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 Guaranteed Income Indexed Annuity
An Index-Linked 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 *(Please choose one.)* ☐ Non-Qualified ☐ Traditional IRA ☐ Roth IRA ☐ Other ____________________

TOTAL ESTIMATED INITIAL PURCHASE PAYMENT: $ ____________________
(Minimum: $25,000)

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

WITHDRAWAL CHARGE PERIOD: 10 Years

CONTRACT ALLOCATION: *(Must equal 100%.)*

S&P 500 Index (without dividends)
_______ % Annual Point-to-Point Indexed Strategy
_______ % Annual Rate Cap for Term Indexed Strategy

Citi Flexible Allocation 6 Excess Return Index
_______ % 2-Year Participation and Spread Indexed Strategy – Participation Focus

Guaranteed Interest
_______ % Fixed Interest Strategy

PROTECTIVE GUARANTEED INCOME INDEXED ANNUITY with the GUARANTEED INCOME BENEFIT:

The ***Protective Guaranteed Income Indexed Annuity*** includes the *Guaranteed Income Benefit,* a protected lifetime income benefit that cannot be terminated. The monthly benefit cost is deducted from the contract value. Protective Life has the right to restrict the portion of contract value that may be allocated to the Fixed Interest Strategy.

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 I am purchasing an indexed annuity. I understand the product features, interest crediting elements, and the indexes upon which the interest calculations will be based. Any interest credited to an indexed strategy depends in part upon the performance of the strategy's independent index. I understand the value of the contract will be affected by the index, but the contract *does not* participate directly in any index or stock investment. I also 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)* ______________

BGA 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.

Life and Annuity Division

Protective Life Insurance Company [1]
West Coast Life Insurance Company [1]
Protective Life and Annuity Insurance Company
Post Office Box 1928 / Birmingham, AL 35201-1928
Toll Free: 800-456-6330 / Fax: 205-268-6479

Beneficiary Information Request

Use this form for initial beneficiary designations.

Owner's Name: ______________________ Annuitant's Name: ______________________

Contract Number: ______________________ Owner's SSN/TIN: ______________________

PLEASE NOTE: If multiple beneficiaries are named, proceeds will be paid equally to all primary beneficiaries surviving the owner (or annuitant if non-material owner) unless instructed otherwise. If all primary beneficiaries have predeceased the owner, proceeds will be paid to the named contingent beneficiaries equally unless instructed otherwise. If there are no surviving beneficiaries, proceeds will be paid to the owner's estate.

BENEFICIARY INFORMATION:

Beneficiary Type: (select one) ☐ Primary ☐ Contingent	Name: ______________ Social Security Number: ______________ Address: ______________ Date of Birth: ______________ Telephone Number: ______________ Relationship to Owner: ______________ (select one) ☐ Spouse ☐ Non-spouse Percentage: _______%
Beneficiary Type: (select one) ☐ Primary ☐ Contingent	Name: ______________ Social Security Number: ______________ Address: ______________ Date of Birth: ______________ Telephone Number: ______________ Relationship to Owner: ______________ (select one) ☐ Spouse ☐ Non-spouse Percentage: _______%
Beneficiary Type: (select one) ☐ Primary ☐ Contingent	Name: ______________ Social Security Number: ______________ Address: ______________ Date of Birth: ______________ Telephone Number: ______________ Relationship to Owner: ______________ (select one) ☐ Spouse ☐ Non-spouse Percentage: _______%
Beneficiary Type: (select one) ☐ Primary ☐ Contingent	Name: ______________ Social Security Number: ______________ Address: ______________ Date of Birth: ______________ Telephone Number: ______________ Relationship to Owner: ______________ (select one) ☐ Spouse ☐ Non-spouse Percentage: _______%
Beneficiary Type: (select one) ☐ Primary ☐ Contingent	Name: ______________ Social Security Number: ______________ Address: ______________ Date of Birth: ______________ Telephone Number: ______________ Relationship to Owner: ______________ (select one) ☐ Spouse ☐ Non-spouse Percentage: _______%
Beneficiary Type: (select one) ☐ Primary ☐ Contingent	Name: ______________ Social Security Number: ______________ Address: ______________ Date of Birth: ______________ Telephone Number: ______________ Relationship to Owner: ______________ (select one) ☐ Spouse ☐ Non-spouse Percentage: _______%

SPECIAL INSTRUCTIONS:

SIGNATURES:

______________________ ______________________ ______________
Owner's Name (please print) Owner's Signature Date

______________________ ______________________ ______________
Joint Owner's Name (please print) Joint Owner's Signature Date

[1] Not authorized in New York

SUITABILITY QUESTIONNAIRE FOR FIXED ANNUITIES

This form is an essential part of the application process. It helps your producer assess your insurance needs and financial objectives, and make recommendations appropriate to your situation.
All **questions must be answered, and the form** ***must*** **be signed by each owner/applicant and the producer.**

OWNERS/APPLICANTS: *(If the contract will be jointly owned, please provide information for both.)*

Owner/Applicant 1 – First Name ____________ **Last Name** ____________

Social Security Number / Tax I.D. Number ____________ **Age** ____________

Owner/Applicant 2 – First Name ____________ **Last Name** ____________

Social Security Number / Tax I.D. Number ____________ **Age** ____________

FINANCIAL PROFILE: *(If the contract will be jointly owned, the information may be combined for both.)*

1. **What is your gross monthly household income?** $ ____________
   a. What are your sources of income? *(select all that apply)*
   ☐ Wages/Salary ☐ Rental Income ☐ Investments
   ☐ Pension/Retirement Benefit ☐ SSI ☐ Other ____________
   b. Describe your monthly income: ☐ it is stable -or- ☐ it fluctuates

2. **What are your monthly household living expenses?** $ ____________
   (Includes: housing, food, transportation, insurance, medical care, and property taxes.)

3. **Federal Income Tax Rate:** ☐ ≤10% ☐ 11-20% ☐ 21-30% ☐ 31-36% ☐ 37%+

4. **What is your household net worth?** $ ____________
   (Total assets – total debts = household net worth. ***Exclude: primary residence, primary mortgage, furnishings, and automobiles****.)*

5. **What is your liquid net worth *after* the annuity purchase?** $ ____________
   (Liquid net worth is the amount that can be easily converted into cash without paying any kind of penalty or surrender charge.)

