support Agreement and any amendments, modifications, restatements, supplements or replacements of the Support Agreement, or waivers or consents to the Support Agreement, may be executed in any number of counterparts, and by parties to the Support Agreement in separate counterparts, each of which, when so executed and delivered, shall be deemed to be an original and all of which counterparts, when taken together shall constitute one and the same instrument. The Support Agreement shall become effective upon the execution of a counterpart by each of the parties to the Support Agreement.

SECTION 4.9 SEVERABILITY. In the event any provision or obligation of the Support Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby to the fullest extent permitted under applicable law.

SECTION 4.10 ENTIRE AGREEMENT. The Support Agreement constitutes the entire agreement between the parties relating to its subject matter, and supersedes all previous agreements between the parties, whether written or oral.

SECTION 4.11 NO WAIVER. No failure on the part of the parties to the Support Agreement to exercise, and no delay in exercising, and no course of dealing with respect to, any right, power or privilege under the Support Agreement shall operate as a waiver thereof, nor shall any single or partial exercise thereof or the exercise of any other right, power or privilege operate as such a waiver.

SECTION 4.12 REMEDIES CUMULATIVE. No right, power or remedy of the parties under the Support Agreement shall be exclusive of any other right, power or remedy, but shall be cumulative and in addition to any other right, power or remedy thereunder or existing by law or in equity.

SECTION 4.13 LIMITATION OF DELAWARE TRUSTEE LIABILITY. Notwithstanding any provision of the Support Agreement to the contrary, it is expressly understood and agreed by the parties that (a) the Support Agreement is executed

and delivered by Wilmington Trust Company, not individually or personally, but solely as Delaware Trustee, in the exercise of the powers and authority conferred and vested in it pursuant to the Trust Agreement, (b) each of the representations, undertakings and agreements in the Support Agreement made on the part of the Trust is made and intended not as personal representations, undertakings and agreements by Wilmington Trust Company, but is made and intended for the purpose of binding only the Trust, (c) nothing contained in the Support Agreement shall be construed as creating any liability on Wilmington Trust Company, individually or personally, to perform any covenant either expressed or implied in the Support Agreement, all such liability, if any, being expressly waived by the parties to the Support Agreement and by any person claiming by, through or under the parties to the Support Agreement and (d) under no circumstances shall Wilmington Trust Company be personally liable for the payment of any indebtedness or expenses of the Trust or be liable for the breach or failure of any obligation, representation, warranty or covenant made or undertaken by the Trust under the Support Agreement or any other related documents.

10

EXHIBIT A

NOTICE OF OBLIGATION

Date: -

BY [HAND OR OVERNIGHT] DELIVERY AND/OR FACSIMILE

Allstate Life Insurance Company
Office of the General Counsel
3100 Sanders Road
Northbrook, Illinois 60062
Telephone: -
Facsimile: -

Ladies and Gentlemen:

Reference is hereby made to the Support and Expenses Agreement dated as of - (the "SUPPORT AGREEMENT") entered into between Allstate Life Insurance Company, an Illinois stock life insurance company ("ALLSTATE LIFE") and Allstate Life Global Funding Trust -, a statutory trust organized under the laws of the State of Delaware (the "TRUST"). Capitalized terms used in this notice (this "NOTICE OF OBLIGATION") and not otherwise defined have the respective meanings ascribed in the Support Agreement.

The Trust hereby represents to Allstate Life that:

- (a) on -, the Trust incurred a Support Obligation in an amount of \$ -;
- (b) the Support Obligation resulted from -; and
- (c) all documents and instruments evidencing the Support Obligation are attached to this Notice of Obligation.

The Trust hereby requests Allstate Life to pay the Support Obligation in accordance with the Support Agreement to the following account:

[Name of Bank:
Account No.:
Reference No.:]

IN WITNESS WHEREOF, the Trust has executed and delivered this Notice of Obligation as of the date first written above.

ALLSTATE LIFE GLOBAL FUNDING -

By: Wilmington Trust Company, not in its individual capacity, but solely as Delaware Trustee

By: _____
Name:
Title:

=====

AMENDED AND RESTATED
 ADMINISTRATIVE SERVICES AGREEMENT
 BETWEEN
 ALLSTATE LIFE GLOBAL FUNDING
 AND
 AMACAR PACIFIC CORP.
 DATED AS OF -, 2004

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TABLE OF CONTENTS

PAGE ----	ARTICLE 1 DEFINITIONS; OTHER DEFINITIONAL PROVISIONS SECTION 1.1.	
DEFINITIONS.....	SECTION 1.2. OTHER DEFINITIONAL	2
PROVISIONS.....	APPOINTMENT; ADMINISTRATIVE SERVICES SECTION 2.1.	5
APPOINTMENT.....	SECTION 2.2. ADMINISTRATIVE	5
SERVICES.....	ARTICLE 3	5
ACTIVITIES OF GLOBAL FUNDING; EMPLOYEES; OFFICES SECTION 3.1. ACTIVITIES OF GLOBAL FUNDING.....	SECTION 3.2.	8
EMPLOYEES.....	SECTION 3.3.	8
OFFICES.....	ARTICLE 4 COMPENSATION; INDEMNITIES SECTION 4.1.	9
COMPENSATION.....	SECTION 4.2.	9
INDEMNITIES.....	ARTICLE 5 TERM SECTION 5.1.	9
TERM.....	ARTICLE 6 OBLIGATION TO SUPPLY INFORMATION SECTION 6.1. OBLIGATION TO SUPPLY INFORMATION.....	10
INFORMATION.....	SECTION 6.2.	10
INFORMATION.....	RELIANCE ON	10
LIABILITY OF ADMINISTRATOR; STANDARD OF CARE SECTION 7.1. LIABILITY OF ADMINISTRATOR.....	SECTION 7.2. NO IMPLIED	10
OBLIGATIONS.....	SECTION 7.3. STANDARD OF	10
CARE.....	ARTICLE 8	10
FUNDING.....	LIMITED RECOURSE SECTION 8.1. LIMITED RECOURSE TO GLOBAL	11
TO TRUSTEES AND AGENTS.....	SECTION 8.2. NO RECOURSE	11
TAX MATTERS SECTION 9.1. INCOME TAX	ARTICLE 9	11
TREATMENT.....		11

ARTICLE 10 MISCELLANEOUS

SECTION 10.1.	AMENDMENTS.....	12
SECTION 10.2.	NO JOINT VENTURE.....	12
SECTION 10.3.	ASSIGNMENT.....	12
SECTION 10.4.	GOVERNING LAW, CONSENT TO JURISDICTION; WAIVER OF JURY TRIAL.....	12
SECTION 10.5.	COUNTERPARTS.....	13
SECTION 10.6.	LIMITATION OF DELAWARE TRUSTEE LIABILITY.....	13
SECTION 10.7.	NO PETITION.....	14
SECTION 10.8.	SEVERABILITY.....	14
SECTION 10.9.	ENTIRE AGREEMENT.....	14
SECTION 10.10.	ADMINISTRATOR TO PROVIDE ACCESS TO BOOKS AND RECORDS.....	14
SECTION 10.11.	NO WAIVER.....	14
SECTION 10.12.	REMEDIES CUMULATIVE.....	15
SECTION 10.13.	NOTICES.....	15

THIS AMENDED AND RESTATED ADMINISTRATIVE SERVICES AGREEMENT (this "AMENDED AND RESTATED ADMINISTRATIVE SERVICES AGREEMENT") dated as of -, is entered into between Allstate Life Global Funding, a statutory trust organized under the laws of the State of Delaware ("GLOBAL FUNDING") and AMACAR Pacific Corp., as administrator (in such capacity, the "ADMINISTRATOR").

WHEREAS, Global Funding and the Administrator entered into that certain Administrative Services Agreement, dated as of June 27, 2002 (the "Base Administrative Services Agreement"), and the parties hereto desire to amend and restate the Base Administrative Services Agreement in its entirety;

WHEREAS, Global Funding desires to facilitate a program (the "PROGRAM") for the issuance, from time to time, of secured medium term notes (the "NOTES");

WHEREAS, the Notes will be issued by newly created Delaware statutory trusts that are beneficially owned by Global Funding (each, a "TRUST");

WHEREAS, each Trust will purchase a funding note issued by Global Funding (each, a "FUNDING NOTE") with the proceeds from the sale of the Notes;

WHEREAS, Global Funding will sell a Funding Note to each Trust and use the proceeds therefrom to purchase one or more Funding Agreement(s) (the "FUNDING AGREEMENT(S)") from Allstate Life;

WHEREAS, Allstate Life will sell the Funding Agreement(s) to Global Funding in consideration for the proceeds Global Funding receives from the sale of such Funding Note;

WHEREAS, Global Funding will immediately assign absolutely and deposit the Funding Agreement(s) to each Trust and such Funding Note will be surrendered;

WHEREAS, each Trust will issue the Notes and collaterally assign the Funding Agreement(s) to the Indenture Trustee to secure payment of the Notes;

WHEREAS, Global Funding has requested that the Administrator provide advice and assistance to Global Funding generally and perform various services for Global Funding generally; and

WHEREAS, Global Funding desires to avail itself of the experience, advice and assistance of the Administrator and to have the Administrator perform various financial, statistical, accounting and other services for Global Funding, and the Administrator is willing to furnish such services on the terms and conditions herein set forth.

NOW THEREFORE, in consideration of the premises and covenants set forth in this Amended and Restated Administrative Services Agreement, the parties agree as follows:

A-1

ARTICLE 1
DEFINITIONS; OTHER DEFINITIONAL PROVISIONS

SECTION 1.1. DEFINITIONS.

"ADMINISTRATION FEE" has the meaning ascribed in Section 4.1.

"ADMINISTRATOR" means AMACAR Pacific Corp., a Delaware corporation, in its capacity as the sole administrator of Global Funding pursuant to this Amended and Restated Administrative Services Agreement, and its successors.

"AFFILIATE" means, as applied to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, that Person and, in the case of an individual, any spouse or other member of that individual's immediate family. For the purposes of this definition, "control" (including with correlative meanings, the terms "controlling", "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities or by contract or otherwise.

"AGENTS" has the meaning set forth in the Distribution Agreement.

"ALLSTATE LIFE" means Allstate Life Insurance Company, a stock life insurance company organized and licensed under the laws of the State of Illinois, and any successor.

"AMENDED AND RESTATED TRUST AGREEMENT" means that certain Amended and Restated Trust Agreement dated as of -, 2004 pursuant to which Global Funding is created, as the same may be amended, restated, modified, supplemented or replaced from time to time.

"AMENDED AND RESTATED SUPPORT AGREEMENT" means that certain Amended and Restated Support Agreement dated as of -, 2004, between Allstate Life and Global Funding, as the same may be amended, restated, modified, supplemented or replaced from time to time.

"CLOSING INSTRUMENT" means the closing instrument of the Trust, pursuant to which the Indenture is entered into, and certain other documents are executed, in connection with the issuance of the Notes by the Trust.

"COLLATERAL" means, with respect to the Notes, the right, title and interest of each Trust in and to (a) the Funding Agreement(s) held by such Trust, (b) all proceeds of such Funding Agreement(s), (c) all books and records pertaining to the Funding Agreement(s), and (d) all rights of such Trust pertaining to the foregoing.

"COMMISSION" has the meaning ascribed in Section 2.2(c).

2

"COORDINATION AGREEMENT" means that certain Coordination Agreement included in Part F of the Series Instrument, among Allstate Life Insurance Company, the Trust and the Indenture Trustee, as the same may be amended, modified or supplemented from time to time.

"DELAWARE TRUSTEE" means Wilmington Trust Company, a Delaware banking corporation, in its capacity as the sole Delaware trustee of Global Funding and its successors.

"DISTRIBUTION AGREEMENT" means that certain Distribution Agreement dated as of -, 2004, by and among Global Funding and the Agents named therein, as the same may be amended, modified or supplemented from time to time.

"GLOBAL FUNDING" means Allstate Life Global Funding, a statutory trust formed under the laws of the State of Delaware.

"INDENTURE" means that certain Indenture included in Part A of the Closing Instrument, between the Trust and the Indenture Trustee, as the same may be amended, modified or supplemented from time to time.

"INDENTURE TRUSTEE" means J.P. Morgan Trust Company, National Association, and its successors.

"LOSS AND EXPENSE" has the meaning ascribed in Section 4.2.

"MOODY'S" means Moody's Investors Services, Inc.

"NAME LICENSING AGREEMENT" means that certain Name Licensing Agreement included in Part D of the Series Instrument, between Allstate Insurance Company and the Trust, as the same may be amended, modified or supplemented from time to time.

"PAYING AGENT" has the meaning set forth in the Standard Indenture Terms.

"PERSON" means any natural person, corporation, limited partnership, general partnership, joint stock company, joint venture, association, company, limited liability company, trust (including any beneficiary thereof), bank, trust company, land trust, business trust or other organization, whether or not a legal entity, and any government or any agency or political subdivision thereof.

"PROGRAM" means the program for the issuance, from time to time, of secured medium term notes of the Allstate Life Global Funding Trusts.

"PROGRAM DOCUMENTS" means the Series Instrument, the Amended and Restated Trust Agreement, this Amended and Restated Administrative Services Agreement, the Amended and Restated Support Agreement, the Name Licensing Agreement, the Distribution Agreement, the Terms Agreement, the Funding Note and any other documents or instruments entered into by, or with respect to, or on behalf of, Global Funding.

3

"RATING AGENCY" means each of Moody's Investors Services, Inc., Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, Inc., and any other rating agency which provides a rating of the Notes.

"REGISTRAR" has the meaning set forth in the Standard Indenture Terms.

"RESPONSIBLE OFFICER" means, with respect to the Indenture Trustee or the Delaware Trustee, any vice president, assistant vice president, any assistant secretary, any assistant treasurer, any trust officer or assistant trust officer, or any other officer of the Indenture Trustee or the Delaware Trustee, as the case may be, customarily performing functions similar to those performed by any of the above designated officers and also, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his or her knowledge of and familiarity with the particular subject, and also, with respect to the Indenture Trustee, having direct responsibility for the administration of the Indenture.

"SERIES INSTRUMENT" means the closing instrument of the Trust, pursuant to

which the Administrative Services Agreement, the Coordination Agreement, the Name Licensing Agreement, the Support Agreement, the Terms Agreement and the Trust Agreement are entered into, and certain other documents are executed, in connection with the issuance of the Notes by the Trust.

"S&P" means Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, Inc.

"SERVICE PROVIDER" has the meaning set forth in the Amended and Restated Support Agreement.

"STANDARD INDENTURE TERMS" means the Standard Indenture Terms, dated as of - -, 2004 relating to Global Funding's Program for the issuance of Notes.

"SUPPORT AGREEMENT" means the Support and Expenses Agreement with respect to the Trust named in the Series Instrument, included in Part C of the Series Instrument, as the same may be amended, modified or supplemented from time to time.

