

# Annuity New Business Checklist

Protective Life Insurance Company<sup>1</sup>  
West Coast Life Insurance Company<sup>1</sup>  
Protective Life and Annuity Insurance Company

## APPLICATION

**Customer information completed in its entirety where applicable.**

**Beneficiary information completed in its entirety. Please note the following:**

- ✓ Beneficiary allocations must equal 100% for both Primary and Contingent Beneficiaries.
- ✓ Percentage and Designation are required for each beneficiary.
- ✓ Any additional beneficiaries not included on the application must be submitted in writing with a signature of the owner(s) and dated.

**Plan Type. Please note the following:**

- ✓ Include the plan type that we are to issue the contract and ensure that it is applicable to the product being sold.
- ✓ Include the amount being submitted as well as any transfer and tax information applicable to this contract.

**Fund Allocations must equal 100%.**

**Replacement Questions completed in their entirety by both customer and agent.**

**Customer Signature. All owners must sign.**

- ✓ Annuitant signature is required if different than the owner(s).
- ✓ Complete Date, City and State fields.

**Agent Signature. To ensure timely processing, please include the following:**

- ✓ Agent's name printed, Agency name, and Agent's phone number.
- ✓ Florida License ID # if applicable.

**Indexed Annuities 14 Calendar days. Application and funds or Application and Transfer/Exchange form **must be received within 14 calendar days of sign date.****

- ✓ All Initial Premiums should be identified on application (checks & transfers) - funded premium (checks) must accompany the new business – do not wait to forward
- ✓ Client-initiated transactions – 60 day rate/cap lock given if completed LAD 1120 Transfer/Exchange form, with Client Initiated box checked, is completed

## SUITABILITY FORM

*Required for all annuity business submitted through an IMO/BGA. Where FINRA firms have a certified program for Protective to accept your firm's Registered Principal approval, the form is not required.*

## REPLACEMENT FORM(S)

*Please complete all applicable Replacement Forms.*

## TRANSFER / ROLLOVER / EXCHANGE FORM

*Please complete all applicable forms.*

## TRUST DOCUMENTATION

*If the owner is a Trust, we must receive a copy of the Trust Certification form or the first and last page of the trust in order to issue the contract.*

## POWER OF ATTORNEY DOCUMENTATION

*If applicable, POA documentation is required.*

<sup>1</sup> Not authorized in New York

FOR AGENT / BROKER DEALER INFORMATION ONLY. NOT FOR USE WITH CONSUMERS.

"Annuity contracts issued by Protective Life Insurance Company (PLICO-not authorized to sell insurance in NY), West Coast Life Insurance Company (WCL - not authorized to sell insurance in NY) and Protective Life and Annuity Insurance Company (PLAICO-authorized to sell life insurance in NY). Securities offered by Investment Distributors, Inc. (IDI). PLICO, PLAICO, and IDI are located at Birmingham, AL 35223, WCL located at San Francisco, CA 94104. All are subsidiaries of Protective Life Corporation. Protective Life Corporation is a separate company and is not responsible for the financial condition or the contractual obligations of PLICO, WCL, PLAICO, or IDI.

**INDIVIDUAL ANNUITY APPLICATION**

**Protective Life Insurance Company**

*Send Applications to:*

**Overnight:** 2801 Hwy 280 South, Birmingham, Alabama 35223  
**U. S. Mail:** P. O. Box 10648, Birmingham, Alabama 35202-0648  
(800) 456-6330

**Select Product:**  Protective Secure Saver  
A Fixed Deferred Annuity Contract

Contract # \_\_\_\_\_

**PRIMARY OWNER** (If mailing address is a P.O. Box, please provide a physical address in the 'Remarks' area.)

Name: \_\_\_\_\_ Daytime Phone: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

SSN/Tax ID: \_\_\_\_\_ DOB: \_\_\_\_\_  M  F Email: \_\_\_\_\_

**JOINT OWNER** (If applicable.)

Name: \_\_\_\_\_ Daytime Phone: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

SSN/Tax ID: \_\_\_\_\_ DOB: \_\_\_\_\_  M  F Email: \_\_\_\_\_

**ANNUITANT** (If different from Primary Owner. Must be a living person.)

Name: \_\_\_\_\_ Daytime Phone: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

SSN/Tax ID: \_\_\_\_\_ DOB: \_\_\_\_\_  M  F Email: \_\_\_\_\_

**PLAN TYPE**  Non-Qualified  Traditional IRA  Roth IRA  Other \_\_\_\_\_  
*(Please choose one.)*

**TOTAL ESTIMATED INITIAL PURCHASE PAYMENT:** \$ \_\_\_\_\_  
*(Minimum: \$10,000)*

**FUNDING SOURCE:**  Transfer - \$ \_\_\_\_\_  Cash - \$ \_\_\_\_\_  
*(Please check all that apply.)*  Rollover - \$ \_\_\_\_\_  1035 Exchange - \$ \_\_\_\_\_  
 IRA or Roth IRA Contribution - \$ \_\_\_\_\_ for Tax Year \_\_\_\_\_

**WITHDRAWAL CHARGE PERIOD and PRIMARY GUARANTEE PERIOD:**  5 Years  7 Years  
*(Please choose one period length – same for both withdrawal charge period and primary guarantee period.)*