6. **What percentage of your net worth do *all* annuities represent *(including proposed purchase)*?** ____________%
   (Total annuity holdings ÷ net worth)

7. **Is your current income or liquid assets sufficient for living expenses, medical expenses, or any unexpected emergencies?** ☐ Yes ☐ No
   If No, please explain: ____________

8. **After the purchase of this annuity, do you anticipate any material changes to the following?** ☐ Yes ☐ No
   (If Yes, please select the option(s) that will be affected and provide an explanation below.)
   ☐ Monthly Income ☐ Out-of-pocket Medical Expenses ☐ Living Expenses ☐ Liquid Assets
   If Yes, please explain: ____________

9. **Do you have an emergency fund for unexpected expenses?** ☐ Yes ☐ No

   If No, please explain: ______________________________

10. **Do you have a reverse mortgage?** ☐ Yes ☐ No

11. **Do you reside in a nursing home or assisted living facility?** ☐ Yes ☐ No

12. **Do you intend to apply for Medicaid, Medi-Cal, the veterans' aid and attendance benefit or other means-test government benefits?** ☐ Yes ☐ No
    (If Yes, you must provide a letter from an attorney certifying that this annuity purchase does not adversely affect your eligibility to participate in the applicable federal or state program. This letter should be submitted along with the application.)

FINANCIAL OBJECTIVES AND EXPERIENCE:

13. **Reason for Purchase:** *(select all that apply)*

    ☐ Principal Preservation ☐ Growth/Wealth Accumulation ☐ Tax Deferral (non-qualified only) ☐ Income

    ☐ Retirement/Estate Planning ☐ Inheritance/Death Benefit ☐ Other ______________________

14. **Which of the following financial products do you own and/or have previously owned and indicate number of years for each?** *(select all that apply)*

    ☐ Fixed Annuities _____ years ☐ Variable Annuities _____ years ☐ Life Insurance _____ years

    ☐ Bonds _____ years ☐ Stocks _____ years ☐ Other ______________ _____ years

    ☐ CDs _____ years ☐ Mutual Funds _____ years

15. **Source of funds for this annuity purchase?** *(select all that apply)*
    (If annuity contracts or life insurance policies are being replaced, the replacement chart for question 21 will need to be completed.)

    ☐ Current Income ☐ Life Insurance ☐ IRA/Retirement Plan

    ☐ Cash/Savings/Checking ☐ Annuity ☐ Stocks/Bonds/Mutual Funds

    ☐ CDs ☐ Loan/Reverse Mortgage ☐ Other ______________________

16. **Excluding the current transaction, have you replaced any other annuity contracts within the past 36 months (60 months in CA and MN)?** ☐ Yes ☐ No

    If Yes, please explain: ______________________________

17. **How long do you plan to keep this annuity?** *(select one)* ☐ 1-3 years ☐ 4-7 years ☐ 7+ years ☐ Lifetime

    a. Do you understand this annuity's limits on additional purchase payments? ☐ Yes ☐ No

    b. Do you plan to make additional purchase payments into *this* annuity? ☐ Yes ☐ No ☐ N/A

18. **How do you anticipate taking distributions from this annuity?** *(select all that apply)*

    ☐ Free/Partial Withdrawals ☐ Immediate Income ☐ Lump Sum Surrender ☐ Annuitize

    ☐ Lifetime Income Rider ☐ Systematic Withdrawals ☐ Requirement Minimum Distribution

    ☐ Not Anticipating Taking Distributions From This Annuity ☐ Other ______________________

19. When do you anticipate taking your first distribution? *(select one)*

☐ Less than 1 year ☐ 1-5 years ☐ 6-9 years ☐ 10+ years ☐ None anticipated

20. What is your risk tolerance for this annuity?

☐ **Conservative:** Accept little to no risk of principal for the potential of limiting or lower returns

☐ **Moderate:** Accept some risk of principal for the potential of higher returns

☐ **Aggressive:** Accept high risk of principal for the potential of even greater returns

21. If the source of funds includes a life insurance policy and/or annuity contract, complete the replacement chart below:
(If there is more than one contract/policy, please use an additional page 3 for each.)

Product Specs and Features	Replaced Contract	Proposed Contract
Name of Company		
Product Type *(Variable, Fixed, Life)*		
Product Name		
Contract or Policy Number		
Date of Issue		
Total Premium		
Net Premium *(Premiums less withdrawals)*		
Current Accumulation Value		
Current Surrender Value		
Annuitization Value *(if applicable)*		
Market Value Adjustment	☐ Yes ☐ No	☐ Yes ☐ No
Surrender Charge Percentage for Remaining Years		
Free Withdrawal Percentage		
Minimum Guaranteed Interest Rate		
Death Benefit Value		
Living Benefit Value		
Interest Crediting Method Type *(if applicable)*		
Mortality & Expense Fee, Administrative Fee *(Percentage)*		
Living Benefit Rider Fee		
Death Benefit Rider Fee		

22. Is there a surrender charge for liquidating the existing contract? ☐ Yes ☐ No

If Yes, what is the Surrender Charge? *(Dollar and/or percentage)* ______________________________

23. Please describe what benefit(s) the owner/applicant will achieve by replacing the current contract or policy. If the owner/applicant is giving up a living or death benefit rider please explain why the rider is no longer needed.

____

____

ADDITIONAL REMARKS: *(If the owner/applicant refuses to disclose certain information, please provide an explanation in this section. Please note that any missing information may affect our ability to determine the suitability of a purchase. If we are unable to determine the suitability, the application will be rejected.)*

____

____

OWNER/APPLICANT'S STATEMENT:

I confirm that I provided the information above and that it is true and complete to the best of my knowledge. I discussed my current financial situation, anticipated financial needs and risk tolerance with my producer. The producer discussed with me the surrender charges, if applicable, and other costs relating to this annuity contract. Furthermore, I reviewed the product-specific Disclosure Statement and understand the product features, its interest crediting elements, and if applicable, the indexes upon which the interest calculation will be based. I understand the risks associated with this product include fluctuating interest rates and potentially lower returns. My producer discussed with me the advantages and disadvantages of this annuity contract. I understand that if I refused to provide all of the requested information or provided inaccurate information, the ability of my producer and Protective Life Insurance Company to determine suitability may be affected.

Please check the box next to *one* of the statements below. The application *will not be accepted* if this section is incomplete.

- ☐ I have determined that purchasing this annuity contract supports my insurance needs and will assist me in meeting my financial goals and objectives.
- ☐ I have selected this product despite a contrary recommendation (or absence of a recommendation) from my producer.