"TERMS AGREEMENT" means that certain Terms Agreement related to the offering of the Notes, included in Part E of the Series Instrument, by and among Global Funding, the Trust and each Agent named therein, which will incorporate by reference the terms of the Distribution Agreement.

"TRUST" means the Allstate Life Global Funding Trust specified in the Series Instrument, together with its permitted successors and assigns.

"TRUST AGREEMENT" means that certain Trust Agreement, included in Part A of the Series Instrument, pursuant to which the Trust is created.

"TRUST ORDER" has the meaning set forth in the Standard Indenture Terms.

4

SECTION 1.2. OTHER DEFINITIONAL PROVISIONS. For all purposes of this Amended and Restated Administrative Services Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- (a) the terms defined in this Article shall have the meanings ascribed to them in this Article and shall include the plural as well as the singular; PROVIDED, that all capitalized terms used in and not otherwise defined in this Amended and Restated Administrative Services Agreement will have the meanings set forth in the Standard Indenture Terms;
- (b) the words "include", "includes" and "including" shall be construed to be followed by the words "without limitation";
- (c) Article and Section headings are for the convenience of the reader and shall not be considered in interpreting this Amended and Restated Administrative Services Agreement or the intent of the parties to this Amended and Restated Administrative Services Agreement; and
- (d) capitalized terms not otherwise defined in this Amended and Restated Administrative Services Agreement will have the respective meanings set forth in the Standard Indenture Terms.

ARTICLE 2 APPOINTMENT; ADMINISTRATIVE SERVICES

SECTION 2.1. APPOINTMENT. Pursuant to Section 3806(b)(7) of the Delaware Statutory Trust Act, the Administrator is hereby appointed, as an agent of Global Funding with full power and authority, and agrees to carry out all of the duties and responsibilities (a) of Global Funding under the Program Documents and any other document to which Global Funding is a party and (b) of the Administrator under this Amended and Restated Administrative Services Agreement.

SECTION 2.2. ADMINISTRATIVE SERVICES. Without limiting the generality of Section 2.1, Global Funding authorizes and empowers the Administrator, as its agent, to perform, and the Administrator agrees to perform, the following services:

- (a) subject to the timely receipt of all necessary information, providing, or causing to be provided, all clerical, and bookkeeping services necessary and appropriate for the administration of Global Funding, including, without limitation, the following services as well as those other services specified in the following subsections:
 - (i) maintenance of all books and records of Global Funding relating to the fees, costs and expenses of Global Funding which books and records shall be maintained separately from those of the Administrator;

5

- (ii) maintenance of records of cash payments and disbursements

(excluding principal and interest on any Funding Agreement(s) or Funding Note) of Global Funding in accordance with generally accepted accounting principles, and preparation for audit of such periodic financial statements as may be necessary or appropriate;

- (iii) upon request, preparation for execution by Global Funding, through a Responsible Officer, of amendments to and waivers under the Program Documents and any other documents or instruments deliverable by Global Funding thereunder or in connection therewith;
- (iv) holding, maintaining, and preserving executed copies of the Program Documents and other documents or instruments executed by Global Funding thereunder or in connection therewith, which shall be maintained separately from those of the Administrator;
- (v) upon receipt of notice, taking such action as may be reasonably necessary to enforce the performance by the other parties to agreements to which Global Funding is a party, and enforce the obligations of those parties to Global Funding under such agreements;
- (vi) upon request, preparing for execution by a Responsible Officer such notices, consents, instructions and other communications that Global Funding may from time to time be required or permitted to give under the Program Documents or any other document executed by Global Funding;
- (vii) obtaining services of outside counsel, accountants and other Service Providers on behalf of Global Funding;
- (viii) preparing for execution by a Responsible Officer any Trust Order for payment of any amounts due and owing by Global Funding under the Program Documents to which Global Funding is a party or any other document to which Global Funding is a party; provided that the foregoing shall not obligate the Administrator to advance any of its own monies for such purpose, it being understood that such amounts shall be payable only to the extent assets held in Global Funding are available therefor and at such times and in such amounts as shall be permitted by the Program Documents;
- (ix) preparing for execution by a Responsible Officer any instruction for payment of any amounts due and owing by Global Funding to the Indenture Trustee, the Paying Agent, the Registrar and other Service Providers on request for all expenses, disbursements and

6

advances to the extent not paid pursuant to the Amended and Restated Support Agreement; PROVIDED that the foregoing shall not obligate the Administrator to advance any of its own monies for such purpose, it being understood that such amounts shall be payable only to the extent assets held in Global Funding are available therefor and at such times and in such amounts as shall be permitted by the Program Documents;

- (x) causing a firm of independent public accountants that is a member of the American Institute of Certified Public Accountants to furnish to the board of directors of Allstate Life an attestation report concerning compliance with established minimum servicing standards; and
 - (xi) taking such other actions as may be incidental or reasonably necessary (A) to the accomplishment of the actions of the Administrator authorized in this subsection (a) or (B) upon receipt of notice from a Responsible Officer directing specifically the Administrator to do so, to the accomplishment of the duties and responsibilities, and compliance with the obligations, of Global Funding, under the Program Documents and under any other document to which Global Funding is or may be a party to the extent not otherwise performed by the Indenture Trustee, a Paying Agent, the Transfer Agent, the Registrar or the Delaware Trustee, provided that no such duties or responsibilities shall materially enlarge the duties and responsibilities of the Administrator which are set forth specifically in this Amended and Restated Administrative Services Agreement;
- (b) performing the administrative services to ensure compliance with all of the obligations, representations, covenants and agreements of Global Funding set forth in the Program Documents;
 - (c) subject to the timely receipt of all necessary information or notices

from the Delaware Trustee, and based on the advice of counsel, on behalf of Global Funding, (i) the preparation and filing with the Securities and Exchange Commission (the "COMMISSION") and, if necessary, executing, in each case solely on behalf of Global Funding and not in the Administrator's individual capacity such documents, forms, certifications or filings as may be required by the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, the Trust Indenture Act of 1939, as amended, or other securities laws; (ii) the preparation and filing of any documents or forms required to be filed by any rules or regulations of any securities exchange, including without limitation, the New York Stock Exchange, or market quotation dealer system or the National Association of Securities Dealers, Inc. in connection with the listing of the Notes thereon; and (iii) preparing, filing and executing solely

7

on behalf of Global Funding or any Trust and not in the Administrator's individual capacity, such filings, applications, reports, surety bonds, irrevocable consents, appointments of attorney for service of process and other papers and documents as may be necessary or desirable under the securities or "Blue Sky" laws of any relevant jurisdictions; and

- (d) undertaking such other administrative services as may be reasonably requested by Global Funding or the Delaware Trustee, including causing the preparation by Global Funding of any prospectus, prospectus supplement, pricing supplement, registration statement, amendments, including any exhibits and schedules thereto, any reports or other filings or documents, or supplement thereto or complying with the securities or "Blue Sky" laws of any relevant jurisdictions in connection with the performance by Global Funding of its obligations under the Program Documents or any other document to which Global Funding is a party or other documents executed thereunder or in connection therewith.

Any of the above services (other than those described in Sections 2.2(b), 2.2(c) and 2.2(d)) may, if the Administrator or Global Funding deems it necessary or desirable, be subcontracted by the Administrator; PROVIDED that notice is given to Global Funding of such subcontract and, notwithstanding such subcontract, the Administrator shall remain responsible for performance of the services set forth above unless such services are subcontracted to accountants or legal counsel selected with due care by the Administrator and reasonably satisfactory to Global Funding and in which case the Administrator shall not remain responsible for the performance of such services and the Administrator shall not, in any event, be responsible for the costs, fees or expenses in connection therewith.

ARTICLE 3 ACTIVITIES OF GLOBAL FUNDING; EMPLOYEES; OFFICES.

SECTION 3.1. ACTIVITIES OF GLOBAL FUNDING. The Administrator agrees to carry out and perform the administrative activities of Global Funding set forth in Article 2 in the name and on behalf of Global Funding as its agent.

SECTION 3.2. EMPLOYEES. All services to be furnished by the Administrator under this Amended and Restated Administrative Services Agreement may be furnished by an officer or employee of the Administrator, an officer or employee of any Affiliate of the Administrator, or, subject to Article 2, any other person or agent designated or retained by it; PROVIDED that the Administrator shall remain ultimately responsible for the provision of such services by an officer or employee of the Administrator or any of its Affiliates or any other person or agent designated or retained by it, unless selected with due care and reasonably satisfactory to Global Funding in accordance with the last paragraph of Article 2. No director, officer or employee of the Administrator or any Affiliate of the Administrator shall receive from Global Funding a salary or other compensation.

8

SECTION 3.3. OFFICES. The Administrator agrees to provide its own office space, together with appropriate materials and any necessary support personnel, for the day to day activities of Global Funding set forth in Article 2 to be carried out and performed by the Administrator, all for the compensation specified in Article 4. All services to be furnished by the Administrator under this Amended and Restated Administrative Services Agreement shall be performed from the Administrator's office in North Carolina.

ARTICLE 4 COMPENSATION; INDEMNITIES

SECTION 4.1. COMPENSATION. Global Funding agrees to pay the Administrator the fees set forth in this Amended and Restated Administrative Services Agreement (the "ADMINISTRATION FEE").

SECTION 4.2. INDEMNITIES. To the fullest extent permitted under applicable

law and subject to limitations imposed by public policy, Global Funding agrees to indemnify the Administrator, and hold the Administrator harmless, from and against any and all losses, liabilities (including liabilities for penalties), actions, suits, judgments, demands, damages, out-of-pocket costs and expenses (including, without limitation, interest and reasonable attorneys fees, but excluding costs and expenses attributable solely to administrative overhead) arising out of, in connection with, or resulting from the exercise of the Administrator's rights and/or the performance of the Administrator's duties, by the Administrator or its agents and employees, under this Amended and Restated Administrative Services Agreement (collectively, "LOSS AND EXPENSE"); PROVIDED, HOWEVER, Global Funding shall not be liable to indemnify the Administrator, or hold the Administrator harmless, from and against any and all Loss and Expense resulting from or attributable to the negligence, bad faith or willful misconduct of the Administrator.

ARTICLE 5
TERM

SECTION 5.1. TERM. The Administrator may terminate this Amended and Restated Administrative Services Agreement upon at least 30 days' written notice to Global Funding and Allstate Life and Global Funding may terminate this Amended and Restated Administrative Services Agreement upon at least 30 days' notice to the Administrator (copies of any notice of termination shall also be sent to the Indenture Trustee). Such termination will not become effective until (a) Global Funding appoints a successor Administrator, (b) the successor Administrator accepts such appointment, (c) the Administrator has obtained the prior written confirmation of any Rating Agency that such action will not result in a reduction or withdrawal of its then current ratings, if any, of the Program and/or the Notes, as applicable and (d) Global Funding has paid all accrued and unpaid amounts owed to the Administrator under this Amended and Restated Administrative Services Agreement.

9

ARTICLE 6
OBLIGATION TO SUPPLY INFORMATION

SECTION 6.1. OBLIGATION TO SUPPLY INFORMATION. The Delaware Trustee shall forward to the Administrator such information (which is in the possession of Global Funding) in connection with the Program Documents and this Amended and Restated Administrative Services Agreement as the Administrator may from time to time reasonably request in connection with the performance of its obligations under this Amended and Restated Administrative Services Agreement. The Administrator will (a) hold and safely maintain all records, files, Program Documents and other material of Global Funding and (b) permit Global Funding, the Delaware Trustee, and each of their respective officers, directors, agents and consultants on reasonable notice at any time and from time to time during normal business hours to inspect, audit, check and make abstracts from the accounts, records, correspondence, documents and other materials of Global Funding, or relating to the provision of services and facilities under this Amended and Restated Administrative Services Agreement.

SECTION 6.2. RELIANCE ON INFORMATION. Global Funding recognizes that the accuracy and completeness of the records maintained and the information supplied by the Administrator under this Amended and Restated Administrative Services Agreement is dependent upon the accuracy and completeness of the information obtained by the Administrator from the parties to the Program Documents and other sources and the Administrator shall not be responsible for any inaccurate or incomplete information so obtained or for any inaccurate or incomplete records maintained by the Administrator under this Amended and Restated Administrative Services Agreement that may result therefrom. The Administrator shall have no duty to investigate the accuracy or completeness of any information provided to it and shall be entitled to fully rely on all such information provided to it.

ARTICLE 7
LIABILITY OF ADMINISTRATOR; STANDARD OF CARE

SECTION 7.1. LIABILITY OF ADMINISTRATOR. The Administrator assumes no liability for anything other than the services rendered by it pursuant to Articles 2, 3, 6 and 9, and neither the Administrator nor any of its directors, officers, employees or Affiliates shall be responsible for any action of Global Funding, the Delaware Trustee or the officers or employees thereof taken outside the scope of Articles 2, 3, 6 and 9 and without direction from the Administrator. Without limiting the generality of the foregoing, it is agreed that the Administrator assumes no liability with respect to any of Global Funding's obligations under the Program Documents.

SECTION 7.2. NO IMPLIED OBLIGATIONS. The Administrator shall not perform, endeavor to perform or agree to perform any act on behalf of Global Funding not specifically required or permitted under the Program Documents.

SECTION 7.3. STANDARD OF CARE. The Administrator shall perform its duties under this Amended and Restated Administrative Services Agreement diligently, in

conformity with Global Funding's obligations under the Program Documents and applicable laws and regulations and in accordance with the same standard of care exercised by a prudent person in connection with the performance of the same or similar duties and, in no event with less care than the Administrator exercises or would exercise in connection with the same or similar obligations if those obligations were the direct obligations of the Administrator.

ARTICLE 8 LIMITED RECOURSE

SECTION 8.1. LIMITED RECOURSE TO GLOBAL FUNDING. Notwithstanding anything to the contrary contained in this Amended and Restated Administrative Services Agreement, all obligations of Global Funding under this Amended and Restated Administrative Services Agreement shall be payable by Global Funding (subject to the lien created by the Indenture on the Collateral held by Global Funding) only on a payment date of the Funding Note and only to the extent of funds available therefor under the Indenture and, to the extent such funds are not available or are insufficient for the payment thereof, shall not constitute a claim against Global Funding to the extent of such unavailability or insufficiency until such time as the Collateral held in Global Funding has produced proceeds sufficient to pay such prior deficiency. This Section 8.1 shall survive the termination of this Amended and Restated Administrative Services Agreement.

SECTION 8.2. NO RECOURSE TO TRUSTEES AND AGENTS. The obligations of Global Funding under this Amended and Restated Administrative Services Agreement are solely the obligations of Global Funding and no recourse shall be had with respect to this Amended and Restated Administrative Services Agreement or any of the obligations of Global Funding under this Amended and Restated Administrative Services Agreement or for the payment of any fee or other amount payable under this Amended and Restated Administrative Services Agreement or for any claim based on, arising out of or relating to any provision of this Amended and Restated Administrative Services Agreement against any trustee, employee, settlor, Affiliate, agent or servant of Global Funding. This Section 8.2 shall survive the termination of this Amended and Restated Administrative Services Agreement.