**REMARKS:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**An annuity contract is not a deposit or obligation of, or guaranteed by any bank or financial institution.  
It is not insured by the Federal Deposit Insurance Corporation or any other government agency.**

**IMPORTANT NOTICE**

**Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.**

**REPLACEMENT:**

- Will this annuity change or replace an existing life insurance policy or annuity contract?  NO  YES
- Do you currently have a life insurance policy or annuity contract?  NO  YES  
*(If "YES", please provide the company name and policy or contract number below.)*

Company - \_\_\_\_\_ Policy or Contract # \_\_\_\_\_  
 Company - \_\_\_\_\_ Policy or Contract # \_\_\_\_\_  
 Company - \_\_\_\_\_ Policy or Contract # \_\_\_\_\_

**NOT INSURED BY ANY GOVERNMENT AGENCY · NO BANK GUARANTEE · NOT A DEPOSIT**

I understand this application will become part of my annuity contract. I have read the completed application and confirm that the information it contains is true and correct, to the best of my knowledge and belief. However, these statements are representations and not warranties. If this application has a Joint Owner, Protective Life may accept instructions from either Owner on behalf of both Owners.

I have read and understand the "Annuity Buyer's Guide" and the annuity Disclosure Statement provided to me by my financial advisor.

I believe this annuity meets my current needs and financial objectives.

**I understand that during the withdrawal charge period, withdrawals from the contract that exceed any available free-withdrawal amount are subject to a limited market value adjustment and a withdrawal charge.**

Application signed at: \_\_\_\_\_ on \_\_\_\_\_  
*(City and State) (Date)*

\_\_\_\_\_  
Owner's Signature Joint Owner's Signature (if applicable) Annuitant's Signature (if not an Owner)

**Federal law requires the following notice: We may request or obtain additional information to establish or verify your identity.**

**Use Administrative Form LAD-1225 to name or change a beneficiary anytime before the death of an owner.**

**PRODUCER REPORT:**

*(To prevent delays processing this application, please complete all questions in this section.)*

To the best of your knowledge and belief:

- Does this annuity purchase change or replace any existing life insurance policy or annuity contract?  NO  YES
- Does the applicant have any existing life insurance policy(s) or annuity contract(s)?  NO  YES

Type of unexpired government issued photo I.D. used to verify the applicant's identity? \_\_\_\_\_  
*(Type) (Number)*

I determined the suitability of this annuity to the applicant's current financial needs, goals, and situation by asking about the applicant's financial status, tax status, financial goals and objectives, and other relevant information.

I have accurately recorded the information provided by the applicant(s). I have not used any written sales materials other than those approved by Protective Life. I have reasonable grounds to believe the purchase of this annuity is suitable for the applicant(s).

Producer 1 Signature \_\_\_\_\_ Producer 1 # \_\_\_\_\_ Share \_\_\_\_\_ %  
 Producer 1 Printed Name \_\_\_\_\_ Producer 1 Florida Lic. # (if applicable) \_\_\_\_\_  
 Broker/Agency Name \_\_\_\_\_ Phone # \_\_\_\_\_ Email \_\_\_\_\_  
 Producer 2 Printed Name \_\_\_\_\_ Producer 2 # \_\_\_\_\_ Share \_\_\_\_\_ %

**An annuity contract is not a deposit or obligation of, or guaranteed by any bank or financial institution. It is not insured by the Federal Deposit Insurance Corporation or any other government agency.**



## Protective Secure Saver

A Limited Flexible Premium Deferred Fixed Annuity  
with a Limited Market Value Adjustment  
Form Series: LDA-P-2012

## Protective Life Insurance Company

www.protective.com  
2801 Hwy 280 South, Birmingham, AL 35223  
800-456-6330

# DISCLOSURE STATEMENT

This document reviews important points to consider before you buy a *Protective Secure Saver*. It is a summary document and not part of your contract with us. The contract governs your rights and our obligations.

## WHAT IS AN ANNUITY?

An annuity is a legal contract between you and an insurance company. An annuity should be used to accumulate money for *long-term* financial goals, like retirement. An annuity is the only financial product that can create a stream of income payments *guaranteed to last as long as you live*.

The *Protective Secure Saver* is a limited flexible premium deferred fixed annuity. *Limited flexible premium* means that you may – but are not required to – send us additional premium, but only during the first contract year. The minimum initial premium required to issue a contract is \$10,000. Each additional premium must be at least \$50. The maximum total premium we will accept is \$1 million per contract. In a *deferred annuity*, the income payments you receive begin in the future. The interest credited to a *fixed annuity* is determined by interest rates which we set from time to time, and which we guarantee for a specified period. You do not pay taxes on the interest earned until the money is actually paid to you.

