

PROTECTIVE LIFE INSURANCE COMPANY

P.O. Box 830619

Birmingham, AL 35283-0619

DISCLOSURE AND ACKNOWLEDGEMENT

If any portion of the initial or future premiums will be borrowed, loaned or otherwise financed, this Disclosure and Acknowledgement form must be signed by the Proposed Insured(s) and the Owner(s), if different.

The Proposed Insured(s) or the Owner(s), if different, also called "the applicant(s)" herein, has (have) applied for a life insurance policy from Protective Life Insurance Company ("the Company"). The applicant(s) is (are) considering borrowing from a third-party lender to pay for some or all of the premiums for the proposed policy. To clarify the roles of the parties involved, the Company is providing this Disclosure and Acknowledgement form but notes that all the statements may not pertain to all premium financing arrangements and that it is the responsibility of the applicant(s) to discuss the particular risks and benefits of any premium financing arrangement with his or her (their) advisors.

I (We) understand and agree as follows:

1. The company does not authorize any of its representatives to endorse or recommend premium financing; the Company does not provide lending, tax, or legal advice; and the applicant(s) has (have) not relied on the Company or any of its representatives in deciding whether to enter into any premium financing arrangement.
2. The applicant(s) is (are) solely responsible for the selection of the lender and the negotiation of the terms of any loan/financing agreement.
3. Notwithstanding its acceptance of any particular program, neither the Company nor any of its representatives express any opinion or endorse any specific financing arrangement or lender.
4. Premium financing involves certain lending risks, including but not limited to: change in interest rates, increased premium costs, market volatility, change in collateral valuation, margin calls, and termination, modification, or non-renewal of the loan. These risks include the risk that the policy will not be in force at the time of the death of the Proposed Insured(s) because either the lender has foreclosed on the policy or the amount owed to the lender exceeds the insurance proceeds, in which case additional funds may be needed to repay the loan. If the policy is surrendered, the Owner(s) will be taxed on any policy gain even though the policy proceeds are paid to the collateral assignee.
5. The applicant(s) is (are) relying solely on the advice and recommendation of his or her (their) own tax and legal advisors about whether to enter into a premium financing arrangement, including but not limited to any advice regarding: the Federal and state income, gift, and estate tax implications of premium financing; and premium financing involving policies classified as Modified Endowment Contracts ("MEC").
6. The Company is not a party to and is not bound by any of the provisions or representations relating to any premium financing arrangement related to the proposed policy, except as may be required under any properly executed collateral assignment(s).
7. Illustrated premium payments, policy values and death benefits are hypothetical and are not guaranteed. These hypothetical values are based on the age, sex and risk class of the Proposed Insured(s), the death benefit option, and any riders shown. Actual credited interest rates, actual cost of insurance rates, any policy loans or partial surrenders, and any policy or rider changes will affect actual results and may impact the financing arrangement and duration of the policy.
8. Issuance of any life insurance policy by the Company to the applicant(s) is in no way contingent upon his or her (their) receipt of financing for any or all of the premiums related to the proposed policy.
9. In general, interest on a loan to finance the purchase of insurance is not tax deductible.

SIGNATURES

Acknowledging the above, I (we) hereby release and hold the Company, and its directors, officers, employees, and representatives, harmless from any and all claims, demands, expenses, actions, causes of action, or suits of any kind or nature, both known and unknown, arising out of, related to, or in any manner connected with any premium financing entered into in connection with the proposed policy.

Proposed Insured 1 (PRINT): _____ Signature: _____ Date: _____

Proposed Insured 2 (PRINT): _____ Signature: _____ Date: _____

Owner/Trustee 1 (PRINT): _____ Signature: _____ Date: _____

Owner/Trustee 2 (PRINT): _____ Signature: _____ Date: _____

PRODUCER CERTIFICATION

By signing below, I hereby certify that I have presented copies of this form to the Proposed Insured(s) and Owner(s), that I have made no statements and provided no information to the Proposed Insured(s) and Owner(s) inconsistent with the information provided in this form, and that the life insurance being applied for conforms to the Company's guidelines.

Signed at: _____
(City and State) _____ Date _____

Producer Signature
F-LAD-411 (6/08)

Producer Name (PRINT)

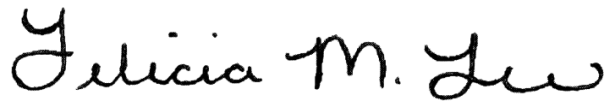
APPLICATION ENDORSEMENT

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

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

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

PROTECTIVE LIFE INSURANCE COMPANY

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

Felicia M. Lee
Secretary