ARTICLE 9 TAX MATTERS

SECTION 9.1. INCOME TAX TREATMENT. The Administrator agrees that for all United States Federal, state and local income and franchise tax purposes (i) to treat the Notes as indebtedness of Allstate Life, (ii) Global Funding and the Trust will be ignored and will not be treated as an association or a publicly traded partnership taxable as a corporation and (iii) to not take any action inconsistent with the treatment described in (i) and (ii) unless otherwise required by law.

11

ARTICLE 10 MISCELLANEOUS

SECTION 10.1. AMENDMENTS. No waiver, alteration, modification, amendment or supplement of the terms of this Amended and Restated Administrative Services Agreement shall be effective unless (a) accomplished by written instrument signed by the parties to this Amended and Restated Administrative Services Agreement and (b) for so long as any Notes remain outstanding, each of Moody's and S&P has confirmed in writing that such action will not result in reduction or withdrawal of its then current ratings, if any, of the Program and/or any Notes, as applicable. Global Funding shall provide each of Moody's and S&P with a copy of each such waiver, alteration, modification, amendment or supplement. Notwithstanding anything in this Section 10.1 to the contrary, no waiver, alteration, modification, amendment or supplement to the terms of this Amended and Restated Administrative Services Agreement shall be effective without the prior written consent of Allstate Life.

SECTION 10.2. NO JOINT VENTURE. Nothing contained in this Amended and Restated Administrative Services Agreement shall constitute Global Funding and the Administrator as members of any partnership, joint venture, association, syndicate or unincorporated business.

SECTION 10.3. ASSIGNMENT. Except as set forth in this Section 10.3, and subject to the rights of the Administrator to subcontract its services under this Amended and Restated Administrative Services Agreement pursuant to Article 2, this Amended and Restated Administrative Services Agreement may not be assigned by either party without (i) the prior written consent of the other party and Allstate Life and (ii) the prior written confirmation of each of Moody's and S&P that such action will not result in a reduction or withdrawal of its then current ratings, if any, of the Program or any Notes, as applicable. Subject to the foregoing, this Amended and Restated Administrative Services Agreement shall be binding upon and inure to the benefit of the parties to this Amended and Restated Administrative Services Agreement and their respective successors and assigns. Any party's transfer or assignment of this Amended and Restated Administrative Services Agreement in violation of this Section 10.3 shall be void as to the other party.

SECTION 10.4. GOVERNING LAW, CONSENT TO JURISDICTION; WAIVER OF JURY TRIAL.

- (a) Pursuant to Section 5-1401 of the General Obligations Law of the State of New York, this Amended and Restated Administrative Services Agreement shall be governed by and construed in accordance with the laws of the State of New York. Each party to this Amended and Restated Administrative Services Agreement submits to the nonexclusive jurisdiction of the United States District Court for the Southern District of New York and of any New York State Court sitting in New York City for purposes of all legal proceeding arising out of or relating to this Amended and Restated Administrative Services Agreement or the transactions contemplated by this Amended and Restated Administrative Services

12

Agreement. Each party to this Amended and Restated Administrative Services Agreement irrevocably waives, to the fullest extent permitted by law, any objection which it may have to the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum. Each party to this Amended and Restated Administrative Services Agreement consents to process being served in any suit, action or proceeding with respect to this Amended and Restated Administrative Services Agreement, or any document delivered pursuant to this Amended and Restated Administrative Services Agreement by the mailing of a copy thereof by registered or certified mail, postage prepaid, return receipt requested, to its respective address specified at the time for notices under this Amended and Restated Administrative Services Agreement or to any other address of which it shall have given written notice to the other parties. The foregoing shall not limit the ability of any party to this Amended and Restated Administrative Services Agreement to bring suit in the courts of any other jurisdiction.

- (b) Each of the parties irrevocably waives any and all right to a trial by jury with respect to any legal proceeding arising out of or relating to this Amended and Restated Administrative Services Agreement or any transaction. Each of the parties to this Amended and Restated Administrative Services Agreement acknowledges that such waiver is made with full understanding and knowledge of the nature of the rights and benefits waived.

SECTION 10.5. COUNTERPARTS. This Amended and Restated Administrative Services Agreement and any amendments, modifications, restatements, supplements and/or replacements of this Amended and Restated Administrative Services Agreement, or waivers or consents to this Amended and Restated Administrative Services Agreement, may be executed in any number of counterparts, and by different parties to this Amended and Restated Administrative Services Agreement in separate counterparts, each of which, when so executed and delivered, shall be deemed to be an original and all of which counterparts, when taken together, shall constitute one and the same instrument. This Amended and Restated Administrative Services Agreement shall become effective upon the execution of a counterpart by each of the parties.

SECTION 10.6. LIMITATION OF DELAWARE TRUSTEE LIABILITY. Notwithstanding any provision of this Amended and Restated Administrative Services Agreement to the contrary, it is expressly understood and agreed by the parties that (a) this Amended and Restated Administrative Services Agreement is executed and delivered by the Delaware Trustee, not individually or personally, but solely as trustee, as applicable, in the exercise of the powers and authority conferred and vested in it, pursuant to the Amended and Restated Trust Agreement, (b) each of the representations, undertakings and agreements in this Amended and Restated Administrative Services Agreement made on the part of Global Funding is made and intended not as personal representations, undertakings and agreements by the Delaware Trustee but is made and intended for the purpose of binding

13

only Global Funding, (c) nothing contained in this Amended and Restated Administrative Services Agreement shall be construed as creating any liability on the Delaware Trustee, individually or personally, to perform any covenant either expressed or implied contained in this Amended and Restated Administrative Services Agreement, all such liability, if any, being expressly waived by the parties to this Amended and Restated Administrative Services Agreement and by any person claiming by, through or under the parties to this Amended and Restated Administrative Services Agreement, and (d) under no circumstances shall the Delaware Trustee be personally liable for the payment of any indebtedness or expenses of Global Funding or be liable for the breach or failure of any obligation, representation, warranty or covenant made or undertaken by Global Funding under this Amended and Restated Administrative Services Agreement or any other related documents.

SECTION 10.7. NO PETITION. To the extent permitted by applicable law, the Administrator covenants and agrees that it will not institute against, or join with any other Person in instituting against, Global Funding any bankruptcy,

reorganization, arrangement, insolvency or liquidation proceedings, or other proceedings under any applicable bankruptcy or similar law. This Section 10.7 shall survive termination of this Amended and Restated Administrative Services Agreement.

SECTION 10.8. SEVERABILITY. If any provision in this Amended and Restated Administrative Services Agreement shall be invalid, illegal or unenforceable, such provisions shall be deemed severable from the remaining provisions of this Amended and Restated Administrative Services Agreement and shall in no way affect the validity or enforceability of such other provisions of this Amended and Restated Administrative Services Agreement.

SECTION 10.9. ENTIRE AGREEMENT. This Amended and Restated Administrative Services Agreement constitutes the entire agreement between the parties with respect to matters covered by this Amended and Restated Administrative Services Agreement and supersedes all prior agreements and understandings with respect to such matters between the parties whether written or oral.

SECTION 10.10. ADMINISTRATOR TO PROVIDE ACCESS TO BOOKS AND RECORDS. The Administrator shall provide the Indenture Trustee with access to the books and records of Global Funding, without charge, but only (a) upon the reasonable request of the Indenture Trustee (for which purpose one Business Day shall be deemed reasonable during the occurrence and continuation of a Default or an Event of Default), (b) during normal business hours, (c) subject to the Administrator's normal security and confidentiality procedures and (d) at offices designated by the Administrator.

SECTION 10.11. NO WAIVER. No failure on the part of the parties to this Amended and Restated Administrative Services Agreement to exercise, and no delay in exercising, and no course of dealing with respect to, any right, power or privilege under this Amended and Restated Administrative Services Agreement shall operate as a waiver thereof, nor shall any single or partial exercise thereof or the exercise of any other right, power or privilege operate as such a waiver.

14

SECTION 10.12. REMEDIES CUMULATIVE. No right, power or remedy of the parties under this Amended and Restated Administrative Services Agreement shall be exclusive of any other right, power or remedy, but shall be cumulative and in addition to any other right, power or remedy thereunder or existing by law or in equity.

SECTION 10.13. NOTICES. All notices, demands, instructions and other communications required or permitted to be given to or made upon either party to this Amended and Restated Administrative Services Agreement shall be in writing (including by facsimile transmission) and shall be personally delivered or sent by guaranteed overnight delivery or by facsimile transmission (to be followed by personal or guaranteed overnight delivery) and shall be deemed to be given for purposes of this Amended and Restated Administrative Services Agreement on the day that such writing is received by the intended recipient thereof in accordance with the provisions of this Section. Unless otherwise specified in a notice sent or delivered in accordance with the foregoing provisions of this Section, notices, demands, instructions and other communications in writing shall be given to or made upon the respective parties thereto at their respective addresses (or their respective telecopy numbers) indicated below:

If to Global Funding:

c/o Wilmington Trust Company
Rodney Square North
1100 North Market Street
Wilmington, DE 19890
Attention: Corporate Trust Administration
Facsimile: (302) 636-4140

If to the Administrator:

AMACAR Pacific Corp.
6525 Morrison Blvd., Suite 318
Charlotte, North Carolina 28211
Attention: Douglas K. Johnson
Facsimile: (704) 365-1632

15

IN WITNESS WHEREOF, the parties hereto have caused this Amended and Restated Administrative Services Agreement to be executed as of the day and year first above written.

ALLSTATE LIFE GLOBAL FUNDING

By: Wilmington Trust Company, not in
its individual capacity,
but solely as Delaware Trustee

By:

Name:
Title:

AMACAR PACIFIC CORP.,
in its individual capacity

By:

Name: Douglas K. Johnson
Title: President

These Standard Administrative Services Agreement Terms shall be of no force and effect unless and until incorporated by reference in, and then only to the extent not modified by, the Administrative Services Agreement.

These Standard Administrative Services Agreement Terms shall govern the administration of the activities of the Trust, subject to contrary terms and provisions expressly adopted in the Administrative Services Agreement, which contrary terms shall be controlling.

ARTICLE 1
DEFINITIONS; OTHER DEFINITIONAL PROVISIONS

SECTION 1.1. COVENANTS. The Trust repeats and reaffirms to the Administrator the covenants of the Trust set forth in Article - of the Indenture.

SECTION 1.2. DEFINITIONS.

"ADMINISTRATION FEE" has the meaning ascribed in Section 4.1.

"ADMINISTRATIVE SERVICES AGREEMENT" means that certain Administrative Services Agreement included in Part B of the Series Instrument, and which incorporates by reference these Standard Administrative Services Agreement Terms, by and between the Trust and the Administrator, as the same may be amended, modified or supplemented from time to time.

"ADMINISTRATOR" means AMACAR Pacific Corp., a Delaware corporation, in its capacity as the sole administrator of the Trust pursuant to the Administrative Services Agreement, and its successors.

"AFFILIATE" means, as applied to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, that Person and, in the case of an individual, any spouse or other member of that individual's immediate family. For the purposes of this definition, "control" (including with correlative meanings, the terms "controlling", "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that Person, whether through the ownership of voting securities or by contract or otherwise.

"AGENTS" has the meaning set forth in the Distribution Agreement.

"ALLSTATE LIFE" means Allstate Life Insurance Company, a stock life insurance company organized and licensed under the laws of the State of Illinois, and any successor.

"CLOSING INSTRUMENT" means the closing instrument of the Trust, pursuant to which the Indenture is entered into, and certain other documents are executed, in connection with the issuance of the Notes by the Trust.

1

"COLLATERAL" means, with respect to the Notes, the right, title and interest of the Trust in and to (a) the Funding Agreement(s) held by the Trust, (b) all proceeds of such Funding Agreement(s) and (c) all books and records pertaining to the Funding Agreement(s).

"COMMISSION" has the meaning ascribed in Section 2.2(d).

"COORDINATION AGREEMENT" means that certain Coordination Agreement included in Part F of the Series Instrument, among Allstate Life Insurance Company, the Trust and the Indenture Trustee, as the same may be amended, modified or supplemented from time to time.

"DELAWARE TRUSTEE" means Wilmington Trust Company, a Delaware banking corporation, in its capacity as the sole Delaware trustee of the Trust and its successors.

"DISTRIBUTION AGREEMENT" means that certain Distribution Agreement dated as of -, 2004, by and among Global Funding and the Agents named therein, as the same may be amended, modified or supplemented from time to time.

"FUNDING AGREEMENT" means each funding agreement issued by Allstate Life to Global Funding, which is sold to and deposited into, the Trust by Global Funding, and immediately pledged and collaterally assigned by the Trust to the Indenture Trustee, as the same may be modified, restated, replaced, supplemented or otherwise amended from time to time in accordance with the terms thereof.

"GLOBAL FUNDING" means Allstate Life Global Funding, a statutory trust formed under the laws of the State of Delaware.

"INDENTURE" means that certain Indenture included in Part A of the Closing Instrument, between the Trust and the Indenture Trustee, as the same may be amended, modified or supplemented from time to time.

"INDENTURE TRUSTEE" means J.P. Morgan Trust Company, National Association,

and its successors.

"LOSS AND EXPENSE" has the meaning ascribed in Section 4.2.

"MOODY'S" means Moody's Investors Services, Inc.

"NAME LICENSING AGREEMENT" means that certain Name Licensing Agreement included in Part D of the Series Instrument, between Allstate Insurance Company and the Trust, as the same may be amended, modified or supplemented from time to time.

"NOTE" has the meaning set forth in the Indenture.

"PAYING AGENT" has the meaning set forth in the Indenture.

"PERSON" means any natural person, corporation, limited partnership, general partnership, joint stock company, joint venture, association, company, limited liability company, trust (including any beneficiary thereof), bank, trust company, land trust, business trust or other

2

organization, whether or not a legal entity, and any government or any agency or political subdivision thereof.

"PRICING SUPPLEMENT" means the pricing supplement included as Annex A to the Series Instrument.

"PROGRAM" means the program for the issuance, from time to time, of secured medium term notes of the Allstate Life Global Funding Trusts.

"PROGRAM DOCUMENTS" means each Note, the Series Instrument, the Indenture, the Trust Agreement, the Administrative Services Agreement, the Support Agreement, the Name Licensing Agreement, the Distribution Agreement, the Terms Agreement, each Funding Agreement and any other documents or instruments entered into by, or with respect to, or on behalf of, the Trust.

"RATING AGENCY" means each of Moody's Investors Services, Inc., Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, Inc., and any other rating agency which provides a rating of the Notes.

"REGISTRAR" has the meaning set forth in the Indenture.