## DEFINITIONS

**Annuitant** – The person whose life is used to determine the income payments.

**Annuity Date** – The date on which the income payments begin.

**Beneficiary** – The person who will receive the death benefit if the owner dies before the annuity date.

**Owner** – The person who purchases a contract, and the person from whom we accept instructions regarding the contract.

## HOW DOES MY ANNUITY EARN INTEREST?

- **Primary Guarantee Period** – Your purchase payment (premium) is applied to the contract's Primary Guarantee Period. It begins on the contract's issue date. The length of the Primary Guarantee Period is the same as the withdrawal charge period you select when you purchase a contract. Interest is credited daily at a rate that, when compounded, yields the fixed annual rate that is set at the time the purchase payment is applied to the Primary Guarantee Period. The annual interest rate for purchase payments applied on the issue date is guaranteed for the entire Primary Guarantee Period. The annual interest rate for purchase payments applied at a later date is guaranteed for the time remaining in the Primary Guarantee Period.
- **Renewal Guarantee Periods** – When the Primary Guarantee Period ends, your contract value is immediately applied to a one-year Renewal Guarantee Period. Interest is credited daily at a rate that, when compounded, yields the fixed annual rate that is set at the time the contract value is applied to the Renewal Guarantee Period. The annual interest rate is guaranteed for one year. Successive one-year Renewal Guarantee Periods automatically begin (with interest credited at the one-year renewal rate then in effect) when the existing Renewal Guarantee Period ends, until the contract ends or income payments begin.
- **Minimum Interest Rate** – We may set different interest rates for purchase payments applied to the Primary Guarantee Period at different times. We may set different interest rates for contract value applied to different Renewal Guarantee Periods at different times. However, the interest rates we set will never be less than the contract's minimum interest rate.
- **Contract Value** – Any time before the annuity date, the contract value is equal to the sum of all purchase payments and all interest credited, minus withdrawals from the contract (including applicable withdrawal charges and any market value adjustment), and minus any applicable premium tax. The contract value is the basis used to determine the surrender value, death benefit and the income payments.

**HOW DO I GET MONEY OUT OF MY ANNUITY BEFORE THE INCOME PAYMENTS BEGIN?**

The *Protective Secure Saver* is designed to grow your contract value during the accumulation period and on the annuity date, convert the contract value to a regular, predictable stream of income payments according to your instructions. However, you may access all or a portion of the contract value before the annuity date by taking a withdrawal, or surrendering the annuity.

- **Free-Withdrawal Amount** – Each contract year, you may withdraw up to 10% of the contract value as of the prior contract anniversary without having the market value adjustment ("MVA") applied or incurring a withdrawal charge. (During the 1<sup>st</sup> contract year, you may withdraw up to 10% of the initial purchase payment.) Aggregate withdrawals during any contract year that exceed the free-withdrawal amount are subject to the MVA and the withdrawal charge, which are described below.
- **Market Value Adjustment ("MVA")** – The market value adjustment ("MVA") adjusts the amount we deduct from the contract value to satisfy your withdrawal request. When it applies, it can increase, decrease, or have no effect on that amount. Including an MVA in the contract means you participate in changes in market interest rates if you request a withdrawal (in excess of the free-withdrawal amount) during the contract's withdrawal charge period.

We calculate the MVA according to the formula described in your contract. In general, however, if interest rates are *higher* on the withdrawal date than on the contract's issue date, the MVA will **increase** the amount we deduct from the contract value to satisfy your withdrawal request. Conversely, if interest rates are *lower* on the withdrawal date than on the issue date, the MVA will **decrease** the amount we deduct from the contract value. The MVA formula also includes a component that reduces the impact of the MVA over time. So, if all other things are equal, a withdrawal taken later in the withdrawal charge period will have a smaller MVA than the same withdrawal taken earlier.

- **Withdrawal Charge** – You select the contract's withdrawal charge period when you purchase the annuity. Longer withdrawal charge periods are typically associated with the opportunity to earn interest at higher rates. *Protective Secure Saver* offers withdrawal charge periods of 5 and 7 years. The withdrawal charge period determines the length of the Primary Guarantee Period for interest applied to your purchase payment.

The withdrawal charge is a set percentage of the net reduction to the contract value needed to satisfy your withdrawal request (in excess of the free-withdrawal amount), including the MVA. The withdrawal charge **increases** the total amount we deduct from the contract value.

- **Withdrawal Charge Percentage** – The withdrawal charge percentage that applies each contract year is a function of the number of complete contract years that have elapsed since the contract issue date.

# of Complete Years Elapsed Since the Contract Issue Date	0	1	2	3	4	5	6	7+
5-Year Withdrawal Charge Period	9%	8%	7%	6%	5%	0%	0%	0%
7-Year Withdrawal Charge Period	9%	8%	7%	6%	5%	4%	3%	0%

- **MVA and Withdrawal Charge Waivers** – Neither the market value adjustment nor the withdrawal charge apply after the withdrawal charge period for your contract expires. Subject to state approval, we also waive any MVA and withdrawal charge that would otherwise apply if, after the contract issue date, you or your spouse meet the qualifying conditions described in the contract and...

- enter a nursing home or are diagnosed with a terminal illness that is expected to result in death within 12 months; or
- become unemployed.

Finally, the MVA and withdrawal charge do not apply when we pay the death benefit or when, on the annuity date, the contract value is withdrawn, surrendered or applied to an annuity option.

