

SecurePay R72

Protected Lifetime Income Benefit



Protected Retirement Income,  
in good times and bad

**Protective**   
Life and Annuity Insurance Company  
*Doing the right thing is smart business.®*

NYAC.1122 (05.10)

## In good times or bad

**P**rotecting the things that are important to you is something that you've probably been doing for years. You likely have insurance to protect your house, your car, your health, and your life.

And while this insurance is something you generally only use when something goes wrong, you rest assured knowing that the protection is there.

The same can be said for the protection provided by a variable annuity with a protected lifetime income benefit like variable annuities with

**SecurePay R72** from Protective Life and Annuity. SecurePay R72 **provides the assurance** that your benefit base is **guaranteed to grow**, in both good times and bad.

# when times are good.

## When times are good.

When the market is up, SecurePay R72 helps you take advantage of market gains. In years when market performance causes the adjusted account value to exceed the benefit's guarantees, your benefit base is increased to capture that gain. Consider this scenario:

At age 60, you invest \$100,000 in a Protective Life and Annuity variable annuity with SecurePay R72. Over the next 10 years, we experience a "bull" market, or period in which investment prices rise faster than their historical average.

Age	Net Rate of Return	Contract Value (on contract anniversary)	Benefit Base	Market Gain Captured
60	N/A	\$100,000	\$100,000	
<b>61</b>	<b>24.20%</b>	<b>\$124,203</b>	<b>\$124,302</b>	<b>↑</b>
62	6.67%	\$132,485	\$133,251	
63	12.81%	\$149,454	\$149,573	↑
64	-5.69%	\$140,955	\$160,342	
65	22.67%	\$172,910	\$173,048	↑
66	10.03%	\$190,254	\$190,405	↑
67	14.30%	\$217,468	\$217,641	↑
68	8.45%	\$235,854	\$236,042	↑
69	9.07%	\$257,256	\$257,460	↑
70	7.06%	\$275,428	\$275,997	↑

When market performance is up, SecurePay R72 captures the gain and locks it into your benefit base.

This example is for illustrative purposes only and solely intended to demonstrate how the underlying investment options would have affected the variable annuity's account value and income benefit base. Actual results could be higher or lower.

These charts are hypothetical and are not intended to forecast, imply or guarantee future performance. The illustrations both assume \$35,000 invested Fidelity VIP Investment Grade Bond Portfolio, \$35,000 in Franklin Income Securities Fund and \$30,000 in Oppenheimer Capital Appreciation Fund. "When times are good" represents the performance of these investments from 12/31/1990 – 12/31/2000 and "When times are bad" represents the performance from 12/31/1999 – 12/31/2009. The rates of return reflect variable annuity fees for the ProtectiveRewards II NY variable annuity, including and M&E and Administration charge of 1.15% and the SecurePay R72 fee of 0.95%. Assumes annual portfolio rebalancing. Please see the prospectus for complete information about the variable annuity and optional benefits. Past performance is no guarantee of future results. All guarantees are subject to the claims-paying ability of Protective Life and Annuity Insurance Company.



# when times are bad.

## When times are bad.

When the market is down, SecurePay R72 provides the protection of guaranteed benefit base increases. Regardless of market performance the protected benefit base will increase by at least 7.2% each contract year that the adjusted contract value is at least 50% of the benefit base. This opportunity occurs on every contract anniversary until it has occurred 10 times or until the owner decides to begin taking benefit withdrawals, if earlier. Consider this scenario:

At age 60, you invest \$100,000 in a Protective Life and Annuity variable annuity with SecurePay R72. Over the next 10 years, we experience a "bear" market, or period in which investment prices are generally falling.

Age	Net Rate of Return	Contract Value (on contract anniversary)	Benefit Base	Guaranteed 7.2% Increase
60	N/A	\$100,000	\$100,000	
61	7.06%	\$107,065	\$107,200	↑
62	-2.05%	\$104,871	\$114,918	↑
63	-6.76%	\$ 97,779	\$123,193	↑
64	19.30%	\$116,649	\$132,062	↑
65	5.91%	\$123,547	\$141,571	↑
66	1.35%	\$125,209	\$151,764	↑
67	6.74%	\$133,643	\$162,691	↑
68	4.38%	\$139,495	\$174,405	↑
<b>69</b>	<b>-27.16%</b>	<b>\$101,609</b>	<b>\$186,962</b>	↑
70	27.57%	\$129,618	\$200,423	↑

When market performance is down, SecurePay R72 provides the assurance of guaranteed growth of the benefit base.

This example is for illustrative purposes only and solely intended to demonstrate how the underlying investment options would have affected the variable annuity's account value and income benefit base. Actual results could be higher or lower.

	One Year	Five Years	Ten Years	Life of Fund	Fund Inception Date	Subaccount Inception Date
Fidelity VIP Investment Grade Bond	7.67%	2.90%	4.68%	2.85%	12/5/1988	2/2/2004
Franklin Income Securities Fund	36.43%	2.53%	6.86%	1.03%	1/24/1989	5/1/2006
Oppenheimer Capital Appreciation Fund/VA	42.25%	-0.59%	-3.31%	3.34%	4/3/1985	7/1/1997

Performance data for periods prior to the Fund Inception Date (e.g. pre-dating the fund/portfolio as an investment option in the variable annuity) is hypothetical. It is based on the actual results of the underlying fund/portfolio less the contract fees & charges noted above.