"RESPONSIBLE OFFICER" when used with respect to any Person means the chairman of the board of directors or any vice chairman of the board of directors or the president or any vice president (whether or not designated by a number or numbers or a word or words added before or after the title "vice president") of such Person. With respect to the Trust, Responsible Officer means any Responsible Officer (as defined in the preceding sentence) plus any assistant secretary and any financial services officer of the Delaware Trustee, and with respect to the Delaware Trustee, Responsible Officer means any Responsible Officer (as defined in the first sentence of this definition) plus the chairman of the trust committee, the chairman of the executive committee, any vice chairman of the executive committee, the cashier, the secretary, the treasurer, any trust officer, any assistant trust officer, any assistant vice president, any assistant cashier, any assistant secretary, any assistant treasurer, or any other authorized officer of the Delaware Trustee customarily performing functions similar to those performed by the Persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of his knowledge of and familiarity with the particular subject.

"S&P" means Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, Inc.

"SERIES INSTRUMENT" means the closing instrument of the Trust, pursuant to which the Administrative Services Agreement, the Coordination Agreement, the Name Licensing Agreement, the Support Agreement, the Terms Agreement and the Trust Agreement are entered into, and certain other documents are executed, in connection with the issuance of the Notes by the Trust.

"SERVICE PROVIDER" has the meaning set forth in the Support Agreement.

3

"SUPPORT AGREEMENT" means that certain Support and Expenses Agreement included in Part C of the Series Instrument, by and between Allstate Life and the Trust, as the same may be amended, modified or supplemented from time to time.

"SURVIVOR'S OPTION" means the provision in the Notes permitting optional repayment of such Notes prior to maturity, if requested, following the death of the beneficial owner of such Notes, so long as such Notes in accordance with such Notes.

"TERMS AGREEMENT" means that certain Terms Agreement related to the

offering of the Notes, included in Part E of the Series Instrument, by and among Global Funding, the Trust and each Agent named therein, which will incorporate by reference the terms of the Distribution Agreement.

"TRUST" means the Allstate Life Global Funding Trust specified in the Series Instrument, together with its permitted successors and assigns.

"TRUST AGREEMENT" means that certain Trust Agreement, included in Part A of the Series Instrument, pursuant to which the Trust is created.

SECTION 1.3. OTHER DEFINITIONAL PROVISIONS. For all purposes of the Administrative Services Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- (a) the terms defined in this Article shall have the meanings ascribed to them in this Article and shall include the plural as well as the singular; PROVIDED, that all capitalized terms used in and not otherwise defined in the Administrative Services Agreement will have the meanings set forth in the Indenture;
- (b) the words "include", "includes" and "including" shall be construed to be followed by the words "without limitation";
- (c) Article and Section headings are for the convenience of the reader and shall not be considered in interpreting the Administrative Services Agreement or the intent of the parties to the Administrative Services Agreement; and
- (d) capitalized terms not otherwise defined in the Administrative Services Agreement will have the respective meanings set forth in the Indenture.

ARTICLE 2 APPOINTMENT; ADMINISTRATIVE SERVICES

SECTION 2.1. APPOINTMENT. Pursuant to Section 3806(b)(7) of the Delaware Statutory Trust Act, the Administrator is hereby appointed, as an agent of the Trust with full power and authority, and agrees to carry out all of the duties and responsibilities (a) of the Trust under the Program Documents and any other document to which the Trust is a party and (b) of the Administrator under the Administrative Services Agreement.

4

SECTION 2.2. ADMINISTRATIVE SERVICES. Without limiting the generality of Section 2.1, the Trust authorizes and empowers the Administrator, as its agent, to perform, and the Administrator agrees to perform, the following services:

- (a) subject to the timely receipt of all necessary information, providing, or causing to be provided, all clerical, and bookkeeping services necessary and appropriate for the administration of the Trust, including, without limitation, the following services as well as those other services specified in the following subsections:
 - (i) maintenance of all books and records of the Trust relating to the fees, costs and expenses of the Trust which books and records shall be maintained separately from those of the Administrator;
 - (ii) maintenance of records of cash payments and disbursements (excluding principal and interest on any Funding Agreement) of the Trust in accordance with generally accepted accounting principles, and preparation for audit of such periodic financial statements as may be necessary or appropriate;
 - (iii) upon request, preparing for, and causing, execution by the Trust, through a Responsible Officer, of the Program Documents, any amendments to and waivers under the Program Documents and any other documents or instruments deliverable by the Trust thereunder or in connection therewith;
 - (iv) holding, maintaining, and preserving executed copies of the Program Documents and other documents or instruments executed by the Trust thereunder or in connection therewith, which shall be maintained separately from those of the Administrator;
 - (v) upon receipt of notice, taking such action as may be reasonably necessary to enforce the performance by the other parties to agreements to which the Trust is a party, and enforce the obligations of those parties to the Trust under such agreements;
 - (vi) upon request, preparing for execution by a Responsible Officer such notices, consents, instructions and other communications that the Trust may from time to time be required or permitted to give under the Program Documents or any other document

executed by the Trust;

- (vii) obtaining services of outside counsel, accountants and other Service Providers on behalf of the Trust;
- (viii) preparing for execution by a Responsible Officer any instruction for payment of any amounts due and owing by the Trust under the Program Documents to which the Trust is a party or any other document to which the Trust is a party; provided that the foregoing shall not obligate the Administrator to advance any of its own monies for such purpose, it being

5

understood that such amounts shall be payable only to the extent assets held in the Trust are available therefor and at such times and in such amounts as shall be permitted by the Program Documents;

- (ix) preparing for execution by a Responsible Officer any instruction for payment of any amounts due and owing by the Trust to the Indenture Trustee, the Paying Agent, the Registrar and other Service Providers on request for all expenses, disbursements and advances to the extent not paid pursuant to the Support Agreement; PROVIDED that the foregoing shall not obligate the Administrator to advance any of its own monies for such purpose, it being understood that such amounts shall be payable only to the extent assets held in the Trust are available therefor and at such times and in such amounts as shall be permitted by the Program Documents; and
 - (x) taking such other actions as may be incidental or reasonably necessary (A) to the accomplishment of the actions of the Administrator authorized in this subsection (a) or (B) upon receipt of notice from a Responsible Officer directing specifically the Administrator to do so, to the accomplishment of the duties and responsibilities, and compliance with the obligations, of the Trust, under the Program Documents and under any other document to which the Trust is or may be a party to the extent not otherwise performed by the Indenture Trustee, a Paying Agent, the Transfer Agent, the Registrar or the Delaware Trustee, provided that no such duties or responsibilities shall materially enlarge the duties and responsibilities of the Administrator which are set forth specifically in the Administrative Services Agreement;
- (b) upon the issuance of the Notes, directing the Indenture Trustee to pay the expenses of the Trust relating to the Notes to the extent not paid under the Support Agreement;
 - (c) performing the administrative services to ensure compliance with all of the obligations, representations, covenants and agreements of the Trust set forth in the Program Documents;
 - (d) subject to the timely receipt of all necessary information or notices from the Delaware Trustee, and based on the advice of counsel, on behalf of the Trust, (i) the preparation and filing with the Securities and Exchange Commission (the "COMMISSION") and, if necessary, executing, in each case solely on behalf of the Trust and not in the Administrator's individual capacity such documents, forms, certifications and filings as may be required by the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, the Trust Indenture Act of 1939, as amended, or other securities laws in each case relating to the Notes; (ii) the preparation and filing of any documents or forms required to be filed by any rules or regulations of any securities exchange, including without limitation, the New York Stock Exchange, or market quotation dealer system or the National Association of Securities Dealers, Inc. in connection with the listing

6

of the Notes thereon; (iii) preparing, filing and executing solely on behalf of the Trust and not in the Administrator's individual capacity, such filings, applications, reports, surety bonds, irrevocable consents, appointments of attorney for service of process and other papers and documents as may be necessary or desirable to register, or establish the exemption from registration of, the Notes under the securities or "Blue Sky" laws of any relevant jurisdictions; and (iv) executing and delivering, solely on behalf of the Trust and not in the Administrator's individual capacity, letters or documents to, or instruments for filing with, a depository relating to the Notes;

- (e) if the Pricing Supplement relating to the Notes provides for a

Survivor's Option, taking such actions as may be incidental or reasonably necessary to administer the Survivor's Option; and

- (f) undertaking such other administrative services as may be reasonably requested by the Trust or the Delaware Trustee, including (i) causing the preparation by the Trust of any prospectus, prospectus supplement, pricing supplement, registration statement, amendments, including any exhibits and schedules thereto, any reports or other filings or documents, or supplement thereto or (ii) securing and maintaining the listing of the Notes on any securities exchange or complying with the securities or "Blue Sky" laws of any relevant jurisdictions, in connection with the performance by the Trust of its obligations under the Program Documents or any other document to which the Trust is a party or other documents executed thereunder or in connection therewith.

Any of the above services (other than those described in Sections 2.2(c), 2.2(d) and 2.2(e)) may, if the Administrator or the Trust deems it necessary or desirable, be subcontracted by the Administrator; PROVIDED that notice is given to the Trust of such subcontract and, notwithstanding such subcontract, the Administrator shall remain responsible for performance of the services set forth above unless such services are subcontracted to accountants or legal counsel selected with due care by the Administrator and reasonably satisfactory to the Trust and in which case the Administrator shall not remain responsible for the performance of such services and the Administrator shall not, in any event, be responsible for the costs, fees or expenses in connection therewith.

ARTICLE 3 ACTIVITIES OF THE TRUST; EMPLOYEES; OFFICES.

SECTION 3.1. ACTIVITIES OF THE TRUST. The Administrator agrees to carry out and perform the administrative activities of the Trust set forth in Article 2 in the name and on behalf of the Trust as its agent.

SECTION 3.2. EMPLOYEES. All services to be furnished by the Administrator under the Administrative Services Agreement may be furnished by an officer or employee of the Administrator, an officer or employee of any Affiliate of the Administrator, or, subject to Article 2, any other person or agent designated or retained by it; PROVIDED that the Administrator shall remain ultimately responsible for the provision of such services by an officer or employee of the

7

Administrator or any of its Affiliates or any other person or agent designated or retained by it, unless selected with due care and reasonably satisfactory to the Trust in accordance with the last paragraph of Article 2. No director, officer or employee of the Administrator or any Affiliate of the Administrator shall receive from the Trust a salary or other compensation.

SECTION 3.3. OFFICES. The Administrator agrees to provide its own office space, together with appropriate materials and any necessary support personnel, for the day to day activities of the Trust set forth in Article 2 to be carried out and performed by the Administrator, all for the compensation specified in Article 4. All services to be furnished by the Administrator under the Administrative Services Agreement shall be performed from the Administrator's office in North Carolina.

ARTICLE 4 COMPENSATION; INDEMNITIES

SECTION 4.1. COMPENSATION. The Trust agrees to pay the Administrator the fees set forth in the Administrative Services Agreement (the "ADMINISTRATION FEE").

SECTION 4.2. INDEMNITIES. To the fullest extent permitted under applicable law and subject to limitations imposed by public policy, the Trust agrees to indemnify the Administrator, and hold the Administrator harmless, from and against any and all losses, liabilities (including liabilities for penalties), actions, suits, judgments, demands, damages, out-of-pocket costs and expenses (including, without limitation, interest and reasonable attorneys fees, but excluding costs and expenses attributable solely to administrative overhead) arising out of, in connection with, or resulting from the exercise of the Administrator's rights and/or the performance of the Administrator's duties, by the Administrator or its agents and employees, under the Administrative Services Agreement (collectively, "LOSS AND EXPENSE"); PROVIDED, HOWEVER, that the Trust shall not be liable to indemnify the Administrator, or hold the Administrator harmless, from and against any and all Loss and Expense resulting from or attributable to the negligence, bad faith or willful misconduct of the Administrator.

ARTICLE 5 TERM

SECTION 5.1. TERM. The Administrator may terminate the Administrative Services Agreement upon at least 30 days' written notice to the Trust and Allstate Life and the Trust may terminate the Administrative Services Agreement upon at least 30 days' notice to the Administrator (copies of any notice of

termination shall also be sent to the Indenture Trustee). Such termination will not become effective until (a) the Trust appoints a successor Administrator, (b) the successor Administrator accepts such appointment, (c) the Administrator has obtained the prior written confirmation of any Rating Agency that such action will not result in a reduction or withdrawal of its then current ratings, if any, of the Program and/or the Notes, as applicable and (d) the Trust has paid all accrued and unpaid amounts owed to the Administrator under the Administrative Services Agreement.

8

ARTICLE 6
OBLIGATION TO SUPPLY INFORMATION

SECTION 6.1. OBLIGATION TO SUPPLY INFORMATION. The Delaware Trustee shall forward to the Administrator such information (which is in the possession of the Trust) in connection with the Program Documents and the Administrative Services Agreement as the Administrator may from time to time reasonably request in connection with the performance of its obligations under the Administrative Services Agreement. The Administrator will (a) hold and safely maintain all records, files, Program Documents and other material of the Trust and (b) permit the Trust, the Delaware Trustee, and each of their respective officers, directors, agents and consultants on reasonable notice at any time and from time to time during normal business hours to inspect, audit, check and make abstracts from the accounts, records, correspondence, documents and other materials of the Trust, or relating to the provision of services and facilities under the Administrative Services Agreement.

SECTION 6.2. RELIANCE ON INFORMATION. The Trust recognizes that the accuracy and completeness of the records maintained and the information supplied by the Administrator under the Administrative Services Agreement is dependent upon the accuracy and completeness of the information obtained by the Administrator from the parties to the Program Documents and other sources and the Administrator shall not be responsible for any inaccurate or incomplete information so obtained or for any inaccurate or incomplete records maintained by the Administrator under the Administrative Services Agreement that may result therefrom. The Administrator shall have no duty to investigate the accuracy or completeness of any information provided to it and shall be entitled to fully rely on all such information provided to it.

ARTICLE 7
LIABILITY OF ADMINISTRATOR; STANDARD OF CARE

SECTION 7.1. LIABILITY OF ADMINISTRATOR. The Administrator assumes no liability for anything other than the services rendered by it pursuant to Articles 2, 3, 6 and 9, and neither the Administrator nor any of its directors, officers, employees or Affiliates shall be responsible for any action of the Trust, the Delaware Trustee or the officers or employees thereof taken outside the scope of Articles 2, 3, 6 and 9 and without direction from the Administrator. Without limiting the generality of the foregoing, it is agreed that the Administrator assumes no liability with respect to any of the Trust's obligations under the Program Documents.

SECTION 7.2. NO IMPLIED OBLIGATIONS. The Administrator shall not perform, endeavor to perform or agree to perform any act on behalf of the Trust not specifically required or permitted under the Program Documents.

SECTION 7.3. STANDARD OF CARE. The Administrator shall perform its duties under the Administrative Services Agreement diligently, in conformity with the Trust's obligations under the Program Documents and applicable laws and regulations and in accordance with the same standard of care exercised by a prudent person in connection with the performance of the same or similar duties and, in no event with less care than the Administrator exercises or would exercise in connection with the same or similar obligations if those obligations were the direct obligations of the Administrator.