New Jersey residents ONLY: The sale and suitability of annuities is regulated by the Department of Banking and Insurance and consumers may obtain assistance from the Department by contacting 609-292-7272 or 1-800-446-7467, or visiting the Department's website at www.njdobi.org.

Applicant 1: ______________________________________ **Date:** ______________

Applicant 2: ______________________________________ **Date:** ______________

PRODUCER'S STATEMENT:

I have made a reasonable effort to obtain the following information about the applicant(s): financial resources, net worth and liquidity, tax status, investment objectives, risk tolerance, time horizon, and financial goals and objectives. I have discussed with the applicant the advantages and disadvantages of this product in the context of that information. Sections a. and b. must be completed to confirm the advantages and disadvantages of this purchase.

a. Advantages of purchasing the proposed annuity: *(select all that apply)*

☐ Guarantees ☐ Immediate Income ☐ Lower Risk ☐ More Stability ☐ Safety of Principal

☐ Reduced Fees ☐ Guaranteed Lifetime Withdrawal Benefit (GLWB) Rider ☐ Retirement Income

☐ Other, please explain: ______________________________________

b. Disadvantages of purchasing the proposed annuity: *(select all that apply)*

☐ Surrender Period/Length ☐ Surrender Charges ☐ Chance for Less Gain than Current Product

☐ Loss of Death Benefit ☐ Replacement/Transfer Penalty

☐ Other, please explain: ______________________________________

Please check the box next to *one* of the statements below. The application *will not be accepted* if this section is incomplete.

- ☐ Based on the information the applicant supplied and the applicant's circumstances of which I am currently aware, I believe the recommended product is suitable, appropriate, and will help achieve the applicant's insurance needs and financial objectives.
- ☐ The applicant selected this product despite a contrary recommendation (or absence of a recommendation) from me.

Producer: ______________________________________ **Date:** ______________

Protective Guaranteed Income Indexed Annuity
with the Guaranteed Income Benefit
A Limited Flexible Premium Deferred Indexed Annuity
with a Limited Market Value Adjustment
and a Protected Lifetime Income Benefit Rider

Contract Form Series: FIA-P-2010 & -2011
Rider Form Series: FIA-P-6048

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 Guaranteed Income Indexed Annuity* with the *Guaranteed Income Benefit.* 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 Guaranteed Income Indexed Annuity* is a limited flexible premium deferred indexed 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 $25,000. Each additional premium must be at least $1,000. The maximum total premium we will accept is $1 million per contract without Home Office approval. In a *deferred annuity*, the income payments you receive begin in the future. The interest credited to an *indexed annuity* is determined – in part – by the performance of a reference index associated with the indexed interest crediting strategy. You do not pay taxes on the interest earned until the money is actually paid to you.

DEFINITIONS

Annuitant – The person(s) 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.

Index Term – The period of time over which the change in a reference index is measured to calculate the index performance.

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

HOW DOES MY ANNUITY EARN INTEREST?

You allocate purchase payments (premium) to one or more *interest crediting strategies*, which are specific, defined methods used to calculate interest. The *initial* purchase payment includes all payments we receive within 14 days of the 'origination date', which is the date you purchase a contract. The initial purchase payment also includes amounts that result from an exchange, transfer or rollover from another annuity contract that we receive within 60 days of the origination date. Any portion of an initial purchase payment is applied directly to the interest crediting strategies on the day we receive it. *Additional* purchase payments are applied to a 'holding account' and remain there until the end of the current contract year, at which time the entire holding account value is transferred to the interest crediting strategies according to the current contract allocation instructions. We credit interest to the holding account at rates we declare, but it *is not* an interest crediting strategy.

- *Fixed Interest Crediting Strategy* – Interest is credited daily at a fixed annual rate that we declare in advance each year. The declared rate for this strategy will not be less than the contract's non-forfeiture interest rate.
- *Annual Point-to-Point Indexed Interest Crediting Strategy* – The annual interest rate is based on the performance of the S&P 500 Index each contract year (a 1-year index term). If the index performance is 0% or more, the annual interest rate for the strategy is the *lesser* of the index performance or the interest rate cap. We declare the interest rate cap in advance each year. The interest rate cap will not be less than the contract's minimum interest rate cap.
- *Annual Rate Cap for Term Indexed Interest Crediting Strategy* – The annual interest rate is based on the performance of the S&P 500 Index each contract year. It is the *lesser* of the index performance or the interest rate cap. We declare one interest rate cap in advance to apply for each year during the withdrawal charge period. Thereafter, we declare the interest rate cap in advance each year. The interest rate cap will not be less than the contract's minimum interest rate cap.
- *2-Year Participation & Spread Indexed Interest Crediting Strategy – Participation Focus* – The interest rate is based on the performance of the Citi Flexible Allocation 6 Excess Return Index over the entire 2-year index term. It is determined by multiplying the index performance by the *participation rate*, and then subtracting the *spread*. A positive result is the interest rate for that term. (If the result of that calculation is 0% or negative, no indexed interest will be credited for that term.) In your contract, this strategy has a participation focus. We declare the participation rate in advance, subject to the minimum participation rate set for this focus when your contract was issued. The participation rate in effect when the term for this focus is established is guaranteed for the entire 2-year term. This focus has a 0% spread that will not change.

- *Crediting Interest* – Unlike fixed interest – which is credited daily to the Fixed Interest strategy (and the Holding Account, if applicable) – *indexed interest* is credited in arrears, and only on the strategy value at the end of the index term. No interest is earned on amounts withdrawn from an indexed strategy before that date.
- *Performance* – Performance is the percentage change in the reference index from the beginning to the end of each index term. Negative performance does not reduce the contract value, but simply results in no indexed interest credited at the end of that term.
- You may re-allocate contract value among the interest crediting strategies, but only on contract anniversaries that correspond with the end of the index term.
- 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), minus the sum of all *Guaranteed Income Benefit* rider fees, and minus any applicable premium tax.
- The contract value is the basis used to determine the surrender value and death benefit.
- To protect against prolonged periods of negative performance (when no indexed interest is credited) the annuity provides a *minimum surrender value*. When the contract is terminated by a surrender, death of an owner, or on the annuity date, the contract value *will not be less* than the sum of:
  a) 87.5% of each purchase payment accumulated at the contract's non-forfeiture interest rate, compounded annually; minus,
  b) each withdrawal accumulated at the contract's non-forfeiture interest rate, compounded annually.