**All withdrawals reduce the contract value, death benefit and future income payments. Withdrawals are subject to income tax and may be subject to a 10% federal tax penalty if taken before age 59½. You should consult a professional to assess the impact to your personal tax situation of a withdrawal from the contract.**

## IS THERE A DEATH BENEFIT?

- Death Benefit – The contract pays a death benefit to the beneficiary if an owner dies before the annuity date. The death benefit is the contract value.
- Payment of the Death Benefit – The Internal Revenue Code controls how the death benefit must be paid. The death benefit may be taken in one lump sum immediately, and the contract will terminate. If not taken immediately, the death benefit will continue to earn interest according to the terms of the contract and must be fully distributed either: a) within 5 years of the owner's death; or, b) over the life (or life expectancy) of the beneficiary with payments beginning within one year of the owner's death.
- Additional Option for a Spouse – If the deceased owner's spouse is the sole primary beneficiary, instead of taking the death benefit, the surviving spouse may continue the contract and become the owner. Note, however, that unmarried civil union or domestic partners are not treated as spouses under federal law. Therefore, this 'spousal continuation' option is not available even though these relationships may be fully recognized in your state.

## HOW DO I BEGIN INCOME PAYMENTS?

- Annuity Date – On the annuity date, you may apply the contract value to an annuity option and begin the income payments. Or, you may take that amount in a lump sum. The latest annuity date is the oldest owner's or annuitant's 95<sup>th</sup> birthday, but you may choose an earlier date, provided it occurs after the first contract anniversary.
- Income Payments – You customize the income payments by selecting the annuity option and the payment frequency. Once established, however, your income payments may not be altered or surrendered. Two basic annuity options are available: Income payments for a specified time (called a "certain period"); or, Income payments for life, with or without a certain period.
- Payment Frequency – Income payments must occur at least once a year, but you may have them made monthly, quarterly or semi-annually. More frequent payments will result in slightly lower annual amounts than less frequent payments. So, for example, the sum of 12 monthly payments will be a little bit less than the sum of 4 quarterly payments which, in turn, will be smaller than a single annual payment.
- Payments for a Certain Period – We will make periodic income payments for the entire certain period you select. No certain period may be less than 10 years, unless we agree to a shorter period.
- Payments for Life with or without a Certain Period – Income payments can be based on the life of either one or two living persons called 'annuitants'. Income payments under a 'single life' annuity option end upon the death of the annuitant. Income payments under a 'joint life' option end when the last surviving annuitant dies. If you select a joint life option, you may – but are not required – to specify a reduction in the income payments to a surviving annuitant.  

You may add a certain period to either a single or joint life annuity option. If you do, the income payments are guaranteed for at least as long as the certain period you select, and continue beyond that time for as long as the annuitant (or if joint life, the last surviving annuitant) lives.
- Default Annuity Option – If you do not select an annuity option, on the annuity date we will begin making monthly income payments for the life of the named annuitant with a 10-year certain period.
- Minimum Annuity Rates – The minimum annuity rates for the annuity options are described in the contract and guaranteed. If, at the time your income payments begin, we are offering higher rates for the same annuity option, your income payments will be based on the higher rates.

## HOW DOES THIS ANNUITY AFFECT MY FEDERAL INCOME TAXES?

*The information in this section is based on information you provide and our understanding of current federal tax law. Protective Life does not provide tax advice. You should always consult with a trusted professional to determine the impact of any financial transaction on your personal tax situation.*

- **Tax Status** – You have indicated your contract will be:  Non-Qualified  IRA, or other Tax Qualified Plan
- **Deferred Taxation of Interest Earned** – An annuity contract is a tax deferred financial instrument. You are not taxed on the interest credited to the contract until it is paid to you. At that time, you will pay tax at the same rate as other ordinary income. You may also be subject to a 10% federal tax penalty if the withdrawal occurs before age 59½, unless an exception applies (e.g., death, disability, substantially equal periodic payments, etc.).
- **Tax-Qualified Plans** – If this annuity is a traditional IRA (or other tax qualified plan), you will pay taxes on the entire amount withdrawn because – generally – the money that funds the contract has not yet been taxed. *These plans provide the same tax deferral as an annuity contract*, so the annuity does not provide any additional tax benefits. However, an annuity may have other valuable features that enhance these plans.
- **Tax-Free Exchanges** – You can exchange one tax-deferred annuity for another without paying taxes on the earnings when you made the exchange. Before you do, compare the benefits, features, and costs of the two annuities. You may be assessed a charge by the company who issued your current annuity, and you may be subject to company charges under the new annuity if you take withdrawals from it.

## WHAT ELSE SHOULD I KNOW ABOUT THIS ANNUITY?

- **Fees and Charges** – We do not charge a fee to issue a contract, and there are no ongoing or annual fees associated with owning it. The market value adjustment and withdrawal charge (explained above) are the only charges we will assess, and you may avoid them by not withdrawing more than the free withdrawal amount in any contract year during the withdrawal charge period.
- **Dividends** – This contract does not pay dividends, nor does it share in our surplus or profits.
- **Contract Changes** – We may change the contract to comply with any federal or state statutes, rules or regulations. If this occurs, we will notify you about the changes in writing.
- **Sales Commission** – We pay a commission to the financial professional who sells the annuity to you. In some cases, the commission paid for selling this annuity may be more than the commission earned by selling another product.
- **Right to Cancel** – If you purchase a contract, you may cancel it for any reason within a specified number of days (not less than 10) after the date you receive it by returning it to us or the person who sold it to you with a written request for cancellation. If cancelled, we will promptly return all the money you paid to purchase the contract.