9

ARTICLE 8
LIMITED RECOURSE

SECTION 8.1. LIMITED RECOURSE TO TRUST. Notwithstanding anything to the contrary contained in the Administrative Services Agreement, all obligations of the Trust under the Administrative Services Agreement shall be payable by the Trust (subject to the lien created by the Indenture on the Collateral held in the Trust) only on a payment date of the Notes and only to the extent of funds available therefor under the Indenture and, to the extent such funds are not available or are insufficient for the payment thereof, shall not constitute a claim against the Trust to the extent of such unavailability or insufficiency until such time as the Collateral held in the Trust has produced proceeds sufficient to pay such prior deficiency. This Section 8.1 shall survive the termination of the Administrative Services Agreement.

SECTION 8.2. NO RECOURSE TO TRUSTEES AND AGENTS. The obligations of the Trust under the Administrative Services Agreement are solely the obligations of the Trust and no recourse shall be had with respect to the Administrative

Services Agreement or any of the obligations of the Trust under the Administrative Services Agreement or for the payment of any fee or other amount payable under the Administrative Services Agreement or for any claim based on, arising out of or relating to any provision of the Administrative Services Agreement against any trustee, employee, settlor, Affiliate, agent or servant of the Trust. This Section 8.2 shall survive the termination of the Administrative Services Agreement.

ARTICLE 9
TAX MATTERS

SECTION 9.1. INCOME TAX TREATMENT. The Administrator agrees that for all United States Federal, state and local income and franchise tax purposes (i) to treat the Notes as indebtedness of Allstate Life, (ii) Global Funding and the Trust will be ignored and will not be treated as an association or a publicly traded partnership taxable as a corporation and (iii) to not take any action inconsistent with the treatment described in (i) and (ii) unless otherwise required by law.

ARTICLE 10
MISCELLANEOUS

SECTION 10.1. AMENDMENTS. No waiver, alteration, modification, amendment or supplement of the terms of the Administrative Services Agreement shall be effective unless (a) accomplished by written instrument signed by the parties to the Administrative Services Agreement and (b) for so long as any Notes remain outstanding, each of Moody's and S&P has confirmed in writing that such action will not result in reduction or withdrawal of its then current ratings, if any, of the Program and/or the Trust's Notes, as applicable. The Trust shall provide each of Moody's and S&P with a copy of each such waiver, alteration, modification, amendment or supplement. Notwithstanding anything in this Section 10.1 to the contrary, no waiver, alteration, modification, amendment or supplement to the terms of the Administrative Services Agreement shall be effective without the prior written consent of Allstate Life.

10

SECTION 10.2. NO JOINT VENTURE. Nothing contained in the Administrative Services Agreement shall constitute the Trust and the Administrator as members of any partnership, joint venture, association, syndicate or unincorporated business.

SECTION 10.3. ASSIGNMENT. Except as set forth in this Section 10.3, and subject to the rights of the Administrator to subcontract its services under the Administrative Services Agreement pursuant to Article 2, the Administrative Services Agreement may not be assigned by either party without (i) the prior written consent of the other party and Allstate Life and (ii) the prior written confirmation of each of Moody's and S&P that such action will not result in a reduction or withdrawal of its then current ratings, if any, of the Program or the Notes, as applicable. Subject to the foregoing, the Administrative Services Agreement shall be binding upon and inure to the benefit of the parties to the Administrative Services Agreement and their respective successors and assigns. Any party's transfer or assignment of the Administrative Services Agreement in violation of this Section 10.3 shall be void as to the other party.

SECTION 10.4. GOVERNING LAW, CONSENT TO JURISDICTION; WAIVER OF JURY TRIAL.

- (a) Pursuant to Section 5-1401 of the General Obligations Law of the State of New York, the Administrative Services Agreement shall be governed by and construed in accordance with the laws of the State of New York. Each party to the Administrative Services Agreement submits to the nonexclusive jurisdiction of the United States District Court for the Southern District of New York and of any New York State Court sitting in New York City for purposes of all legal proceeding arising out of or relating to the Administrative Services Agreement or the transactions contemplated by the Administrative Services Agreement. Each party to the Administrative Services Agreement irrevocably waives, to the fullest extent permitted by law, any objection which it may have to the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum. Each party to the Administrative Services Agreement consents to process being served in any suit, action or proceeding with respect to the Administrative Services Agreement, or any document delivered pursuant to the Administrative Services Agreement by the mailing of a copy thereof by registered or certified mail, postage prepaid, return receipt requested, to its respective address specified at the time for notices under the Administrative Services Agreement or to any other address of which it shall have given written notice to the other parties. The foregoing shall not limit the ability of any party to the Administrative Services Agreement to bring suit in the courts of any other jurisdiction.
- (b) Each of the parties irrevocably waives any and all right to a trial by jury with respect to any legal proceeding arising out of or relating to the Administrative Services Agreement or any transaction. Each of the parties to the Administrative Services Agreement acknowledges that

such waiver is made with full understanding and knowledge of the nature of the rights and benefits waived.

SECTION 10.5. COUNTERPARTS. The Administrative Services Agreement and any amendments, modifications, restatements, supplements and/or replacements of the

11

Administrative Services Agreement, or waivers or consents to the Administrative Services Agreement, may be executed in any number of counterparts, and by different parties to the Administrative Services Agreement in separate counterparts, each of which, when so executed and delivered, shall be deemed to be an original and all of which counterparts, when taken together, shall constitute one and the same instrument. The Administrative Services Agreement shall become effective upon the execution of a counterpart by each of the parties.

SECTION 10.6. LIMITATION OF DELAWARE TRUSTEE LIABILITY. Notwithstanding any provision of the Administrative Services Agreement to the contrary, it is expressly understood and agreed by the parties that (a) the Administrative Services Agreement is executed and delivered by the Delaware Trustee, not individually or personally, but solely as trustee, as applicable, in the exercise of the powers and authority conferred and vested in it, pursuant to the Trust Agreement, (b) each of the representations, undertakings and agreements in the Administrative Services Agreement made on the part of the Trust is made and intended not as personal representations, undertakings and agreements by the Delaware Trustee but is made and intended for the purpose of binding only the Trust, (c) nothing contained in the Administrative Services Agreement shall be construed as creating any liability on the Delaware Trustee, individually or personally, to perform any covenant either expressed or implied contained in the Administrative Services Agreement, all such liability, if any, being expressly waived by the parties to the Administrative Services Agreement and by any person claiming by, through or under the parties to the Administrative Services Agreement, and (d) under no circumstances shall the Delaware Trustee be personally liable for the payment of any indebtedness or expenses of the Trust or be liable for the breach or failure of any obligation, representation, warranty or covenant made or undertaken by the Trust under the Administrative Services Agreement or any other related documents.

SECTION 10.7. NO PETITION. To the extent permitted by applicable law, the Administrator covenants and agrees that it will not institute against, or join with any other Person in instituting against, the Trust any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or other proceedings under any applicable bankruptcy or similar law. This Section 10.7 shall survive termination of the Administrative Services Agreement.

SECTION 10.8. SEVERABILITY. If any provision in the Administrative Services Agreement shall be invalid, illegal or unenforceable, such provisions shall be deemed severable from the remaining provisions of the Administrative Services Agreement and shall in no way affect the validity or enforceability of such other provisions of the Administrative Services Agreement.

SECTION 10.9. ENTIRE AGREEMENT. The Administrative Services Agreement constitutes the entire agreement between the parties with respect to matters covered by the Administrative Services Agreement and supersedes all prior agreements and understandings with respect to such matters between the parties whether written or oral.

SECTION 10.10. ADMINISTRATOR TO PROVIDE ACCESS TO BOOKS AND RECORDS. The Administrator shall provide the Indenture Trustee with access to the books and records of the Trust, without charge, but only (a) upon the reasonable request of the Indenture Trustee (for which purpose one Business Day shall be deemed reasonable during the occurrence and continuation of a Default or an Event of Default), (b) during normal business hours, (c) subject to

12

the Administrator's normal security and confidentiality procedures and (d) at offices designated by the Administrator.

SECTION 10.11. NO WAIVER. No failure on the part of the parties to the Administrative Services Agreement to exercise, and no delay in exercising, and no course of dealing with respect to, any right, power or privilege under the Administrative Services Agreement shall operate as a waiver thereof, nor shall any single or partial exercise thereof or the exercise of any other right, power or privilege operate as such a waiver.

SECTION 10.12. REMEDIES CUMULATIVE. No right, power or remedy of the parties under the Administrative Services Agreement shall be exclusive of any other right, power or remedy, but shall be cumulative and in addition to any other right, power or remedy thereunder or existing by law or in equity.

SECTION 10.13. NOTICES. All notices, demands, instructions and other communications required or permitted to be given to or made upon either party to the Administrative Services Agreement shall be in writing (including by facsimile transmission) and shall be personally delivered or sent by guaranteed

overnight delivery or by facsimile transmission (to be followed by personal or guaranteed overnight delivery) and shall be deemed to be given for purposes of the Administrative Services Agreement on the day that such writing is received by the intended recipient thereof in accordance with the provisions of this Section. Unless otherwise specified in a notice sent or delivered in accordance with the foregoing provisions of this Section, notices, demands, instructions and other communications in writing shall be given to or made upon the respective parties thereto at their respective addresses (or their respective telecopy numbers) indicated below:

If to the Trust:

c/o Wilmington Trust Company
Rodney Square North
1100 North Market Street
Wilmington, DE 19890
Attention: Corporate Trust Administration
Facsimile: (302) 636-4140

If to the Administrator:

AMACAR Pacific Corp.
6525 Morrison Blvd., Suite 318
Charlotte, North Carolina 28211
Attention: Douglas K. Johnson
Facsimile: (704) 365-1632

NAME LICENSING AGREEMENT

BETWEEN

ALLSTATE INSURANCE COMPANY

AND

ALLSTATE LIFE GLOBAL FUNDING

DATED AS OF -, 2003

TABLE OF CONTENTS

PAGE ARTICLE 1 DEFINITIONS1

SECTION 1.1. DEFINITIONS1

SECTION 1.2. OTHER DEFINITIONAL PROVISIONS2

ARTICLE 2 GRANT OF LICENSE; INDEPENDENT CONTRACTORS2

SECTION 2.1. GRANT OF LICENSE2

SECTION 2.2. INDEPENDENT CONTRACTORS2

ARTICLE 3 AGREEMENTS AND ACKNOWLEDGEMENTS OF LICENSEE2

SECTION 3.1. AGREEMENTS AND ACKNOWLEDGEMENTS OF LICENSEE2

ARTICLE 4 INFRINGEMENT PROCEEDINGS4

SECTION 4.1. NOTIFICATION OF UNAUTHORIZED USE4

SECTION 4.2. PAYMENTS FOR DAMAGES4

ARTICLE 5 TERM AND TERMINATION4

SECTION 5.1. TERM4

SECTION 5.2. AUTOMATIC TERMINATION4

SECTION 5.3. IMMEDIATE TERMINATION5

SECTION 5.4. TERMINATION ON NOTICE5

ARTICLE 6 EFFECT OF TERMINATION5

SECTION 6.1. CHANGE OF LICENSEE MARKS5

SECTION 6.2. LICENSEE COOPERATION5

SECTION 6.3. RIGHTS IN LICENSED MARKS5

ARTICLE 7 MISCELLANEOUS5

SECTION 7.1. ENFORCEMENT5

SECTION 7.2. SEVERABILITY5

SECTION 7.3. ENTIRE AGREEMENT6

SECTION 7.4. AMENDMENT OF NAME LICENSING AGREEMENT6

SECTION 7.5. GOVERNING LAW6

SECTION 7.6. CONSENT TO JURISDICTION6

SECTION 7.7. WAIVER OF JURY TRIAL6

SECTION 7.8. NO WAIVER6

SECTION 7.9. REMEDIES CUMULATIVE6

SECTION 7.10. NOTICES7

SECTION 7.11. COUNTERPARTS7

SECTION 7.12. LIMITATION OF DELAWARE TRUSTEE LIABILITY APPENDIX A LICENSED MARKS A-1

THIS NAME LICENSING AGREEMENT dated as of -, 2003 (this "NAME LICENSING AGREEMENT"), is entered into between Allstate Insurance Company ("LICENSOR"), an Illinois stock insurance company, and Allstate Life Global Funding ("LICENSEE"),

a statutory trust organized under the laws of the State of Delaware.

WHEREAS, Licensor is the owner of the Licensed Marks (as defined below);

WHEREAS, Licensee desires to use the Licensed Marks and use Allstate as part of its company name; and

WHEREAS, Licensor and Licensee wish to formalize the agreement between them regarding Licensee's use of the Licensed Marks;

NOW, THEREFORE, in consideration of the mutual promises set forth in this Name Licensing Agreement and other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the parties agree as follows:

ARTICLE 1 DEFINITIONS

SECTION 1.1. DEFINITIONS. The following terms, as used herein, have the following meanings:

"AMENDED AND RESTATED TRUST AGREEMENT" means that certain Amended and Restated Trust Agreement dated as of - , 2003, pursuant to which Licensee is created, as the same may be amended, restated, modified, supplemented or replaced from time to time.

"LICENSED MARKS" shall include all marks listed on Appendix A attached hereto as the same may be amended, restated, modified, supplemented or replaced from time to time.

"LICENSED SERVICES" means the activities necessary to accomplish all purposes of Licensee as set forth in the Amended and Restated Trust Agreement.

"LICENSEE" means Allstate Life Global Funding, a statutory trust organized under the laws of the State of Delaware.

"LICENSOR" means Allstate Insurance Company, an Illinois stock insurance company, and its successors.

"PERSON" means any natural person, corporation, limited partnership, general partnership, joint stock company, limited liability company, joint venture, association, company, trust (including any beneficiary thereof), bank, trust company, land trust, business trust or other organization, whether or not a legal entity, and governments and agencies and political subdivisions thereof.

"TERRITORY" shall mean worldwide.

1

SECTION 1.2. OTHER DEFINITIONAL PROVISIONS. For all purposes of this Name Licensing Agreement except as otherwise expressly provided or unless the context otherwise requires:

- (a) the terms defined in this Article shall have the meanings ascribed to them in this Article and shall include the plural as well as the singular;
- (b) the words "include", "includes" and "including" shall be construed to be followed by the words "without limitation";
- (c) Article and Section headings are for the convenience of the reader and shall not be considered in interpreting this Name Licensing Agreement or the intent of the parties to this Name Licensing Agreement;
- (d) the words "herein", "hereof" and "hereunder" and other words of similar import refer to this Name Licensing Agreement as a whole and not to any particular Article, Section, Appendix or other subdivision; and
- (e) references herein to Articles, Sections and Appendices shall, unless otherwise specified, refer respectively to Articles, Sections and Appendices hereof.

ARTICLE 2 GRANT OF LICENSE; INDEPENDENT CONTRACTORS

SECTION 2.1. GRANT OF LICENSE. Licensor hereby grants to Licensee for the term of this Name Licensing Agreement a nonexclusive, nontransferable right and license to use the Licensed Marks for the Licensed Services within the Territory. Licensor is not representing that it has rights with respect to Licensed Marks or the Licensed Marks in every jurisdiction within the Territory.