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

The *Protective Guaranteed Income Indexed Annuity* is designed to grow your contract value during the accumulation period and to create a regular, predictable stream of income payments later. However, you may access all or a portion of the contract value before the income begins 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 each withdrawal date, minus the free-withdrawal amount previously withdrawn during that contract year, if any, without having the market value adjustment ("MVA") applied or incurring a withdrawal charge. (During the 1st 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* –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 described. It 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	8	9	10+
Withdrawal Charge Percentage	9%	9%	8%	7%	6%	5%	4%	3%	2%	1%	0%

  The withdrawal charge ***increases*** the total amount we deduct from the contract value.
- *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…
  a) enter a hospital or nursing facility or are diagnosed with a terminal illness that is expected to result in death within 12 months; or
  b) 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 greater of the contract value or the minimum surrender value, described above.

- *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.

WHAT IS THE *'GUARANTEED INCOME BENEFIT'*?

The *Guaranteed Income Benefit* is a protected lifetime income benefit. It adds protection to your annuity investment by creating a 'benefit base' that grows over a specified period of time, regardless of the performance of the underlying annuity contract. On the Benefit Election Date, you may begin lifetime income benefit withdrawals.

The definitions below are important terms that apply to the *Guaranteed Income Benefit.*

Annual Withdrawal Amount – The maximum aggregate benefit withdrawal you can take each contract year (after the Benefit Election Date) without reducing the benefit base.

Benefit Base – The amount used to calculate the Annual Withdrawal Amount and the monthly benefit fee. The benefit base is not the contract value or death benefit. It may only be accessed through benefit withdrawals.

Benefit Election Date – The date you may begin taking benefit withdrawals.

Covered Person – The person (or persons) on whose lives the benefit withdrawals are based.

HOW DOES THE '*GUARANTEED INCOME BENEFIT'* WORK?

- *Guaranteed Income Benefit Cost* – The annual cost for the *Guaranteed Income Benefit* is 1% of the benefit base. It is deducted monthly (in arrears) from the contract value. We have the right to increase the annual cost, but not higher than 2%, with 30-days written notice to you. You may decline the fee increase, but you won't be eligible for any future annual benefit base increases (described in the next section).

  Fee deductions reduce the contract value and death benefit, but *will not*:
  - count against the contract's free withdrawal amount;
  - be subject to the withdrawal charge or market value adjustment;
  - impact the contract's minimum surrender value calculation; or,
  - affect the benefit base or Annual Withdrawal Amount.

- *The Benefit Base* – When you buy a *Protective Guaranteed Income Indexed Annuity* contract, your initial purchase payment is the starting benefit base for the *Guaranteed Income Benefit*. The amount of any additional purchase payment we accept is added to the benefit base. A withdrawal from the contract reduces the benefit base in the same proportion that the amount deducted reduced the contract value.

- *Annual Benefit Base Increases* – Unless you decline a benefit cost change, the benefit base may also increase on contract anniversaries. On anniversaries that occur during your contract's Roll-Up Period, we multiply your contract's "Roll-Up Increase Percentage" by the contract's net premium on that date, and add that amount to the benefit base. "Net premium" is the sum of all purchase payments, less a proportional adjustment for each withdrawal taken before the Benefit Election Date. The Roll-Up Period and Roll-Up Increase Percentage are identified when your contract is issued and will not change.

  We will also 'step-up' your benefit base to equal the Contract Value if, on any anniversary before the Annuity Date, the Contract Value is greater than the benefit base (after any applicable Roll-Up increase is added).

- *Deferral Benefit Base Increases* – Unless you decline a benefit cost change, the benefit base may also be increased if you wait to set the Benefit Election Date until after your contract's Deferral Increase contract anniversary(ies). On those contract anniversary(ies), we multiply the applicable "Deferral Increase Percentage" by the contract's net premium (described above) on that date, and add that amount to the benefit base. The Deferral Increase anniversary(ies) and Deferral Increase Percentage(s) are identified when your contract is issued and will not change.

- *Guaranteed Income Benefit Withdrawals* – You decide when to start the income payments by: 1) selecting the Benefit Election Date; 2) telling us whether the withdrawals will be based on your life, or the joint lives of you and your spouse; and, 3) choosing either the Level Income Option or the Rising Income Option. You may not begin benefit withdrawals until you are at least 59½ years old (or until you *and* your spouse are each at least 59½, if the withdrawals are based on both lives). If you don't start withdrawals by the oldest owner's or annuitant's 95th birthday, we will automatically start them for you, as described in the rider.

Guaranteed Income Benefit Withdrawals, continued – Your Annual Withdrawal Amount is determined by multiplying the benefit base by the applicable withdrawal percentage.

- o The withdrawal percentage under the Level Income Option is based on the (younger) Covered Person's age on the Benefit Election Date, and will not change.
- o Withdrawal percentages under the Rising Income Option are based on the (younger) Covered Person's age on the most recent Contract Anniversary. Withdrawal percentages increase as that Covered Person ages. So, assuming there is no reduction of the benefit base (due, for example, to excess withdrawals) the Annual Withdrawal Amount will increase over time.

Aggregate withdrawals in any contract year that do not exceed the Annual Withdrawal Amount reduce the contract value, but not the benefit base. They are not subject to withdrawal charges or the market value adjustment, but they do count against the annual free-withdrawal amount.

If a non-excess withdrawal or deduction of the monthly benefit fee reduces the contract value to $0, we will pay a monthly benefit for the life of the (last surviving) Covered Person, as described in the rider.

- *Excess Withdrawals* – On or after the benefit election date, any amount withdrawn that exceeds the Annual Withdrawal Amount is an 'excess withdrawal'. An excess withdrawal reduces the benefit base in the same proportion that the withdrawal, including any applicable withdrawal charges and market value adjustment, reduced the contract value. That means, the smaller the contract value is in relation to the benefit base, the larger the impact of an excess withdrawal on the benefit base, and on future Annual Withdrawal Amounts.

  If an excess withdrawal reduces your contract value to $0, the contract and rider will terminate.

HOW DOES THIS ANNUITY AFFECT MY FEDERAL INCOME TAXES?

The information is 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?

- *Dividends* – This contract does not pay dividends, nor does it share in Protective Life's 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.
- *Contract Allocation Restrictions* – Although there are no current plans to do so, we have the right to impose limitations on how you allocate contract value among the interest crediting strategies. If we do this in the future, you would be required to change your contract allocation to conform to the new requirements.
- *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.