# PROTECTIVE LIFE INSURANCE COMPANY

P.O. Box 10648

Birmingham, AL 35202-0648

Telephone: 1-800-456-6330

## IMPORTANT NOTICE: REPLACEMENT OF LIFE INSURANCE OR ANNUITIES

This document must be signed by the applicant and the insurance producer/agent, if there is one, and a copy left with the applicant.

You are contemplating the purchase of a life insurance policy or annuity contract. In some cases this purchase may involve discontinuing or changing an existing policy or contract. If so, a replacement is occurring. Financed purchases are also considered replacements.

A replacement occurs when a new life insurance policy or annuity contract is purchased and, in connection with the sale, you discontinue making premium payments on the existing life insurance policy or annuity contract, or an existing life insurance policy or annuity contract is surrendered, forfeited, assigned to the replacing insurer, or otherwise terminated or used in a financed purchase.

A financed purchase occurs when the purchase of a new life insurance policy involves the use of funds obtained by the withdrawal or surrender of or by borrowing some or all of the life insurance policy values, including accumulated dividends, of an existing life insurance policy, to pay all or part of any premium or payment due on the new life insurance policy. A financed purchase is a replacement.

You should carefully consider whether a replacement is in your best interests. You will pay acquisition costs and there may be surrender costs deducted from your life insurance policy or annuity contract. You may be able to make changes to your existing life insurance policy or annuity contract to meet your insurance needs at less cost. A financed purchase will reduce the value of your existing life insurance policy and may reduce the amount paid upon the death of the insured.

We want you to understand the effects of replacements and ask that you answer the following questions and consider the questions on the back of this form.

1. Are you considering discontinuing making premium payments, surrendering, forfeiting, assigning to the insurer, or otherwise terminating your existing life insurance policy or annuity contract?  Yes  No
2. Are you considering using funds from your existing policies or annuity contracts to pay premiums due on the new life insurance policy or annuity contract?  Yes  No

If you answered "yes" to either of the above questions, list each existing life insurance policy or annuity contract you are contemplating replacing (include the name of the insurer, the insured or annuitant, and the life insurance policy or annuity contract number if available) and whether each life insurance policy or annuity contract will be replaced or used as a source of financing:

INSURER NAME	ANNUITY CONTRACT OR LIFE INSURANCE POLICY #	INSURED OR ANNUITANT	REPLACED (R) OR FINANCING (F)
1. _____			
2. _____			
3. _____			

Make sure you know the facts. Contact your existing company or its insurance producer/agent for information about the old life insurance policy or annuity contract. If you request one, an in-force illustration, life insurance policy summary or available disclosure documents must be sent to you by the existing insurer. Ask for and keep all sales material used by the insurance producer/agent in the sales presentation. Be sure that you make an informed decision.

The existing life insurance policy or annuity contract is being replaced because \_\_\_\_\_.

I certify that the responses herein are, to the best of my knowledge, accurate:

\_\_\_\_\_  
Applicant's Signature and Printed Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Insurance Producer's/Agent Signature and Printed Name

\_\_\_\_\_  
Date

I do not want this notice read aloud to me. \_\_\_\_ (Applicants must initial only if they do not want the notice read aloud.)

A replacement may not be in your best interest, or your decision could be a good one. You should make a careful comparison of the costs and benefits of your existing life insurance policy or annuity contract and the proposed life insurance policy or annuity contract. One way to do this is to ask the company or insurance producer/agent that sold you your existing life insurance policy or annuity contract to provide you with information concerning your existing life insurance policy or annuity contract. This may include an illustration of how your existing life insurance policy or annuity contract is working now and how it would perform in the future based on certain assumptions. Illustrations should not, however, be used as a sole basis to compare policies or annuity contracts. You should discuss the following with your agent to determine whether replacement or financing your purchase makes sense:

#### PREMIUMS:

Are they affordable?

Could they change?

You're older – are premiums higher for the proposed new life insurance policy?

How long will you have to pay premiums on the new life insurance policy? On the old life insurance policy?

#### POLICY VALUES:

New policies usually take longer to build cash values and to pay dividends.

Acquisition costs for the old life insurance policy may have been paid; you will incur costs for the new one.

What surrender charges do the policies have?

What expense and sales charges will you pay on the new life insurance policy?

Does the new life insurance policy provide more insurance coverage?

#### INSURABILITY:

If your health has changed since you bought your old life insurance policy, the new one could cost you more, or you could be turned down.

You may need a medical exam for a new life insurance policy.

(Claims on most new policies for up to the first two years can be denied based on inaccurate statements.

Suicide limitations may begin anew on the coverage.)

#### IF YOU ARE KEEPING THE OLD LIFE INSURANCE POLICY AS WELL AS THE NEW LIFE INSURANCE POLICY:

How are premiums for both policies being paid?

How will the premiums on your existing life insurance policy be affected?

Will a loan be deducted from death benefits?

What values from the old life insurance policy are being used to pay premiums?

#### IF YOU ARE SURRENDERING AN ANNUITY OR INTEREST SENSITIVE LIFE PRODUCT:

Will you pay surrender charges on your old annuity contract?

What are the interest rate guarantees for the new annuity contract?

Have you compared the annuity contract charges or other life insurance policy expenses?

#### OTHER ISSUES TO CONSIDER FOR ALL TRANSACTIONS:

What are the tax consequences of buying the new life insurance policy?