SECTION 2.2. INDEPENDENT CONTRACTORS. Licensor and Licensee are independent contractors and are not, and shall not, represent themselves as principal and agent, partners or joint venturers.

ARTICLE 3

SECTION 3.1. AGREEMENTS AND ACKNOWLEDGEMENTS OF LICENSEE. Licensee acknowledges and agrees that:

- (a) Licensor is the sole owner of the Licensed Marks;
- (b) Licensee shall do nothing inconsistent with the ownership of the Licensed Marks by Licensor;
- (c) all use of the Licensed Marks by Licensee shall inure only to the benefit of and be on behalf of Licensor;

2

- (d) Licensee shall assist Licensor in executing any additional documents that may be necessary or desirable to effect the protection of Licensor's interests in Licensed Marks, including, but not limited to, the execution of any and all documents required by governmental agencies in order to register or maintain trademark and service mark registrations; in addition, Licensee shall not oppose Licensor's registration of the Licensed Marks nor take action that jeopardizes Licensor's rights in Licensed Marks;
- (e) nothing in this Name Licensing Agreement shall give Licensee any right, title or interest in Licensed Marks other than the license granted in this Name Licensing Agreement;
- (f) Licensee shall not attack or challenge in any way Licensor's rights in and to Licensed Marks or the validity or enforceability of this Name Licensing Agreement;
- (g) Licensee shall not assign any of the rights granted under this Name Licensing Agreement without the prior express written consent of Licensor;
- (h) Licensee shall not grant to any Person a right and license to use the Licensed Marks without the prior express written consent of Licensor;
- (i) Licensee shall not use any Licensor's Mark not covered by this Name Licensing Agreement which is the property or is claimed as the property of Licensor or Licensor's subsidiaries or affiliates, except with the prior express written consent of Licensor;
- (j) Licensee shall comply with all applicable law, rules and regulations pertaining to its business;
- (k) Licensor has the sole and exclusive right to control the appearance of the Licensed Marks, including the quality of the mark in the Licensed Marks;
- (l) the nature and quality of the business conducted by Licensee under the Licensed Marks, and all related advertising, promotional and other uses of Licensed Marks by Licensee shall conform to standards set by and under the control of Licensor and communicated to Licensee from time to time;
- (m) except as otherwise agreed in writing by Licensor from time to time, Licensee shall submit to - of Licensor for Licensor's prior approval representative samples of all proposed materials bearing the Licensed Marks, to the extent that such materials are not contained in the Registration Statement on Form S-3 (File No. 333--), as amended and the exhibits thereto;
- (n) Licensor shall have the right to inspect, upon reasonable notice, the business facilities of Licensee and to request submission of written materials at any time during the term of this Name Licensing Agreement so that Licensor may

3

satisfy itself that quality standards are being appropriately complied with and will immediately modify or discontinue any use of Licensed Marks that Licensor deems not to be in compliance with its quality standards;

- (o) the standards of conduct of Licensee's business shall be equivalent to the high standards of quality and ethics characteristic of the businesses conducted by Licensor;
- (p) the value and goodwill of the Licensed Marks accrues solely to Licensor; and
- (q) Licensee will not act or use Licensed Marks in any manner which may, in Licensor's judgment, be in bad taste, be inconsistent with Licensor's public image or which may in any way disparage Licensor or

its reputation including, but not limited to, types and placement of advertising, or take any action which will harm or jeopardize the Licensed Marks or Licensor's ownership thereof.

ARTICLE 4
INFRINGEMENT PROCEEDINGS

SECTION 4.1. NOTIFICATION OF UNAUTHORIZED USE. Licensee agrees to promptly notify Licensor of any unauthorized use of any of Licensed Marks as such unauthorized use comes to Licensee's attention. Licensor shall have the sole right and discretion to take any action relating to Licensed Marks; PROVIDED, that Licensee agrees to cooperate fully, should Licensor decide to take any such action.

SECTION 4.2. PAYMENTS FOR DAMAGES. If infringement proceedings result in an award of damages or the payment of any sums to Licensor, any such damages or payments shall belong solely to Licensor.

ARTICLE 5
TERM AND TERMINATION

SECTION 5.1. TERM. This Name Licensing Agreement shall continue in force and effect for so long as Licensee continues to exist in accordance with the terms of the Amended and Restated Trust Agreement, unless it is sooner terminated as provided for in this Name Licensing Agreement.

SECTION 5.2. AUTOMATIC TERMINATION. This Name Licensing Agreement shall automatically terminate upon the happening of any of the following events:

- (a) Licensee is ordered or adjudged bankrupt, is placed under the supervision of a receiver, or enters into any scheme or composition with creditors to make an assignment for the benefit of creditors;
- (b) any assets of Licensee are seized or attached in conjunction with any action against Licensee by a third party; or

4

- (c) any of the assets of Licensee are seized or appropriated by any governmental authority, whether or not compensation for such action is offered to Licensee.

SECTION 5.3. IMMEDIATE TERMINATION. Licensor shall have the right, but not the obligation, to immediately terminate this Name Licensing Agreement and all rights granted under this Name Licensing Agreement in the event that Licensee (a) ceases to conduct business as a statutory trust, (b) breaches any of its representations, agreements, covenants and undertakings in this Name Licensing Agreement, (c) fails to comply with laws, rules and regulations applicable to it or the conduct of its business to the complete satisfaction of Licensor, (d) acts in a manner that impugns Licensor's reputation or (e) uses the Licensed Marks in a manner that is inconsistent with or beyond the scope of the license granted herein.

SECTION 5.4. TERMINATION ON NOTICE. Licensor may terminate this Name Licensing Agreement without cause upon the provision of ten days' prior written notice to Licensee.

ARTICLE 6
EFFECT OF TERMINATION

SECTION 6.1. CHANGE OF LICENSEE MARKS. Upon termination of this Name Licensing Agreement, Licensee agrees to immediately change Licensee's name as to not include any Licensed Marks, and to discontinue and not to use in the future any of the Licensed Marks, any trade name incorporating any of the Licensed Marks, or any terms confusingly similar to any of Licensed Marks.

SECTION 6.2. LICENSEE COOPERATION. Upon termination of this Name Licensing Agreement, Licensee agrees to cooperate fully with Licensor to amend or cancel any governmental recordings or approvals pertaining to any tradenames, trademarks or servicemarks which consist of or include any of Licensed Marks.

SECTION 6.3. RIGHTS IN LICENSED MARKS. Upon termination of this Name Licensing Agreement, any and all rights in the Licensed Marks heretofor granted to Licensee and the goodwill connected therewith shall remain the property of Licensor.

ARTICLE 7
MISCELLANEOUS

SECTION 7.1. ENFORCEMENT. The parties agree that any breaches of this Name Licensing Agreement shall cause irreparable injury to the nonbreaching party and that an injunction shall be an appropriate remedy.

SECTION 7.2. SEVERABILITY. In the event any provision of, or obligation under, this Name Licensing Agreement shall be invalid, illegal or unenforceable, in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other

jurisdiction, shall not in any way be affected or impaired thereby to the fullest extent permitted under applicable law.

5

SECTION 7.3. ENTIRE AGREEMENT. This Name Licensing Agreement constitutes the entire agreement between the parties hereto relating to the subject matter of this Name Licensing Agreement, and supersedes all previous agreements between the parties, whether written or oral.

SECTION 7.4. AMENDMENT OF NAME LICENSING AGREEMENT. Any amendments, modifications, restatements, supplements or replacements of this Name Licensing Agreement, or waivers or consents to this Name Licensing Agreement, shall be in writing signed by the parties.

SECTION 7.5. GOVERNING LAW. This Name Licensing Agreement shall be governed by, and construed in accordance with, the laws of the State of Illinois, without regard to its choice of law principles.

SECTION 7.6. CONSENT TO JURISDICTION. Each party to this Name Licensing Agreement submits to the nonexclusive jurisdiction of the United States Federal court located in Cook County, Illinois, for purposes of any legal proceeding arising out of or relating to this Name Licensing Agreement or the transactions contemplated by this Name Licensing Agreement. Each party to this Name Licensing Agreement irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum. Each party to this Name Licensing Agreement consents to process being served in any suit, action or proceeding with respect to this Name Licensing Agreement, or any document delivered pursuant to this Name Licensing Agreement by the mailing of a copy thereof by registered or certified mail, postage prepaid, return receipt requested, to its respective address specified at the time for notices under this Name Licensing Agreement or to any other address of which it shall have given written notice to the other party. The foregoing shall not limit the ability of any party to this Name Licensing Agreement to bring suit in the courts of any other jurisdiction.

SECTION 7.7. WAIVER OF JURY TRIAL. Each of the parties to this Name Licensing Agreement irrevocably waives any and all right to a trial by jury with respect to any legal proceeding arising out of or relating to this Name Licensing Agreement or any claims or transactions in connection with this Name Licensing Agreement. Each of the parties to this Name Licensing Agreement hereby acknowledges that such waiver is made with full understanding and knowledge of the nature of the rights and benefits waived hereby.

SECTION 7.8. NO WAIVER. No failure on the part of Licensor to exercise, and no delay in exercising, and no course of dealing with respect to, any right, power or privilege under this Name Licensing Agreement shall operate as a waiver thereof, nor shall any single or partial exercise thereof or the exercise of any other right, power or privilege operate as such a waiver.

SECTION 7.9. REMEDIES CUMULATIVE. No right, power or remedy of Licensor under this Name Licensing Agreement shall be exclusive of any other right, power or remedy, but

6

shall be cumulative and in addition to any other right, power or remedy thereunder or existing by law or in equity.

SECTION 7.10. NOTICES. All notices, demands, or other communications required or permitted to be given under this Name Licensing Agreement shall be given in writing by delivering the same against receipt thereof by facsimile transmission (confirmed by registered or certified mail, postage prepaid, return receipt requested), or by registered or certified mail, postage prepaid, return receipt requested, addressed as follows (and if so given, shall be deemed given when mailed or upon receipt of a confirmation, if sent by facsimile):

If to Licensor: Allstate Insurance Company
3100 Sanders Road
Northbrook, Illinois 60062
Attention: -
Facsimile: -

If to Licensee: Allstate Life Global Funding
c/o AMACAR Pacific Corp.
6525 Morrison Boulevard, Suite 318
Charlotte, North Carolina 28211
Attention: President
Facsimile: (704) 365-1362

or at such other address as shall be designated by any party in a written notice to the other party.

SECTION 7.11. COUNTERPARTS. This Name Licensing Agreement and any

amendments, modifications, restatements, supplements and/or replacements of this Name Licensing Agreement, or waivers or consents to this Name Licensing Agreement, may be executed in any number of counterparts, and by different parties to this Name Licensing Agreement in separate counterparts, each of which, when so executed and delivered, shall be deemed to be an original and all of which counterparts, when taken together shall constitute one and the same instrument. This Name Licensing Agreement shall become effective upon the execution of a counterpart by each of the parties.

SECTION 7.12 LIMITATION OF DELAWARE TRUSTEE LIABILITY.
Notwithstanding any provision of this Name Licensing Agreement to the contrary, it is expressly understood and agreed by the parties that (a) this Name Licensing Agreement is executed and delivered by Wilmington Trust Company (The "Delaware Trustee") not individually or personally, but solely as trustee, as applicable, in the exercise of the powers and authority conferred and vested in it, pursuant to the Amended and Restated Trust Agreement for the Licensee, (b) each of the representations, undertakings and agreements in this Name Licensing Agreement made on the part of the Licensee is made and intended not as personal representations, undertakings and agreements by the Delaware Trustee but is made and intended for the purpose of binding only the Licensee, (c) nothing contained in this Name Licensing Agreement shall be construed as creating any liability on the Delaware Trustee, individually or personally, to perform any covenant either expressed or implied contained in this Name Licensing Agreement, all such liability, if any, being expressly waived by the parties to this Name Licensing Agreement and by any person claiming by, through or under the parties to this Name Licensing Agreement, and (d) under no circumstances shall the Delaware Trustee be personally liable for the payment of any indebtedness or expenses of the Licensee or be liable for the breach or failure of any obligation, representation, warranty or covenant made or undertaken by the Licensee under this Name Licensing Agreement of any other related documents.

IN WITNESS WHEREOF, the parties have caused this Name Licensing Agreement to be executed by duly authorized representatives on the date first written above.

ALLSTATE INSURANCE COMPANY

By: -----
Name:
Title:

ALLSTATE LIFE GLOBAL FUNDING

By: Wilmington Trust Company, not in its individual capacity, but solely as Delaware Trustee

By: -----
Name:
Title:

APPENDIX A
LICENSED MARKS

- - Allstate
- - Allstate Life
- - [ALLSTATE(SM) LOGO]

STANDARD NAME LICENSING AGREEMENT TERMS

WITH RESPECT TO

ALLSTATE LIFE GLOBAL FUNDING TRUSTS

DATED AS OF -, 2003

TABLE OF CONTENTS

PAGE ARTICLE 1 DEFINITIONS1

SECTION 1.1. DEFINITIONS1

SECTION 1.2. OTHER DEFINITIONAL PROVISIONS2

ARTICLE 2 GRANT OF LICENSE; INDEPENDENT CONTRACTORS2

SECTION 2.1. GRANT OF LICENSE2

SECTION 2.2. INDEPENDENT CONTRACTORS2

ARTICLE 3 AGREEMENTS AND ACKNOWLEDGEMENTS OF LICENSEE2

SECTION 3.1. AGREEMENTS AND ACKNOWLEDGEMENTS OF LICENSEE2

ARTICLE 4 INFRINGEMENT PROCEEDINGS4

SECTION 4.1. NOTIFICATION OF UNAUTHORIZED USE4

SECTION 4.2. PAYMENTS FOR DAMAGES4

ARTICLE 5 TERM AND TERMINATION4

SECTION 5.1. TERM4

SECTION 5.2. AUTOMATIC TERMINATION5

SECTION 5.3. IMMEDIATE TERMINATION5

SECTION 5.4. TERMINATION ON NOTICE5

ARTICLE 6 EFFECT OF TERMINATION5

SECTION 6.1. CHANGE OF LICENSEE MARKS5

SECTION 6.2. LICENSEE COOPERATION5

SECTION 6.3. RIGHTS IN LICENSED MARKS5

ARTICLE 7 MISCELLANEOUS6

SECTION 7.1. ENFORCEMENT6

SECTION 7.2. SEVERABILITY6

SECTION 7.3. ENTIRE AGREEMENT6

SECTION 7.4. AMENDMENT OF NAME LICENSING AGREEMENT6

SECTION 7.5. GOVERNING LAW6

SECTION 7.6. CONSENT TO JURISDICTION6

SECTION 7.7. WAIVER OF JURY TRIAL6

SECTION 7.8. NO WAIVER6

SECTION 7.9. REMEDIES CUMULATIVE7

SECTION 7.10. NOTICES7

SECTION 7.11. COUNTERPARTS7

APPENDIX A LICENSED MARKSA-1

This document constitutes the Standard Name Licensing Agreement Terms, dated as of -, 2003, which will be incorporated by reference in the Name Licensing Agreement (as defined below) between Allstate Insurance Company (the "Licensor") and the Trust (as defined below) (the "Licensee").