Product features and availability may vary by state. All benefits and guarantees are subject to the claims paying ability of Protective Life Insurance Company.

You should consult with your advisor and seek competent tax advice prior to making any financial or investment decision.

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?

PROTECTIVE LIFE INSURANCE COMPANY
P.O. Box 10648
Birmingham, AL 35202-0648
Telephone: 1-800-456-6330

SALES LITERATURE CERTIFICATION FORM

I certify that I used only insurer-approved sales materials and copies of all sales materials used were left with the applicant.

Producer's Signature, Printed Name & Date

Life and Annuity Division

Request for Transfer or Exchange of Assets

Protective Life Insurance Company [1]
West Coast Life Insurance Company [1]
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 ______________________

Contract/Account Owner's Name ______________________ Contract/Account Number ______________________ Owner's SSN/Tax ID ______________________

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

Non-Qualified:	**Qualified:**		
☐ 1035 Exchange	1. Plan Type:		2. Transfer Type:
☐ Non-1035 Exchange	☐ IRA	☐ CD	☐ Trustee Transfer
☐ Mutual Fund	☐ 401(k)	☐ Roth IRA	☐ Direct Rollover
☐ Bank CD	☐ Mutual Fund	☐ 403(b)/TSA	
☐ Other Non-1035 Exchanges		☐ Other ______________	

Proposed Plan Type: ☐ Non-Qual ☐ IRA ☐ Roth IRA ☐ Other ____________________________

TRANSFER INSTRUCTIONS

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.)

[1] Not authorized in New York

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		

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

NAIC Buyer's Guide for Deferred Annuities

It's important that you understand how annuities can be different from each other so you can choose the type of annuity that's best for you. The purpose of this Buyer's Guide is to help you do that. This Buyer's Guide isn't meant to offer legal, financial, or tax advice. You may want to consult independent advisors that specialize in these areas.

This Buyer's Guide is about deferred annuities in general and some of their most common features. It's not about any particular annuity product. The annuity you select may have unique features this Guide doesn't describe. It's important for you to carefully read the material you're given or ask your annuity salesperson, especially if you're interested in a particular annuity or specific annuity features.

This Buyer's Guide includes questions you should ask the insurance company or the annuity salesperson (the agent, producer, broker, or advisor). Be sure you're satisfied with the answers before you buy an annuity.

Table of Contents

What Is an Annuity?

An annuity is a contract with an insurance company. All annuities have one feature in common, and it makes annuities different from other financial products. ***With an annuity, the insurance company promises to pay you income on a regular basis for a period of time you choose***—including the rest of your life.

When Annuities Start to Make Income Payments

Some annuities begin paying income to you soon after you buy it (an **immediate** annuity). Others begin at some later date you choose (a **deferred** annuity).

How Deferred Annuities Are Alike

There are ways that *most* deferred annuities are alike.

- They have an **accumulation** period and a **payout** period. During the accumulation period, the value of your annuity changes based on the type of annuity. During the payout period, the annuity makes income payments to you.

- They offer a basic death benefit. If you die during the accumulation period, a deferred annuity with a basic death benefit pays some or all of the annuity's value to your survivors (called beneficiaries) either in one payment or multiple payments over time. The amount is usually the greater of the annuity account value or the minimum guaranteed surrender value. If you die after you begin to receive income payments (**annuitize**), your chosen survivors may not receive anything *unless*: 1) your annuity guarantees to pay out at least as much as you paid into the annuity, or 2) you chose a payout option that continues to make payments after your death. For an extra cost, you may be able to choose enhanced death benefits that increase the value of the basic death benefit.

- You usually have to pay a charge (called a **surrender** or **withdrawal charge**) if you take some or all of your money out too early (usually before a set time period ends). Some annuities may not charge if you withdraw small amounts (for example, 10% or less of the account value) each year.

- Any money your annuity earns is **tax deferred.** That means you won't pay income tax on earnings until you take them out of the annuity.

- You can add features (called **riders**) to many annuities, usually at an extra cost.

- An annuity salesperson must be licensed by your state insurance department. A person selling a variable annuity also must be registered with FINRA[1] as a representative of a broker/dealer that's a FINRA member. In some states, the state securities department also must license a person selling a variable annuity.

Sources of Information

Contract: *The legal document between you and the insurance company that binds both of you to the terms of the agreement.*

Disclosure: *A document that describes the key features of your annuity, including what is guaranteed and what isn't, and your annuity's fees and charges. If you buy a variable annuity, you'll receive a prospectus that includes detailed information about investment objectives, risks, charges, and expenses.*

Illustration: *A personalized document that shows how your annuity features might work. Ask what is guaranteed and what isn't and what assumptions were made to create the illustration.*

1. FINRA (Financial Industry Regulatory Authority) regulates the companies and salespeople who sell variable annuities.

- Insurance companies sell annuities. You want to buy from an insurance company that's financially sound. There are various ways you can research an insurance company's financial strength. You can visit the insurance company's website or ask your annuity salesperson for more information. You also can review an insurance company's rating from an independent rating agency. Four main firms currently rate insurance companies. They are A.M. Best Company, Standard and Poor's Corporation, Moody's Investors Service, and Fitch Ratings. Your insurance department may have more information about insurance companies. An easy way to find contact information for your insurance department is to visit *www.naic.org* and click on "**States and Jurisdictions Map.**"

- Insurance companies usually pay the annuity salesperson after the sale, but the payment doesn't reduce the amount you pay into the annuity. You can ask your salesperson how they earn money from the sale.

How Deferred Annuities Are Different

There are differences among deferred annuities. Some of the differences are:

- Whether you pay for the annuity with one or more than one payment (called a **premium**).

- The types and amounts of the **fees, charges**, and **adjustments**. While almost all annuities have *some* fees and charges that could reduce your account value, the types and amounts can be different among annuities. ***Read the Fees, Charges, and Adjustments section in this Buyer's Guide for more information.***

- Whether the annuity is a **fixed** annuity or a **variable** annuity. How the value of an annuity changes is different depending on whether the annuity is fixed or variable.

  Fixed annuities guarantee your money will earn at least a minimum interest rate. Fixed annuities may earn interest at a rate higher than the minimum but only the minimum rate is guaranteed. The insurance company sets the rates.