Is this a tax-free exchange? (See your tax advisor.)

Is there a benefit from favorable "grandfathered" treatment of the old life insurance policy under the Federal Internal Revenue Tax Code?

Will the existing insurer be willing to modify the old life insurance policy?

How does the quality and financial stability of the new company compare with your existing company?

#### WHEN A REPLACEMENT OCCURS, YOU HAVE A THIRTY (30) DAY RIGHT TO RETURN THE CONTRACT

Return the contract within thirty (30) days of the delivery of the contract and receive an unconditional refund of premiums paid, including any policy fees or charges.

In the case of a variable or market value adjustment policy or contract, receive a refund of the cash surrender value provided under the contract plus any fees and charges deducted from the gross premiums paid.



**Request for Transfer or  
Exchange of Assets**

Protective Life Insurance Company <sup>1</sup>  
West Coast Life Insurance Company <sup>1</sup>  
Protective Life and Annuity Insurance Company  
Post Office Box 10648 / Birmingham, AL 35202-0648  
Toll Free: 800-456-6330 / Fax: 205-268-3151

Existing Protective Contract Number: \_\_\_\_\_ (for additional payments only)

Check here and complete Box 4 if this is being submitted for a Rate Lock only. (If Rate Lock request is for a CD, you **must** include proof of maturity from the Financial Institution.)

**Please do not select this option for the *Protective Indexed Annuity*, because the interest crediting elements for that product are determined as of the date the contract is purchased.**

Complete this form to transfer assets to Protective Life Insurance Company, West Coast Life Insurance Company or Protective Life and Annuity Insurance Company (each, the "Company") for the issuance of a new annuity contract.

**EXISTING ACCOUNT, CONTRACT OR POLICY TO BE TRANSFERRED**

\_\_\_\_\_  
Company Name Telephone Number

\_\_\_\_\_  
Email Address Fax Number

\_\_\_\_\_  
Company (Overnight) Address

\_\_\_\_\_  
Owner's Name Owner's SSN/Tax ID Joint Owner's Name Jt Owner's SSN/Tax ID

\_\_\_\_\_  
Contract/Account Number Annuitant Name & SSN  
(If different than Owner/Joint Owner) The contract is:  
 attached  
 lost or destroyed

Please check this box if the existing contract being surrendered is a Fixed Annuity. (If box is checked, and your new Protective Life annuity is being issued in the state of Nevada, please complete form A-1128-NEV-Annuity.)

**EXISTING ACCOUNT, CONTRACT OR POLICY TO BE TRANSFERRED**

<input type="checkbox"/> CLIENT/AGENT INITIATED Non-Qualified:	<input type="checkbox"/> INTERNAL EXCHANGE	<input type="checkbox"/> EXTERNAL EXCHANGE Qualified:
<input type="checkbox"/> 1035 Exchange <input type="checkbox"/> Non-1035 Exchange <input type="checkbox"/> Mutual Fund <input type="checkbox"/> Bank CD <input type="checkbox"/> Other Non-1035 Exchanges	1. Plan Type: <input type="checkbox"/> IRA <input type="checkbox"/> 401(k) <input type="checkbox"/> Mutual Fund	2. Transfer Type: <input type="checkbox"/> CD <input type="checkbox"/> Roth IRA <input type="checkbox"/> 403(b)/TSA <input type="checkbox"/> Other _____

**Proposed Plan Type:**  Non-Qual  IRA  Roth IRA  Other \_\_\_\_\_

**TRANSFER INSTRUCTIONS**

See Attached LOI

1. Amount to be transferred:  Complete: Liquidate and transfer all assets in my account, contract or policy  
 Partial: Liquidate and transfer assets totaling \$ \_\_\_\_\_
2. When should transfer occur:  Immediately  
 Upon maturity date of \_\_\_\_/\_\_\_\_/\_\_\_\_ (mm/dd/yy)
3. Current estimated value of the assets to be transferred are \$ \_\_\_\_\_
4. **RATE LOCK**  I wish to lock in the interest rate that is in effect when this signed form is received by the Company. **If this box is not checked, you will receive the interest rate in effect on the day we receive the transferred amounts.**  
(Please do not select this option for the *Protective Indexed Annuity*, because the interest crediting elements for that product are determined as of the date the contract is purchased.)

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**Complete 1035 Exchange:** I hereby make a complete and absolute assignment and transfer all rights, title and interest of every nature in the above contract to the accepting insurance company indicated below.

**Partial 1035 Exchange:** I hereby direct the issuer of the above-referenced existing annuity contract to process a partial 1035 exchange to the accepting insurance company indicated below. I intend for this transaction to qualify as a tax-free exchange for Federal income tax purposes.

**Based on our understanding of IRS guidance in Rev. Proc. 2011-38, if a contract is involved in a tax-free partial exchange under Internal Revenue Code section 1035 that is completed on or after October 24, 2011, and an amount is withdrawn from or received in surrender of either contract within 180 days of the exchange, the IRS will apply general tax principles to determine the substance, and hence the treatment of the partial exchange and the subsequent withdrawal or surrender. Such a withdrawal or surrender could affect how the partial exchange and the withdrawal or surrender is reported to you and the IRS.**

**For Other Transfers:** Unless it is noted above to hold for a future date, I request the surrendering company to immediately complete the transfer or rollover. Do not withhold any amount for taxes from the proceeds.

