Protected Lifetime Income Options

Your choice.
Your retirement.

Protective®

Not a Deposit	Not Insured By Any Federal Government Agency	
No Bank or Credit Union Guarantee	Not FDIC/NCUA Insured	May Lose Value

CAC.1093 (07.11)

Security in uncertain times with protected lifetime income benefits.

Variable annuities are a **valuable retirement planning tool** and are one of the few investments that can provide a stream of **payments for life**. Investing in the market is an essential part of owning a variable annuity, and options are available to help protect against market risk – **enhancing your security** for a **comfortable retirement**. Adding an optional protected lifetime income benefit to your variable annuity creates a powerful retirement income tool by providing **flexibility** and **growth opportunities**. Recognizing there is no one-size-fits-all solution, Protective Life offers three diverse protected lifetime income benefits for an additional cost to better meet your **unique retirement income needs.**

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 withdrawals, including those taken under the terms of the Protective Income Manager, SecurePay and SecurePay R72 protected lifetime income benefits, reduce the contract value and death benefit. Surrender charges and federal and state income taxes may apply, as well as a 10% federal penalty, if a withdrawal occurs before the owner reaches age 59½. See the product prospectus for complete details.

Protective Income Manager, SecurePay and *SecurePay R72* all offer the assurance of guaranteed lifetime retirement income.

Protective Income Manager – income now

- *Potentially provides higher income than SecurePay or SecurePay R72*
- *Market protection with opportunities for growth and higher income amounts*
- *Some fluctuation in annual income amounts*

SecurePay – income now

- *Steady, predictable income*
- *Captures market gains with downside protection*
- *Poor market performance has no effect on income*

SecurePay R72 – income later

- *Guaranteed growth now – steady, predictable income later*
- *Potential for the benefit base to grow by a minimum of 7.2% per year for 10 years or until benefit withdrawals begin (if earlier), even during periods of negative market performance*
  – contract value must be at least 50% of the benefit base upon each contract anniversary
- *Captures market gains with downside protection*

What's the difference between "benefit base" and "contract value"?

Your contract value will fluctuate depending on the performance of the investment options you've chosen and is the amount you would receive, if you chose to terminate your variable annuity (less surrender charges, if any). Your benefit base is the amount on which your protected lifetime income benefits are determined.*

Although your benefit base is protected from market downturns, it will decrease, if withdrawals are made prior to beginning your benefit withdrawals. It will also decrease after beginning your benefit withdrawals, if withdrawal amounts are greater than the allowable amount under each protected lifetime income benefit.

* *Not applicable to Protective Income Manager*

Protective Income Manager – a maximizing solution for greater flexibility and control with retirement income now

Protective Income Manager helps you get everything you can out of your retirement savings with opportunities for income growth and flexible withdrawal amounts – all backed by the security of guaranteed income for life. You gain a feeling of control, knowing your retirement income can change along with your needs.

***Protective Income Manager* quick facts.**

Age availability: 60-80

Annual fees

- Purchased with your variable annuity: 1.00%
- Purchased after your variable annuity (see *RightTime*): 1.10%

Guaranteed lifetime annual withdrawals

- Optimal withdrawal amount calculated each contract anniversary based on the contract value and a factor associated with the number of years until the youngest contract owner reaches age 95.

Guaranteed lifetime withdrawals.

When it comes to creating retirement income, you need solutions that can help leverage your savings. *Protective Income Manager* achieves this with a unique strategy to help maximize the amount of your annual withdrawals. These withdrawals are based on a pre-determined, *annually increasing* percentage of the contract value – enhancing your opportunity for *higher* withdrawal amounts over time, even when market performance is flat or poor.

This withdrawal strategy is designed to distribute back to you all of the contract value by the time the youngest contract owner reaches age 95. At that point, annual payments equal to the Protected Lifetime Payment amount continue for the rest of your life.

Market upside potential.

With *Protective Income Manager*, you are invested in the market, allowing your contract value to increase when market performance is positive.

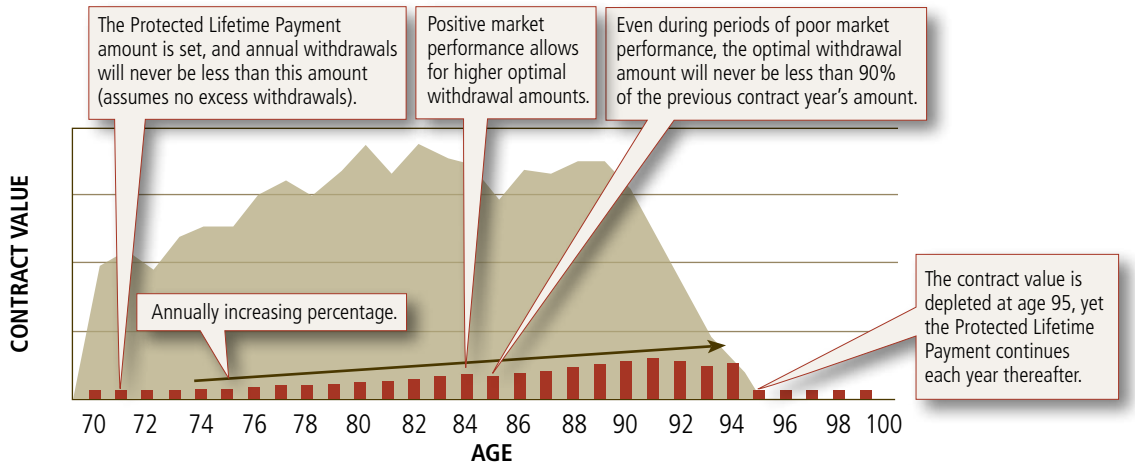
Protective Income Manager includes an Allocation Adjustment feature to help limit the risk Protective Life assumes under this optional benefit. Please see the Investment Options Guide and the product prospectus for details.