  Fixed indexed annuities are a type of fixed annuity that earns interest based on changes in a market index, which measures how the market or part of the market performs. The interest rate is guaranteed to never be less than zero, even if the market goes down.

  Variable annuities earn investment returns based on the performance of the investment portfolios, known as "subaccounts," where you choose to put your money. The return earned in a variable annuity isn't guaranteed. The value of the subaccounts you choose could go up or down. If they go up, you could make money. But, if the value of these subaccounts goes down, you could lose money. Also, income payments to you could be less than you expected.

- Some annuities offer a **premium bonus**, which usually is a lump sum amount the insurance company adds to your annuity when you buy it or when you add money. It's usually a set percentage of the amount you put into the annuity. Other annuities offer an **interest bonus**, which is an amount the insurance company adds to your annuity when you earn interest. It's usually a set percentage of the interest earned. You may not be able to withdraw some or all of your premium bonus for a set period of time. ***Also, you could lose the bonus if you take some or all of the money out of your annuity within a set period of time.***

How Does the Value of a Deferred Annuity Change?

Fixed Annuities

Money in a fixed deferred annuity earns interest at a rate the insurer sets. The rate is **fixed** (won't change) for some period, usually a year. After that rate period ends, the insurance company will set another fixed interest rate for the next rate period. ***That rate could be higher or lower than the earlier rate.***

Fixed deferred annuities ***do*** have a guaranteed minimum interest rate—the lowest rate the annuity can earn. It's stated in your contract and disclosure and can't change as long as you own the annuity. Ask about:

- The ***initial interest*** rate – What is the rate? How long until it will change?
- The ***renewal interest*** rate – When will it be announced? How will the insurance company tell you what the new rate will be?

Fixed Indexed Annuities

Money in a fixed indexed annuity earns interest based on changes in an index. Some indexes are measures of how the overall financial markets perform (such as the S&P 500 Index or Dow Jones Industrial Average) during a set period of time (called the **index term**). Others measure how a specific financial market performs (such as the Nasdaq) during the term. The insurance company uses a formula to determine how a change in the index affects the amount of interest to add to your annuity at the ***end of each index term.*** Once interest is added to your annuity for an index term, those earnings usually are locked in and changes in the index in the next index term don't affect them. If you take money from an indexed annuity before an index term ends, ***the annuity may not add all of the index-linked interest for that term to your account.***

Insurance companies use different formulas to calculate the interest to add to your annuity. They look at changes in the index over a period of time. See the box "***Fixed Deferred Indexed Formulas***" that describes how changes in an index are used to calculate interest.

The formulas insurance companies use often mean that interest added to your annuity is based on only ***part*** of a change in an index over a set period of time. **Participation rates, cap rates,** and **spread rates** (sometimes called margin or asset fees) all are terms that describe ways the amount of interest added to your annuity may not reflect the full change in the index. But ***if the index goes down over that period, zero interest is added to your annuity.*** Then your annuity value won't go down as long as you don't withdraw the money.

When you buy an indexed annuity, you aren't investing directly in the market or the index. Some indexed annuities offer you more than one index choice. Many indexed annuities also offer the choice to put part of your money in a fixed interest rate account, with a rate that won't change for a set period.

Fixed Deferred Indexed Formulas

Annual Point-to-Point – *Change in index calculated using two dates one year apart.*

Multi-Year Point-to-Point – *Change in index calculated using two dates more than one year apart.*

Monthly or Daily Averaging – *Change in index calculated using multiple dates (one day of every month for monthly averaging, every day the market is open for daily averaging). The average of these values is compared with the index value at the start of the index term.*

Monthly Point-to-Point – *Change in index calculated for each month during the index term. Each monthly change is limited to the "cap rate" for positive changes, but not when the change is negative. At the end of the index term, all monthly changes (positive and negative) are added. If the result is positive, interest is added to the annuity. If the result is negative or zero, no interest (0%) is added.*

Variable Annuities

Money in a variable annuity earns a return based on the performance of the investment portfolios, known as "**subaccounts**," where you choose to put your money. Your investment choices likely will include subaccounts with different types and levels of risk. Your choices will affect the return you earn on your annuity. Subaccounts usually have no guaranteed return, but you may have a choice to put some money in a fixed interest rate account, with a rate that won't change for a set period.

The value of your annuity can change every day as the subaccounts' values change. If the subaccounts' values increase, your annuity earns money. But *there's no guarantee that the values of the subaccounts will increase. If the subaccounts' values go down, you may end up with less money in your annuity than you paid into it.*

An insurer may offer several versions of a variable deferred annuity product. The different versions usually are identified as **share classes**. The key differences between the versions are the fees you'll pay every year you own the annuity. The rules that apply if you take money out of the annuity also may be different. Read the prospectus carefully. Ask the annuity salesperson to explain the differences among the versions.

How Insurers Determine Indexed Interest

Participation Rate – *Determines how much of the increase in the index is used to calculate index-linked interest. A participation rate usually is for a set period. The period can be from one year to the entire term. Some companies guarantee the rate can never be lower (higher) than a set minimum (maximum). Participation rates are often less than 100%, particularly when there's no cap rate.*

Cap Rate – *Typically, the maximum rate of interest the annuity will earn during the index term. Some annuities guarantee that the cap rate will never be lower (higher) than a set minimum (maximum). Companies often use a cap rate, especially if the participation rate is 100%.*

Spread Rate – *A set percentage the insurer subtracts from any change in the index. Also called a "margin or asset fee." Companies may use this instead of or in addition to a participation or cap rate.*

What Other Information Should You Consider?

Fees, Charges, and Adjustments

Fees and charges reduce the value of your annuity. They help cover the insurer's costs to sell and manage the annuity and pay benefits. The insurer may subtract these costs directly from your annuity's value. Most annuities have fees and charges but they can be different for different annuities. Read the contract and disclosure or prospectus carefully and ask the annuity salesperson to describe these costs.

A **surrender** or **withdrawal charge** is a charge if you take part or all of the money out of your annuity during a set period of time. The charge is a percentage of the amount you take out of the annuity. The percentage usually goes down each year until the surrender charge period ends. Look at the contract and the disclosure or prospectus for details about the charge. Also look for any waivers for events (such as a death) or the right to take out a small amount (usually up to 10%) each year without paying the charge. If you take all of your money out of an annuity, you've surrendered it and no longer have any right to future income payments.