### Standardized Performance of the variable annuity investments represented.

Annual average returns as of March 31, 2010. Returns reflect all underlying fees and charges, including management fees, a M&E and Administration charge of 1.15%, optional death benefit rider charges of 0.20%, the SecurePay R72 rider charge of 0.95%, the maximum applicable withdrawal charge of 7% and the annual contract maintenance fee of \$30. The value of an investment in the variable annuity funds will fluctuate, so that an investor's units, when redeemed may be worth more or less than their original cost. This performance data represents past performance. Past performance is no guarantee of future results. Current performance may be higher or lower than performance shown. Performance information current to the end of the most recent month may be obtained by visiting [www.protectivelifeandannuity.com](http://www.protectivelifeandannuity.com).

# protect your retirement income

## **Protect your retirement income.**

You insure the things that matter to you in order to protect yourself from loss should the unexpected occur. Shouldn't you do the same for your retirement income?

With a protected lifetime income benefit, like SecurePay R72 you can ensure that your income benefit base is protected regardless of what future market conditions may be. In good times, when your investments are doing well, the benefit will help you capture market gains. In bad times, when the market is down, the benefit offers the assurance of guaranteed increases.

**Talk to your financial advisor to learn more about SecurePay R72 and how it can play a role in protecting your retirement income.**



# variable annuities

## Variable Annuities.

Protective Life and Annuity offers a suite of variable annuities to meet a variety of retirement needs. Whether you are retired now, retiring soon or retiring years from now, you'll discover a wealth of options to help secure your personal financial future.

In simple terms, a variable annuity is a long-term contract between you and a life insurance company. Variable annuities are designed for retirement planning and are one of the few investments that can provide a stream of payments for life with options that can help protect against market risk. They offer a combination of investment and insurance benefits, such as:

- Tax-deferred growth
- Variety of asset classes and professionally managed investments
- Access to your money
- Choice of annuity income payment options, including income for life
- Protected growth and income benefits
- Estate planning benefits

*Protective Life and Annuity variable annuities contain certain fees, including a Mortality and Expense Charge and an Administration Charge ranging from 1.15% - 1.65% of the account value assessed at an annual rate.*

# protected lifetime income benefits

## Protected Lifetime Income Benefits.

Often referred to as Guaranteed Lifetime Withdrawal Benefits (GLWB) or living benefits, these options may be added to your variable annuity for an additional fee to provide another layer of protection for your investment. With protected lifetime income benefits, you remain invested in the variable annuity with opportunities to capture market gains but with added protection from downside risk. SecurePay R72 even offers a specified level of growth, regardless of investment performance. Additionally, protected lifetime income benefits provide retirement income options that are guaranteed to last your lifetime or over the joint lifetime of you and your spouse. For more complete information, please see the product prospectus.

*For tax purposes, protected lifetime income benefit payments are usually assumed to be a withdrawal of earnings first. The full amount of withdrawals related to earnings is subject to ordinary income tax.*

*All guarantees are subject to the claims-paying ability of Protective Life and Annuity Insurance Company. Optional protected lifetime income benefits, such as SecurePay R72, are available at an additional cost with certain requirements and restrictions that may affect the underlying annuity contract features.*



# protected lifetime income

## Protected lifetime income.

*SecurePay R72* provides protected lifetime income. Once you add it to your variable annuity, it guarantees that you will be able to withdraw a fixed percentage of your investment annually throughout your retirement, regardless of investment performance. These withdrawals are guaranteed for a lifetime, helping to ensure you don't outlive your retirement income.

When combined with Protective Life and Annuity variable annuities, *SecurePay R72* can help address many retirement needs.

Needs	How <i>SecurePay R72</i> can help
Supplemental retirement income	Guaranteed annual withdrawals
Lifetime income	Withdrawals guaranteed to last your lifetime or that of you and your spouse.
Market upside potential	Annual benefit base increase opportunities, which can capture market gains, potentially increasing the amount of future guaranteed withdrawals.
Guaranteed benefit withdrawal increases	Your benefit base will increase by at least 7.2% each contract year that the adjusted contract value is at least 50% of the benefit base. This opportunity occurs on every contract anniversary until it has occurred 10 times or until the owner decides to begin taking benefit withdrawals, if earlier.
Market downside protection	Protected lifetime income regardless of investment performance.

This brochure should be used in conjunction with the profile for the Protective Life and Annuity variable annuity being considered, which contains additional information on the specific variable annuity and its benefits and features. For more complete information regarding Protective Life and Annuity variable annuities and optional benefits, please consult the product prospectuses.

Keep in mind that variable annuities are long-term investments intended for retirement planning and involve market risk and the possible loss of principal. Investments in variable annuities are subject to fees and charges from the insurance company and the investment managers.

All guarantees are subject to the claims-paying ability of Protective Life and Annuity Insurance Company.

Policy form number AF-2121. ProtectiveRewards II NY is a flexible premium deferred variable and fixed annuity contract. SecurePay R72 benefits provided by rider form number AF-2148.

Variable annuity contracts issued by Protective Life and Annuity Insurance Company (PLAICO). Securities offered by Investment Distributors, Inc. (IDI). Both located at 2801 Highway 280 South, Birmingham, AL 35223. PLAICO and IDI are each subsidiaries of Protective Life Corporation. Protective Life Corporation is a separate company and is not responsible for the financial condition or contractual obligations of PLAICO or IDI.

**Investors should carefully consider the investment objectives, risks, charges and expenses of a variable annuity, any GLWB rider, and the underlying investment options before investing. This and other information is contained in the prospectuses for a variable annuity and its underlying investment options. Investors should read the prospectuses carefully before investing. Prospectuses may be obtained by contacting PLAICO at (800) 456-6330.**