These Standard Name Licensing Agreement Terms shall be of no force and effect unless and until incorporated by reference in, and then only to the extent not modified by, the Name Licensing Agreement.

The following terms and provisions shall govern the use of the Licensor's Licensed Marks (as defined below) by the Licensee, subject to contrary terms and provisions expressly adopted in the Name Licensing Agreement, which contrary terms shall be controlling.

ARTICLE 1 DEFINITIONS

SECTION 1.1. DEFINITIONS. The following terms, as used herein, have the following meanings:

"LICENSED MARKS" shall include all marks listed on Appendix A attached hereto as the same may be amended, restated, modified, supplemented or replaced from time to time.

"LICENSED SERVICES" means the activities necessary to accomplish all purposes of the Trust as set forth in the Trust Agreement.

"LICENSEE" means the Trust.

"LICENSOR" means Allstate Insurance Company, an Illinois stock insurance company, and its successors.

"NAME LICENSING AGREEMENT" means that certain Name Licensing Agreement included in Section - of the Series Instrument, between Licensor and Licensee, as the same may be amended, restated, modified, supplemented or replaced from time to time.

"PERSON" means any natural person, corporation, limited partnership, general partnership, joint stock company, limited liability company, joint venture, association, company, trust (including any beneficiary thereof), bank, trust company, land trust, business trust or other organization, whether or not a legal entity, and governments and agencies and political subdivisions thereof.

"PROGRAM DOCUMENTS" has the meaning set forth in the Trust Agreement.

"SERIES INSTRUMENT" means the series instrument pursuant to which certain Program Documents are executed and the Trust is established.

"TERRITORY" shall mean worldwide.

1

"TRUST" means the Allstate Life Global Funding Trust specified in the Series Instrument, together with its permitted successors and assigns.

"TRUST AGREEMENT" means that certain trust agreement included in Section - of the Series Instrument, between AMACAR Pacific Corp., as Administrator and Wilmington Trust Company, as the Delaware Trustee, as the same may be amended, restated, modified, supplemented or replaced from time to time.

SECTION 1.2. OTHER DEFINITIONAL PROVISIONS. For all purposes of the Name Licensing Agreement except as otherwise expressly provided or unless the context otherwise requires:

- (a) the terms defined in this Article shall have the meanings ascribed to them in this Article and shall include the plural as well as the singular;
- (b) the words "include", "includes" and "including" shall be construed to be followed by the words "without limitation";
- (c) Article and Section headings are for the convenience of the reader and shall not be considered in interpreting the Name Licensing Agreement or the intent of the parties to the Name Licensing Agreement;
- (d) the words "herein", "hereof" and "hereunder" and other words of similar import refer to the Name Licensing Agreement as a whole and not to any particular Article, Section, Appendix or other subdivision; and
- (e) references herein to Articles, Sections and Appendices shall, unless otherwise specified, refer respectively to Articles, Sections and Appendices hereof.

ARTICLE 2
GRANT OF LICENSE; INDEPENDENT CONTRACTORS

SECTION 2.1. GRANT OF LICENSE. Licensor hereby grants to Licensee for the term of the Name Licensing Agreement a nonexclusive, nontransferable right and license to use the Licensed Marks for the Licensed Services within the Territory. Licensor is not representing that it has rights with respect to Licensed Marks or the Licensed Marks in every jurisdiction within the Territory.

SECTION 2.2. INDEPENDENT CONTRACTORS. Licensor and Licensee are independent contractors and are not, and shall not, represent themselves as principal and agent, partners or joint venturers.

ARTICLE 3
AGREEMENTS AND ACKNOWLEDGEMENTS OF LICENSEE

SECTION 3.1. AGREEMENTS AND ACKNOWLEDGEMENTS OF LICENSEE. Licensee acknowledges and agrees that:

2

- (a) Licensor is the sole owner of the Licensed Marks;
- (b) Licensee shall do nothing inconsistent with the ownership of the Licensed Marks by Licensor;
- (c) all use of the Licensed Marks by Licensee shall inure only to the benefit of and be on behalf of Licensor;
- (d) Licensee shall assist Licensor in executing any additional documents that may be necessary or desirable to effect the protection of Licensor's interests in Licensed Marks, including, but not limited to, the execution of any and all documents required by governmental agencies in order to register or maintain trademark and service mark registrations; in addition, Licensee shall not oppose Licensor's registration of the Licensed Marks nor take action that jeopardizes Licensor's rights in Licensed Marks;
- (e) nothing in the Name Licensing Agreement shall give Licensee any right, title or interest in Licensed Marks other than the license granted in the Name Licensing Agreement;
- (f) Licensee shall not attack or challenge in any way Licensor's rights in and to Licensed Marks or the validity or enforceability of the Name Licensing Agreement;
- (g) Licensee shall not assign any of the rights granted under the Name Licensing Agreement without the prior express written consent of Licensor;
- (h) Licensee shall not grant to any Person a right and license to use the Licensed Marks without the prior express written consent of Licensor;
- (i) Licensee shall not use any Licensor's Mark not covered by the Name Licensing Agreement which is the property or is claimed as the property of Licensor or Licensor's subsidiaries or affiliates, except with the prior express written consent of Licensor;
- (j) Licensee shall comply with all applicable law, rules and regulations pertaining to its business;
- (k) Licensor has the sole and exclusive right to control the appearance of the Licensed Marks, including the quality of the mark in the Licensed Marks;
- (l) the nature and quality of the business conducted by Licensee under the Licensed Marks, and all related advertising, promotional and other uses of Licensed Marks by Licensee shall conform to standards set by and under the control of Licensor and communicated to Licensee from time to time;

3

- (m) except as otherwise agreed in writing by Licensor from time to time, Licensee shall submit to - of Licensor for Licensor's prior approval representative samples of all proposed materials bearing the Licensed Marks, to the extent that such materials are not contained in the Registration Statement on Form S-3 (File No. 333--), as amended and exhibits thereto;
- (n) Licensor shall have the right to inspect, upon reasonable notice, the business facilities of Licensee and to request submission of written materials at any time during the term of the Name Licensing Agreement so that Licensor may satisfy itself that quality standards are being appropriately complied with and will immediately modify or discontinue any use of Licensed Marks that Licensor deems not to be in compliance

with its quality standards;

- (o) the standards of conduct of Licensee's business shall be equivalent to the high standards of quality and ethics characteristic of the businesses conducted by Licensor;
- (p) the value and goodwill of the Licensed Marks accrues solely to Licensor; and
- (q) Licensee will not act or use Licensed Marks in any manner which may, in Licensor's judgment, be in bad taste, be inconsistent with Licensor's public image or which may in any way disparage Licensor or its reputation including, but not limited to, types and placement of advertising, or take any action which will harm or jeopardize the Licensed Marks or Licensor's ownership thereof.

ARTICLE 4 INFRINGEMENT PROCEEDINGS

SECTION 4.1. NOTIFICATION OF UNAUTHORIZED USE. Licensee agrees to promptly notify Licensor of any unauthorized use of any of Licensed Marks as such unauthorized use comes to Licensee's attention. Licensor shall have the sole right and discretion to take any action relating to Licensed Marks; PROVIDED, that Licensor agrees to cooperate fully, should Licensor decide to take any such action.

SECTION 4.2. PAYMENTS FOR DAMAGES. If infringement proceedings result in an award of damages or the payment of any sums to Licensor, any such damages or payments shall belong solely to Licensor.

ARTICLE 5 TERM AND TERMINATION

SECTION 5.1. TERM. The Name Licensing Agreement shall continue in force and effect for so long as Licensee continues to exist in accordance with the terms of the Trust Agreement, unless it is sooner terminated as provided for in the Name Licensing Agreement.

4

SECTION 5.2. AUTOMATIC TERMINATION. The Name Licensing Agreement shall automatically terminate upon the happening of any of the following events:

- (a) Licensee is ordered or adjudged bankrupt, is placed under the supervision of a receiver, or enters into any scheme or composition with creditors to make an assignment for the benefit of creditors;
- (b) any assets of Licensee are seized or attached in conjunction with any action against Licensee by a third party; or
- (c) any of the assets of Licensee are seized or appropriated by any governmental authority, whether or not compensation for such action is offered to Licensee.

SECTION 5.3. IMMEDIATE TERMINATION. Licensor shall have the right, but not the obligation, to immediately terminate the Name Licensing Agreement and all rights granted under the Name Licensing Agreement in the event that Licensee (a) ceases to conduct business as a statutory trust, (b) breaches any of its representations, agreements, covenants and undertakings in the Name Licensing Agreement, (c) fails to comply with laws, rules and regulations applicable to it or the conduct of its business to the complete satisfaction of Licensor, (d) acts in a manner that impugns Licensor's reputation or (e) uses the Licensed Marks in a manner that is inconsistent with or beyond the scope of the license granted herein.

SECTION 5.4. TERMINATION ON NOTICE. Licensor may terminate the Name Licensing Agreement without cause upon the provision of ten days' prior written notice to Licensee.

ARTICLE 6 EFFECT OF TERMINATION

SECTION 6.1. CHANGE OF LICENSEE MARKS. Upon termination of the Name Licensing Agreement, Licensee agrees to immediately change Licensee's name as to not include any Licensed Marks, and to discontinue and not to use in the future any of the Licensed Marks, any trade name incorporating any of the Licensed Marks, or any terms confusingly similar to any of Licensed Marks.

SECTION 6.2. LICENSEE COOPERATION. Upon termination of the Name Licensing Agreement, Licensee agrees to cooperate fully with Licensor to amend or cancel any governmental recordings or approvals pertaining to any tradenames, trademarks or servicemarks which consist of or include any of Licensed Marks.

SECTION 6.3. RIGHTS IN LICENSED MARKS. Upon termination of the Name Licensing Agreement, any and all rights in the Licensed Marks heretofor granted to Licensee and the goodwill connected therewith shall remain the property of Licensor.

ARTICLE 7
MISCELLANEOUS

SECTION 7.1. ENFORCEMENT. The parties agree that any breaches of the Name Licensing Agreement shall cause irreparable injury to the nonbreaching party and that an injunction shall be an appropriate remedy.

SECTION 7.2. SEVERABILITY. In the event any provision of, or obligation under, the Name Licensing Agreement shall be invalid, illegal or unenforceable, in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby to the fullest extent permitted under applicable law.

SECTION 7.3. ENTIRE AGREEMENT. The Name Licensing Agreement constitutes the entire agreement between the parties hereto relating to the subject matter of the Name Licensing Agreement, and supersedes all previous agreements between the parties, whether written or oral.

SECTION 7.4. AMENDMENT OF NAME LICENSING AGREEMENT. Any amendments, modifications, restatements, supplements or replacements of the Name Licensing Agreement, or waivers or consents to the Name Licensing Agreement, shall be in writing signed by the parties.

SECTION 7.5. GOVERNING LAW. The Name Licensing Agreement shall be governed by, and construed in accordance with, the laws of the State of Illinois, without regard to its choice of law principles.

SECTION 7.6. CONSENT TO JURISDICTION. Each party to the Name Licensing Agreement submits to the nonexclusive jurisdiction of the United States Federal court located in Cook County, Illinois, for purposes of any legal proceeding arising out of or relating to the Name Licensing Agreement or the transactions contemplated by the Name Licensing Agreement. Each party to the Name Licensing Agreement irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum. Each party to the Name Licensing Agreement consents to process being served in any suit, action or proceeding with respect to the Name Licensing Agreement, or any document delivered pursuant to the Name Licensing Agreement by the mailing of a copy thereof by registered or certified mail, postage prepaid, return receipt requested, to its respective address specified at the time for notices under the Name Licensing Agreement or to any other address of which it shall have given written notice to the other party. The foregoing shall not limit the ability of any party to the Name Licensing Agreement to bring suit in the courts of any other jurisdiction.

SECTION 7.7. WAIVER OF JURY TRIAL. Each of the parties to the Name Licensing Agreement irrevocably waives any and all right to a trial by jury with respect to any legal proceeding arising out of or relating to the Name Licensing Agreement or any claims or

transactions in connection with the Name Licensing Agreement. Each of the parties to the Name Licensing Agreement hereby acknowledges that such waiver is made with full understanding and knowledge of the nature of the rights and benefits waived hereby.

SECTION 7.8. NO WAIVER. No failure on the part of Licensor to exercise, and no delay in exercising, and no course of dealing with respect to, any right, power or privilege under the Name Licensing Agreement shall operate as a waiver thereof, nor shall any single or partial exercise thereof or the exercise of any other right, power or privilege operate as such a waiver.

SECTION 7.9. REMEDIES CUMULATIVE. No right, power or remedy of Licensor under the Name Licensing Agreement shall be exclusive of any other right, power or remedy, but shall be cumulative and in addition to any other right, power or remedy thereunder or existing by law or in equity.

SECTION 7.10. NOTICES. All notices, demands, or other communications required or permitted to be given under the Name Licensing Agreement shall be given in writing by delivering the same against receipt thereof by facsimile transmission (confirmed by registered or certified mail, postage prepaid, return receipt requested), or by registered or certified mail, postage prepaid, return receipt requested, addressed as follows (and if so given, shall be deemed given when mailed or upon receipt of a confirmation, if sent by facsimile):

If to Licensor: Allstate Insurance Company
3100 Sanders Road
Northbrook, Illinois 60062
Attention: -
Facsimile: -

If to Licensee: Allstate Life Global Funding
c/o AMACAR Pacific Corp.
6525 Morrison Boulevard, Suite 318
Charlotte, North Carolina 28211
Attention: President
Facsimile: (704) 365-1362

or at such other address as shall be designated by any party in a written notice to the other party.

SECTION 7.11. COUNTERPARTS. The Name Licensing Agreement and any amendments, modifications, restatements, supplements and/or replacements of the Name Licensing Agreement, or waivers or consents to the Name Licensing Agreement, may be executed in any number of counterparts, and by different parties to the Name Licensing Agreement in separate counterparts, each of which, when so executed and delivered, shall be deemed to be an original and all of which counterparts, when taken together shall constitute

7

one and the same instrument. The Name Licensing Agreement shall become effective upon the execution of a counterpart by each of the parties.