Some annuities have a **Market Value Adjustment (MVA).** An MVA could increase or decrease your annuity's account value, cash surrender value, and/or death benefit value if you withdraw money from your account. In general, if interest rates are *lower* when you withdraw money than they were when you bought the annuity, the MVA could ***increase*** the amount you could take from your annuity. If interest rates are ***higher*** than when you bought the annuity, the MVA could ***reduce*** the amount you could take from your annuity. Every MVA calculation is different. Check your contract and disclosure or prospectus for details.

How Annuities Make Payments

Annuitize

At some future time, you can choose to **annuitize** your annuity and start to receive guaranteed fixed income payments for life or a period of time you choose. After payments begin, you can't take any other money out of the annuity. You also usually can't change the amount of your payments. For more information, see "*Payout Options*" in this Buyer's Guide. If you die before the payment period ends, your survivors may not receive any payments, depending on the payout option you choose.

Full Withdrawal

You can withdraw the cash surrender value of the annuity in a lump sum payment and end your annuity. *You'll likely pay a charge to do this if it's during the surrender charge period.* If you withdraw your annuity's cash surrender value, your annuity is cancelled. Once that happens, you can't start or continue to receive regular income payments from the annuity.

Partial Withdrawal

You may be able to withdraw *some* of the money from the annuity's cash surrender value without ending the annuity. Most annuities with surrender charges let you take out a certain amount (usually up to 10%) each year without paying surrender charges on that amount. Check your contract and disclosure or prospectus. Ask your annuity salesperson about other ways you can take money from the annuity without paying charges.

Living Benefits for Fixed Annuities

Some fixed annuities, especially fixed indexed annuities, offer a **guaranteed living benefits** rider, usually at an extra cost. A common type is called a guaranteed lifetime withdrawal benefit that guarantees to make income payments you can't outlive. While you get payments, the money still in your annuity continues to earn interest. You can choose to stop and restart the payments or you might be able to take extra money from your annuity. Even if the payments reduce the annuity's value to zero at some point, you'll continue to get payments for the rest of your life. If you die while receiving payments, your survivors may get some or all of the money left in your annuity.

Annuity Fees and Charges

Contract fee – *A flat dollar amount or percentage charged once or annually.*

Percentage of purchase payment – *A front-end sales load or other charge deducted from each premium paid. The percentage may vary over time.*

Premium tax – *A tax some states charge on annuities. The insurer may subtract the amount of the tax when you pay your premium, when you withdraw your contract value, when you start to receive income payments, or when it pays a death benefit to your beneficiary.*

Transaction fee – *A charge for certain transactions, such as transfers or withdrawals.*

* * *

Mortality and expense (M&E) risk charge – *A fee charged on **variable annuities.** It's a percentage of the account value invested in subaccounts.*

Underlying fund charges – *Fees and charges on a **variable** annuity's subaccounts; may include an investment management fee, distribution and service (12b-1) fees, and other fees.*

Living Benefits for Variable Annuities

Variable annuities may offer a benefit at an extra cost that guarantees you a minimum account value, a minimum lifetime income, or minimum withdrawal amounts regardless of how your subaccounts perform. See *"Variable Annuity Living Benefit Options"* at right. Check your contract and disclosure or prospectus or ask your annuity salesperson about these options.

How Annuities Are Taxed

Ask a tax professional about your individual situation. The information below is general and should not be considered tax advice.

Current federal law gives annuities special tax treatment. Income tax on annuities is deferred. That means you aren't taxed on any interest or investment returns while your money is in the annuity. This isn't the same as tax-free. You'll pay ordinary income tax when you take a withdrawal, receive an income stream, or receive each annuity payment. When you die, your survivors will typically owe income taxes on any death benefit they receive from an annuity.

There are other ways to save that offer tax advantages, including Individual Retirement Accounts (IRAs). You can buy an annuity to fund an IRA, ***but you also can fund your IRA other ways and get the same tax advantages.*** When you take a withdrawal or receive payments, you'll pay ordinary income tax on all of the money you receive (not just the interest or the investment return). You also may have to pay a 10% tax penalty if you withdraw money before you're age 59½.

Finding an Annuity That's Right for You

An annuity salesperson who suggests an annuity must choose one that they think is right for you, based on information from you. They need complete information about your life and financial situation to make a suitable recommendation. Expect a salesperson to ask about your age; your financial situation (assets, debts, income, tax status, how you plan to pay for the annuity); your tolerance for risk; your financial objectives and experience; your family circumstances; and how you plan to use the annuity. If you aren't comfortable with the annuity, ask your annuity salesperson to explain why they recommended it. Don't buy an annuity you don't understand or that doesn't seem right for you.

Variable Annuity Living Benefit Options

Guaranteed Minimum Accumulation Benefit (GMAB) – *Guarantees your account value will equal some percentage (typically 100%) of premiums less withdrawals, at a set future date (for example, at maturity). If your annuity is worth less than the guaranteed amount at that date, your insurance company will add the difference.*

Guaranteed Minimum Income Benefit (GMIB) – *Guarantees a minimum lifetime income. You usually must choose this benefit when you buy the annuity and must annuitize to use the benefit. There may be a waiting period before you can annuitize using this benefit.*

Guaranteed Lifetime Withdrawal Benefit (GLWB) – *Guarantees you can make withdrawals for the rest of your life, up to a set maximum percentage each year.*

Payout Options

You'll have a choice about how to receive income payments. These choices usually include:

- *For your lifetime*
- *For the longer of your lifetime or your spouse's lifetime*
- *For a set time period*
- *For the longer of your lifetime or a set time period*

How Annuities Are Taxed

Within each annuity, the insurer ***may*** guarantee some values but not others. Some guarantees may be only for a year or less while others could be longer. Ask about risks and decide if you can accept them. For example, it's possible you won't get all of your money back ***or*** the return on your annuity may be lower than you expected. It's also possible you won't be able to withdraw money you need from your annuity without paying fees ***or*** the annuity payments may not be as much as you need to reach your goals. These risks vary with the type of annuity you buy. All product guarantees depend on the insurance company's financial strength and claims-paying ability.