---

**SIGNATURES:**

_____	_____	_____	_____
Owner's Signature	Date	Joint Owner's Signature	Date
_____	_____		
Annuitant's Signature	Date		

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**FOR HOME OFFICE USE ONLY**

**NOTICE OF ACCEPTANCE:** The Company will accept the assets and credit them to an annuity contract as described above. The Company has received an application from the Owner to establish an annuity contract for this transaction.

_____	_____	_____
Authorized Signature	Title	Date

**SETTLEMENT:** Please make check payable for the proceeds and mail to:

- Protective Life Insurance Company
- Protective Life and Annuity Insurance Company (New York Only)
- West Coast Life Insurance Company

Mailing Address: PO Box 10648  
Attn: 3-1 Annuity New Business  
Birmingham, AL 35202-0648

Overnight Address: 2801 Highway 280 South  
Attn: 3-1 Annuity New Business  
Birmingham, AL 35223

## **New Hampshire Buyer's Guide to Annuities**

### **WHAT IS AN ANNUITY?**

An annuity is a series of payments made at regular intervals. You can buy annuity contracts from life insurance companies. In return for premiums that you pay, the company will pay you an annuity. An annuity contract is not a life insurance policy or a health insurance policy. It is not a savings account or savings certificate, nor should it be bought for short term purposes.

### **TYPES OF ANNUITY CONTRACTS**

Annuity contracts may be classified in a number of ways. The most common classifications are set out below.

Annuity contracts may be either immediate or deferred. Immediate annuity contracts provide income payments that start shortly after you pay the premium. Deferred annuity contracts provide income payments that start later, often many years later. Thus, the main reason for buying an immediate annuity contract is to obtain an income, most frequently for retirement purposes. There are two reasons for purchasing a deferred annuity contract. One is to obtain a vehicle for the accumulation of money on a tax-deferred basis. Secondly, the money accumulated can then provide an income.

Annuity contracts may be either single premium or installment premium. Single premium contracts require you to pay the company only one premium. Installment premium contracts are designed for a series of premiums. Most of these are flexible premium contracts; they allow you to pay as much as you wish whenever you wish, within specified limits. Others are scheduled premium contracts, which specify the size and frequency of your premiums.

Annuity contracts may be either individual or group. Individual contracts cover only one or two person. Group contracts cover a specified group of people.

Annuity contracts may be fixed, variable, or a combination of both. During the deferred period of a fixed annuity contract, premiums (less charges) are accumulated at rates of interest set by the company. The amount of each annuity payment is determined when payments begin. During the deferred period of a variable annuity, the value of the accumulated premiums (less charges) varies with the performance of a specified pool of investments. The amount of annuity payments also varies with the performance of the pool. Combination annuities allow you to put part of your premium in a fixed annuity and part in a variable annuity.

Some companies offer deposit fund arrangements under the provisions of their life insurance policies or annuity contracts. These arrangements allow you to pay amounts, in addition to your premiums, which will be accumulated at interest in much the same way as under a deferred fixed annuity contract. The balance of this Buyer's Guide deals specifically with deferred fixed annuity contracts and therefore, is generally applicable to deposit fund arrangements also.

### **ANNUITY CONTRACT FEATURES**

Your value in the contract consists of the premiums you have paid, less charges, plus interest credited. This value is used to calculate the amount of most benefits that you will receive. Charges, interest, and benefits are explained below.

### **CHARGES**

Considerable diversity exists in the types and amounts of charges. A typical contract might contain one or more of the following types of charges. Companies may refer to these charges by different names. Also while some charges will be fixed by the contract, other charges may be changed by the company from time to time.

**Percentage of Premium Charge.** This charge, often called a "load" is deducted from each premium paid. The percentage may reduce after the contract has been in force for a certain number of years or after total premiums paid have reached a certain level.

**Contract Fee.** This is a flat dollar amount charged either once at issue or annually.

**Transaction Fee.** This is a charge per premium payment or other transaction.

Surrender Charge. This charge is usually a percentage of the value of the contract or of premiums paid. The percentage may be reduced or eliminated after the contract has been in force for a certain number of years. Sometimes the charge takes the form of a reduction in the interest rate credited. In some cases, the charge is eliminated if the interest rate declared by the company falls below a certain level.

## **INTEREST**

The interest rate used to accumulate contract values may never be less than the guaranteed rate stated in the contract. In practice, the interest rate actually used by a company, usually referred to as the "current rate", is often higher. The company may change the current rate from time to time, but it cannot be lower than the guaranteed rate. Companies differ substantially in their methods of determining the current rate.

## **BENEFITS**

Annuity contracts provide a number of benefits. While the annuity income benefit is the primary one, the other benefits set out below are also important.

### **ANNUITY INCOME BENEFIT**

Income payments are usually made monthly, although other frequencies are available. The amount of the annuity payments is based on both the value of the contract and the contract's "benefit rate" when annuity payments begin. This benefit rate depends on your age and sex and the annuity form you have chosen.