8

APPENDIX A
LICENSED MARKS

- - Allstate
- - Allstate Life
- - [ALLSTATE(SM) LOGO]

A-1

AMENDED AND RESTATED INDEMNITY AGREEMENT

, 2004

Wilmington Trust Company
1100 North Market Street
Rodney Square North
Wilmington, Delaware 19890
Attention: Corporate Trust Administration

Ladies and Gentlemen:

In consideration of Wilmington Trust Company ("WTC") agreeing to enter into that certain Amended and Restated Trust Agreement of Allstate Life Global Funding, a statutory trust formed under the laws of the State of Delaware (the "Trust"), dated as of _____, 2004 (the "Trust Agreement"), among WTC, as Delaware trustee (the "Delaware Trustee"), and AMACAR Pacific Corp., as Administrator and Trust Beneficial Owner, as may be amended and restated from time to time, the Trust pursuant to this letter agreement (this "Agreement"), hereby agrees to the following fee and indemnity arrangements. This Agreement amends, restates and replaces in its entirety that certain Indemnity Agreement dated June 24, 2002 between the Trust and WTC. Capitalized terms used and not otherwise defined herein shall have the meanings assigned to them in the Trust Agreement.

1. The Trust (the "Indemnitor") hereby agrees, whether or not any of the transactions contemplated by the Trust Agreement shall be consummated, to assume liability for, and hereby indemnifies, protects, saves and keeps harmless WTC, and its officers, directors, successors, assigns, legal representatives, agents and servants (each an "Indemnified Person"), from and against any and all liabilities, obligations, losses, damages, penalties, taxes (excluding any taxes payable by WTC on or measured by any compensation received by WTC for its services as Delaware Trustee), claims, actions, investigations, proceedings, costs, expenses or disbursements (including, without limitation, reasonable legal fees and expenses, subject to the limitations contained in the preceding paragraphs) of any kind and nature whatsoever which may be imposed on, incurred by or asserted at any time against an Indemnified Person (whether or not also indemnified against by any other person but in all cases subject to the following two paragraphs) in any way relating to or arising out of (i) the Trust Agreement or any of the other agreements to which the Trust is or becomes a party or the enforcement of any of the terms of any thereof or the administration of the assets of the Trust or the action or inaction of the Delaware Trustee under the Trust Agreement, except where any such claim for indemnification has arisen as a result of the willful misconduct or gross negligence on the part of the Delaware Trustee, or the Delaware Trustee's failure to use ordinary care to disburse funds, or the performance or nonperformance of its duties under the Trust Agreement or any of the other agreements to which the Trust becomes a party.

The obligations of the Indemnitor under this Agreement shall be in addition to any liability which the Indemnitor or any other person may otherwise have and shall survive the termination of the Trust Agreement.

2. The Delaware Trustee shall receive as compensation for its services under the Trust Agreement fees and expenses as set forth on Exhibit A to this Agreement.

3. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all of such counterparts shall together constitute but one and the same Agreement.

4. Notices should be sent as set forth below, or at such other address as such party shall hereafter furnish in writing:

Allstate Life Global Funding
c/o AMACAR Pacific Corp.
6525 Morrison Boulevard, Suite 318
Charlotte, North Carolina
Attention: Douglas K. Johnson
Facsimile: (704) 365-1632

Wilmington Trust Company
1100 North Market Street
Rodney Square North
Wilmington, Delaware 19890
Attention: Corporate Trust Administration
Facsimile: (302) 636-4140

5. No waiver, modification or amendment of this Agreement shall be valid unless executed in writing by the parties hereto.

6. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to conflicts of laws principles.

[SIGNATURE PAGE FOLLOWS]

2

If the foregoing correctly sets forth the understanding and agreement between the Trust and WTC, please so indicate by signing in the space provided for below.

Very truly yours,

ALLSTATE LIFE GLOBAL FUNDING

By: Wilmington Trust Company, not in its individual capacity but solely as Delaware Trustee

By: _____

Name:
Title:

WILMINGTON TRUST COMPANY

By: _____

Name:
Title:

3

EXHIBIT A

COMPENSATION OF DELAWARE TRUSTEE

4

ALLSTATE LIFE INSURANCE COMPANY AND SUBSIDIARIES
 COMPUTATION OF EARNINGS TO FIXED CHARGES RATIO

(in millions)
 FOR THE FOR
 THE YEAR
 ENDED
 DECEMBER 31,
 NINE MONTHS
 ENDED
 SEPTEMBER 30,

 ----- 2003
 2002 2001
 2000 1999
 1998 -----

----- 1.
 Income from
 continuing
 operations
 before income
 taxes, equity
 in net income
 of
 unconsolidated
 subsidiary,
 dividends on
 redeemable
 preferred
 securities of
 subsidiary
 trust and
 cumulative
 effect of
 change in
 accounting
 principle
 \$346 \$302
 \$553 \$711
 \$770 \$838 2.

Dividends
 from less
 than 50%
 owned
 subsidiary -

3. Income
 from
 continuing
 operations
 before income
 taxes (1+2)
 \$346 \$302
 \$553 \$711
 \$770 \$838 ---

Fixed
 Charges: 4.
 Interest on
 indebtedness
 \$ - \$ - \$ - \$ -
 - \$ - \$ - 5.
 Interest
 factor of
 annual rental
 expense \$ - 2
 4 4 4 8 -----

----- 6.
Total fixed
charges (4+5)
\$ - \$ 2 \$ 4 \$
4 \$ 4 \$ 8 ---

7. Income
from
continuing
operations
before income
taxes and
fixed charges
(3+6) \$346
\$304 \$557
\$715 \$774
\$846
=====

----- 8.
Ratio of
earnings to
fixed
charges,
before
dividends on
redeemable
preferred
securities
and interest
credited to
contractholder
funds (7/6) -
152.0 X 139.3
X 178.8 X
193.5 X 105.8
X
=====

----- 9.
Dividends on
redeemable
preferred
securities 2
3 20 20 18 17

10. Total
fixed charges
and dividends
on redeemable
preferred
securities
(6+9) \$ 2 \$ 5
\$ 24 \$ 24 \$
22 \$ 25 -----

----- 11.
Income from
continuing
operations
before income
taxes, fixed
charges and
redeemable
preferred
securities
(3+6+9) \$348
\$307 \$577
\$735 \$792
\$863
=====

----- 12.

Ratio of
earnings to
fixed
charges,
before
interest
credited to
contractholder
funds (11/10)
174.0 X 61.4
X 24.0 X 30.6
X 36.0 X 34.5
X

=====
=====
=====
=====
=====
===== 13.

Interest
credited to
contractholder
funds 1,319
\$1,691 \$1,670
\$1,519 \$1,260
\$1,190 14.

Total fixed
charges
including
dividends on
Redeemable
preferred
securities
and interest
credited to
contractholder
funds (10+13)
\$1,321 \$1,696
\$1,694 \$1,543
\$1,282 \$1,215

15. Income
from
continuing
operations
before income
taxes and
fixed charges
including
interest
credited to
contractholder
funds (3+14)
\$1,667 \$1,998
\$2,247 \$2,254
\$2,052 \$2,053

=====
=====
=====
=====
===== 16.

Ratio of
earnings to
fixed charges
(15/14) 1.3 X
1.2 X 1.3 X
1.5 X 1.6 X
1.7 X

=====
=====
=====
=====
=====

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in this Amendment No. 1 to Registration Statement No. 333-112249 of Allstate Life Global Funding and Allstate Life Insurance Company on Form S-3 of our report dated February 5, 2003, appearing in the Annual Report on Form 10-K of Allstate Life Insurance Company for the year ended December 31, 2002, and to the reference to us under the heading "Experts" in the prospectus, which is part of this Registration Statement.

/s/ Deloitte & Touche LLP

Chicago, Illinois
March 4, 2004

CONSENT OF LEBOEUF, LAMB, GREENE & MACRAE, L.L.P.

We hereby consent to the filing of our opinion letters as Exhibits 5.2 and 8 to the Registration Statement on Form S-3 filed by Allstate Life Global Funding and Allstate Life Insurance Company and to the use of our name under the headings "Certain United States Federal Income Tax Considerations" and "Risk Factors--Risk Factors Relating to the Notes--The notes could be deemed to be participations in the funding agreements or could otherwise be deemed to be contracts of insurance and holders of the notes could be found to be acting as insurance agents or brokers" in the prospectus supplement relating to the secured medium term notes program and in the prospectus supplement relating to the Allstate Life(SM) CoreNotes(SM) program and "Legal Opinions" in the prospectus relating to the secured medium term notes (the "Notes") and to the incorporation by reference of our opinions and consent as exhibits to any registration statement filed in accordance with Rule 462(b) under the Securities Act of 1933 (the "Act"), as amended, relating to the Notes. In giving this consent, we do not thereby concede that we are within the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Securities and Exchange Commission thereunder.

LEBOEUF, LAMB, GREENE & MACRAE, L.L.P.

/s/ LeBoeuf, Lamb, Greene & MacRae, L.L.P

March 4, 2004

CONSENT OF LORD, BISSELL & BROOK

We hereby consent to the references to us contained in the prospectus, which forms a part of the Registration Statement on Form S-3 filed by Allstate Life Global Funding and Form S-3 filed by Allstate Life Insurance Company dated March 4, 2004, Registration File No. 333-112249, relating to the proposed issuance of secured medium term notes by the trusts (the "Registration Statement"), under the headings "Description of the Funding Agreements" and "Legal Opinions". In addition, we hereby consent to the references to us contained in the prospectus supplements, which form a part of the Registration Statement, under the headings "Summary" and "Risk Factors". In giving this consent, we do not admit that we are within the category of persons whose consent is required under Section 7 of, nor do we thereby admit that we are experts with respect to any part of the Registration Statement within the meaning of the term "experts" as used in, the Securities Act of 1933 or the rules and regulations issued by the Securities and Exchange Commission thereunder.

LORD, BISSELL & BROOK

/s/ Lord, Bissell & Brook

Chicago, Illinois
March 4, 2004

CONSENT OF RICHARDS, LAYTON & FINGER, P.A.

We hereby consent to the reference to us contained in the prospectus, which forms a part of the Registration Statement on Form S-3 filed by Allstate Life Global Funding and Form S-3 filed by Allstate Life Insurance Company dated March 4, 2004, Registration File No. 333-112249, relating to the proposed issuance of secured medium term notes by the Delaware statutory trusts (the "Registration Statement"), under the heading "Legal Opinions". In giving this consent, we do not admit that we are within the category of persons whose consent is required under Section 7 of, nor do we thereby admit that we are experts with respect to any part of the Registration Statement within the meaning of the term "experts" as used in, the Securities Act of 1933, as amended, or the rules and regulations issued by the Securities and Exchange Commission thereunder.

RICHARDS, LAYTON & FINGER, P.A.

/s/ Richards, Layton & Finger, P.A.

Wilmington, Delaware
March 4, 2004

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY
OF A TRUSTEE PURSUANT TO SECTION 305(b)(2) X

--

J.P. MORGAN TRUST COMPANY, NATIONAL ASSOCIATION
(Exact name of trustee as specified in its charter)

A National Banking Association 95-4655078
(I.R.S. employer
identification number)

101 California Street, Floor 38
San Francisco, California 94111
(Address of principal executive offices) (Zip Code)

Thomas F. Godfrey
Vice President and Assistant General Counsel
JPMorgan Chase Bank
1 Chase Manhattan Plaza, 25th Floor
New York, New York 10081
(212) 552-2192
(Name, address and telephone number of agent for service)

ALLSTATE LIFE GLOBAL FUNDING
(Exact name of obligor as specified in its charter)

Delaware Not Applicable
(State or other jurisdiction of (I.R.S. employer
incorporation or organization) identification number)

6525 Morrison Boulevard, Suite 318
Charlotte, North Carolina 28211
(Address of principal executive offices) (Zip Code)

Secured Notes
(Title of Indenture Securities)

Item 1. General Information. Furnish the following
information as to the trustee:

(a) Name and address of each examining or
supervising authority to which it is subject.

Comptroller of Currency, Washington, D.C.;
Federal Deposit Insurance Corporation,
Washington, D.C.; The Board of Governors of
the Federal Reserve System, Washington D.C..

(b) Whether it is authorized to exercise
corporate trust powers.

The trustee is authorized to exercise corporate trust powers.

Item 2. Affiliations With the Obligor. If the obligor
is an affiliate of the trustee, describe each
such affiliation.

No such affiliation exists with the trustee.

Item 16. List of exhibits. List below all exhibits filed as a part
of this Statement of Eligibility.

Exhibit 1. Articles of Association of the Trustee as Now in Effect
(see Exhibit 1 to Form T-1 filed in connection with Form 8K)

of the Southern California Water Company filing, dated December 7, 2001, which is incorporated by reference).

- Exhibit 2. Certificate of Authority of the Trustee to Commence Business (see Exhibit 2 to Form T-1 filed in connection with Registration Statement No. 333-41329, which is incorporated by reference).
- Exhibit 3. Authorization of the Trustee to Exercise Corporate Trust Powers (contained in Exhibit 2).
- Exhibit 4. Existing By-Laws of the Trustee (see Exhibit 4 to Form T-1 filed in connection with Form 8K of the Southern California Water Company filing, dated December 7, 2001, which is incorporated by reference).
- Exhibit 5. Not Applicable
- Exhibit 6. The consent of the Trustee required by Section 321 (b) of the Act.
- Exhibit 7. A copy of the latest report of condition of the Trustee, published pursuant to law or the requirements of its supervising or examining authority.
- Exhibit 8. Not Applicable
- Exhibit 9. Not Applicable

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the trustee, J.P. Morgan Trust Company, National Association, a national banking association organized and existing under the laws of the United States of America, has duly caused this Statement of Eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Phoenix and State of Arizona, on the 4th day of March, 2004.

J.P. Morgan Trust Company, National Association,
Trustee

By: /s/ Steven M. Wagner

Steven M. Wagner
Vice President

EXHIBIT 6

THE CONSENT OF THE TRUSTEE REQUIRED
BY SECTION 321(b) OF THE ACT

March 4, 2004

Securities and Exchange Commission
Washington, D.C. 20549

Ladies and Gentlemen:

In connection with the qualification of an indenture between Allstate Life Global Funding and J.P. Morgan Trust Company, National Association, as Trustee, the undersigned, in accordance with Section 321(b) of the Trust Indenture Act of 1939, as amended, hereby consents that the reports of examinations of the undersigned, made by Federal or State authorities authorized to make such examinations, may be furnished by such authorities to the Securities and Exchange Commission upon its request therefor.

Very truly yours,

J.P. Morgan Trust Company, National Association

By: /s/ Steven M. Wagner

Steven M. Wagner
Vice President

EXHIBIT 7

J. P. Morgan Trust Company, National Association
Statement of Condition

September 30, 2003

(\$000)

Assets	
Cash and	
Due From	
Banks	\$32,688
Securities	115,560
Loans and	
Leases	41,185
Premises	
and Fixed	
Assets	9,470
Intangible	
Assets	158,727
Other	
Assets	15,568 ---

Total	
Assets	\$373,198 -

Liabilities	
Deposits	\$102,395
Other	
Liabilities	47,412 ---

Total	
Liabilities	149,807
Equity	
Capital	
Common	
Stock 600	
Surplus	181,587
Retained	
Earnings	41,204 ---

Total	
Equity	
Capital	223,391 --

Total	
Liabilities	
and Equity	
Capital	\$373,198 -