Questions You Should Ask

- Do I understand the risks of an annuity? Am I comfortable with them?
- How will this annuity help me meet my overall financial objectives and time horizon?
- Will I use the annuity for a long-term goal such as retirement? If so, how could I achieve that goal if the income from the annuity isn't as much as I expected it to be?
- What features and benefits in the annuity, other than tax deferral, make it appropriate for me?
- Does my annuity offer a guaranteed minimum interest rate? If so, what is it?
- If the annuity includes riders, do I understand how they work?
- Am I taking full advantage of all of my other tax-deferred opportunities, such as 401(k)s, 403(b)s, and IRAs?
- Do I understand all of the annuity's fees, charges, and adjustments?
- Is there a limit on how much I can take out of my annuity each year without paying a surrender charge? Is there a limit on the ***total*** amount I can withdraw during the surrender charge period?
- Do I intend to keep my money in the annuity long enough to avoid paying any surrender charges?
- Have I consulted a tax advisor and/or considered how buying an annuity will affect my tax liability?
- How do I make sure my chosen survivors (beneficiaries) will receive any payment from my annuity if I die?

If you don't know the answers or have other questions, ask your annuity salesperson for help.

When You Receive Your Annuity Contract

When you receive your annuity contract, carefully review it. Be sure it matches your understanding. Also, read the disclosure or prospectus and other materials from the insurance company. Ask your annuity salesperson to explain anything you don't understand. In many states, a law gives you a set number of days (usually 10 to 30 days) to change your mind about buying an annuity after you receive it. This often is called a **free look** or **right to return** period. Your contract and disclosure or prospectus should prominently state your free look period. If you decide during that time that you don't want the annuity, you can contact the insurance company and return the contract. Depending on the state, you'll either get back all of your money or your current account value.

WISCONSIN BUYER'S GUIDE TO ANNUITIES

ACKNOWLEDGMENT FORM

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

SIGN HERE

Signature of Applicant	Date

SIGN HERE

Signature of Representative	Date

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

Life and Annuity Division

Protective Life Insurance Company[1]
West Coast Life Insurance Company[1]
Protective Life and Annuity Insurance Company
Post Office Box 1928 / Birmingham, AL 35201-1928
Toll Free: 800-456-6330 / Fax: 205-268-6479

Pre-Determined Death Benefit Payout Election Form

Owner's Name: ______________________ Contract Number: ______________

This election is made at the Owner's request. The company reserves the right to modify or disregard an election if necessary to comply with applicable laws and regulations in effect at the time of the Owner's death (or the Annuitant's death if there is a non-natural Owner). After we receive and acknowledge this form, a copy will be returned for the Owner's records. (Other options may be available. Contact us for special cases.)

1. Name of Beneficiary to whom this election applies. NOTE: This form does not change your current Beneficiary designation. The name below must match a Beneficiary designation or this election will have no legal effect.

   Beneficiary Name: ______________________ Date of Birth: ______________

   Address & Telephone No: ______________________________________

   Relationship: ______________ Percentage: ______ Social Security No: ______________

   Beneficiary Type: ☐ Primary ☐ Contingent

2. The Beneficiary named may take up to ______% as a lump sum withdrawal immediately upon proof of death. (Whole percentages only) The balance will be paid as designated below.

3. Apply this option to the remaining portion of the death benefit payable to the Beneficiary named above:

   ☐ Payments guaranteed for ______ years. (5 - 30 years)*

   ☐ Payments for a Fixed Amount $ _________. (Fixed amount payments may not be made for less than 5 years or more than 30 years.* The Company reserves the right to adjust the payment amount to meet these restrictions.)

   ☐ Payments for the Beneficiary's lifetime.

   ☐ Life with Cash Refund *(not available with Single Premium Whole Life products)*

   ☐ Life with Installment Refund *(not available with Single Premium Whole Life products)*

   ☐ Payments for the Beneficiary's lifetime and guaranteed for ______ years. (5 - 30 years)*

4. Payment Mode (Please select one): ☐ Monthly ☐ Semi-Annually ☐ Quarterly ☐ Annually

   * Payout period may not exceed the Beneficiary's life expectancy. If the selected payout period exceeds the Beneficiary's life expectancy, we will adjust the payout period to the longest allowable period. *(If monthly payments are less than $50, payments may be made quarterly, semi-annually or annually at the Company's option.)*

SIGNATURES: I / We request and authorize the Company to act on this election. I understand that neither the Beneficiary nor the Company can modify this election except the Company may modify or disregard this election if necessary to comply with any applicable law or regulation in effect at the time of Owner's death.

SIGN HERE ______________________ Owner's Signature   ________ Date   SIGN HERE ______________________ Spouse or Joint Owner's Signature   ________ Date

SIGN HERE ______________________ Registrar   ________ Date Recorded

SIGNATURES: I / We hereby cancel the election with respect to the Beneficiary named above. I / We understand this cancellation removes any pre-determined death benefit payout option election made for this Beneficiary prior to the date entered next to my / our signature below and that a new election may now be made on a new form.

SIGN HERE ______________________ Owner's Signature   ________ Date   SIGN HERE ______________________ Spouse or Joint Owner's Signature   ________ Date

______________________ Registrar   ________ Date Recorded

[1] Not authorized in New York.

Form **W-9** (Rev. October 2018) Department of the Treasury, Internal Revenue Service

Taxpayer Identification Number and Certification

Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

Business name/disregarded entity name, if different from above

Check appropriate box for federal tax classification of the person whose name is entered on the Name line above. Check only one of the following seven boxes:

☐ Individual/sole proprietor or single-member LLC ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ ______________

Note. Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

☐ Other ▶

Exemptions (codes apply only to certain entities, not individuals)

Exempt payee code (if any) _______

Exemption from FATCA reporting code (if any) _________________

(Applies to accounts maintained outside the U.S.)

Address (number, street, and apt, or suite no.) See instructions.

Requester's name and address (optional)

City, State, and ZIP code

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is generally your social security (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see Part I of the W-9 instructions at website listed below. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on the W-9 instructions at website listed below.

Note. If the account is in more than one name, please refer to the W-9 instructions for guidelines on whose number to enter. Also, see *What Name and Number to Give the Requester* for guidelines on whose number to enter.

Social security number

☐☐☐ - ☐☐ - ☐☐☐☐

Employer identification number

☐☐ - ☐☐☐☐☐☐☐

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or) I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person , and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN.

Sign Here Signature of U.S. person ▶ Date ▶

IMPORTANT – if any part of the payment made to you could be subject to backup withholding and we do not receive this completed form, we will do backup withholding of 24% on those amounts.

IRS W-9 form instructions can be used for clarification in completing this form. See www.irs.gov/pub/irs-pdf/fw9.pdf R: 11/2018