Annuity contracts contain a table of guaranteed benefit rates. Most companies periodically develop "current" benefit rates as well; these rates are subject to change by the company at any time. When annuity payments begin, the company will determine the amount of each payment according to the current benefit rates then in effect if these are more favorable to you. If the guaranteed benefit rates would provide higher income payments, those rates will be used. Once payments begin, they are unaffected by any future benefit rate changes.

The most commonly available annuity forms are:

**Straight Life.** The annuity is paid as long as you are alive. There are no further payments to anyone after your death.

**Life With Period Certain.** The annuity is paid as long as you are alive. If you die before the end of the period referred to as the "certain period" the annuity will be paid to your beneficiary for the rest of that period. Typical certain periods are 10 or 20 years.

**Joint and Survivor.** The annuity is paid for as long as either you or another named annuitant is still alive. In some variations, the annuity is decreased after the first death. A period certain may also be available with this form.

### **DEATH BENEFIT**

Most contracts provide that, if you die before the annuity payments start, the contract value will be paid to your beneficiary. Some contracts provide that the death benefit will be the total premiums paid if that amount is greater than the value of the contract at death.

### **SURRENDER BENEFIT**

Most annuity contracts allow you to surrender your contract if income payments have not yet started. Upon surrender, the contract terminates. The surrender benefit is equal to your contract value less surrender charge, if any.

Many annuity contracts also provide that you may withdraw a portion of your contract value, under certain conditions, without terminating the contract. A surrender, or withdrawal, charge may be deducted from the amount withdrawn. This charge is usually a percentage of either the accumulation value of the contract, the premiums paid or the portion withdrawn.

### **WAIVER OF PREMIUM BENEFIT**

Some companies offer a benefit which will pay premiums for you if you become disabled. A charge is made for this benefit.

## **HOW MUCH SHOULD I BUY?**

Before buying, ask yourself these questions:

1. How much annuity income will I need in addition to social security, pension savings, and investments?

2. Will I need an income only for myself or for someone else also?
3. How much can I afford to pay in premiums?
4. How will the annuity contract fit in with my total financial planning?

## **HOW TO BUY AN ANNUITY**

Buying an annuity contract is a major financial decision which should be considered carefully. The prospective purchaser of an annuity contract should consider the offerings of as many companies as possible.

## **CONTRACT SUMMARY**

You will receive a Contract Summary when an annuity contract is delivered to you, or you can ask for one now. You should review this statement thoroughly.

Accumulated values and surrender values under the contract are illustrated for various years on this statement. During the first few years, these values may be less than the premiums paid. This is why an annuity contract should not be purchased for short term purposes.

Also illustrated are the yields on gross premiums at specified times. Since this takes into account not only the interest credited under the contract, but also the effect of all charges, the yield on gross premiums is a figure you can use to compare annuity contracts. Be careful in comparing this figure with yields available on other investments. The tax treatment of annuity earnings is usually substantially different from that of earnings from other investments. And only annuity contracts offer life income and waiver of premium benefits.

As stated in the beginning of this guide, one reason for buying an annuity contract is to obtain an income. Therefore, you should also review the life income figures shown in the Contract Summary. These life income figures are shown for annuities beginning at age 60, 65, and 70. Not everyone plans to retire at the same age. Thus, this set of figures enables the contract summary to be relevant to the purchaser of an annuity contract whatever his personal plans may be for retirement. Two different sets of life income figures are shown. One shows the payout amount per month produced by the guaranteed cash surrender value accumulated at the applicable age and the guaranteed annuity purchase rates. The second set of amounts shows the monthly payout produced by the illustrated cash surrender value accumulated at the applicable age and the current annuity purchase rates.

You will note that all values and income figures are shown on both a "guaranteed" and an "illustrated" basis. Illustrations on the guaranteed basis show the minimum values and income which could be paid under the contract. Illustrations on the "illustrated" basis show the values and income which would be paid if the current interest and benefit rates for the contract were to continue in effect for the period shown. Since it is impossible to predict the future course of interest and benefit rates, you will have to decide for yourself how much to rely on the illustrated basis values when making your purchase decision.

## **OTHER POINTS TO CONSIDER**

Be certain that you understand the effect of all charges that will be made under the contract.

Check whether the annuity contract allows you to change the amount of your premium payments. Find out what happens if you stop paying premiums altogether.

You may want to obtain and compare Contract Summaries for similar contracts from several companies. Comparing these should help you select a good buy.

If you are buying an annuity contract for an Individual Retirement Account (IRA) or another tax deferred retirement program, make sure that you are eligible. Also, make sure that you understand any restrictions connected with the program.

If you are shown a presentation which illustrates tax savings, find out what assumptions are used. Be sure the assumptions apply in your case.

A good agent can help you choose the right annuity contract. Remember that the quality of service that you can expect from the life insurance company and the agent is an important factor also.

## **READ THE CONTRACT**

When you receive your new annuity contract read it carefully. Ask the agent and company for an explanation of anything you do not understand.

If you have a specific complaint or cannot get the answers you need from the agent or company, please contact your state insurance department.



**NEW HAMPSHIRE BUYER'S GUIDE TO ANNUITIES**

**ACKNOWLEDGMENT FORM**

This will acknowledge that the New Hampshire Buyer's Guide to Annuities was delivered to me on the date indicated below.

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Representative

\_\_\_\_\_  
Date

A signed copy of this acknowledgment must be submitted with the application.