Market downside protection.

Protective Income Manager also includes two layers of protection to help safeguard your retirement income against poor market performance.

1. **Protected Lifetime Payment**: Your annual withdrawal amounts are guaranteed to never be lower than the withdrawal amount available in your first contract year, even if the contract value falls to zero (unless withdrawals in excess of the allowable amount are made).
2. **Volatility protection**: Your annual withdrawal amounts are guaranteed never to fluctuate more than 10% above or below the previous year's withdrawal amount.

How it works.



This chart is hypothetical and intended solely to demonstrate the potential lifetime annual withdrawals. It is not indicative of the performance of any variable annuity investment, does not reflect any actual account values, nor does it reflect any fees associated with Protective Life's variable annuities. It assumes Protective Income Manager is selected at issue with an initial investment and no subsequent investments or withdrawals. Chart is not to scale.

Contract Value

Optimal Withdrawal Amount

Flexibility and control.

Life is full of unexpected events, even in retirement. These surprises can result in the need to adjust the withdrawal amounts taken from your variable annuity. The uniquely designed *Protective Income Manager* offers you the flexibility to take less in years when it is not needed and more in years when you might; however, you should always consult your financial advisor prior to taking excess withdrawals to ensure you understand the impact it may have on your future withdrawal amounts.

Taking an excess withdrawal will result in a recalculation of the Protected Lifetime Payment and the pre-determined percentages used to calculate the annual withdrawal amount will be reset to the rates applicable to the youngest owner's attained age. If you choose to withdraw only a part of (or none of) your Optimal Withdrawal Amount in any given contract year, you cannot carry over any unused Optimal Withdrawal Amount to any future contract years.

Is *Protective Income Manager* right for you?

- *You want to maximize your savings to generate retirement income now.*
- *You need some flexibility and control to better manage your income needs each year.*
- *You can tolerate some fluctuation in annual withdrawal amounts.*
- *You want the opportunity to receive higher amounts when market performance is positive.*
- *You plan to receive all of the contract's value during retirement and not leave it to loved ones.*

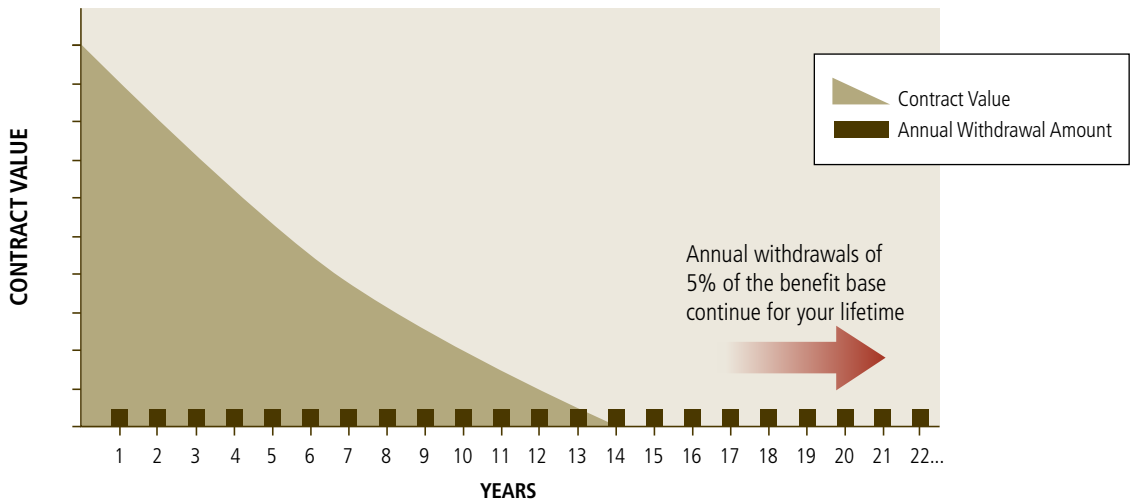
For tax purposes, protected lifetime income benefit payments are usually assumed to be a withdrawal of earnings first. The full amount of withdrawals related to earnings is subject to ordinary income tax.

SecurePay – a simple, low cost solution for steady and predictable retirement income now

SecurePay provides the assurance of steady and predictable retirement income, regardless of market conditions. With this benefit, your withdrawals are guaranteed to continue for life, even if the contract value falls to zero as a result of poor market performance.

The example below demonstrates the protection *SecurePay* provides with annual withdrawals of 5% for a single lifetime. You can be assured that your retirement income needs will continue to be met, even if the contract value is depleted.

Withdrawals continue even if your contract value falls to zero.



This chart is hypothetical and is intended solely to demonstrate the continuance of guaranteed annual withdrawals when the annuity's contract value falls to zero. It is not indicative of the performance of any subaccount, does not reflect any actual account values, nor does it reflect any fees associated with Protective Life's variable annuities. It assumes no appreciation in contract value, a 5% annual withdrawal amount and no additional/excess withdrawals, other than the guaranteed annual withdrawal amount.

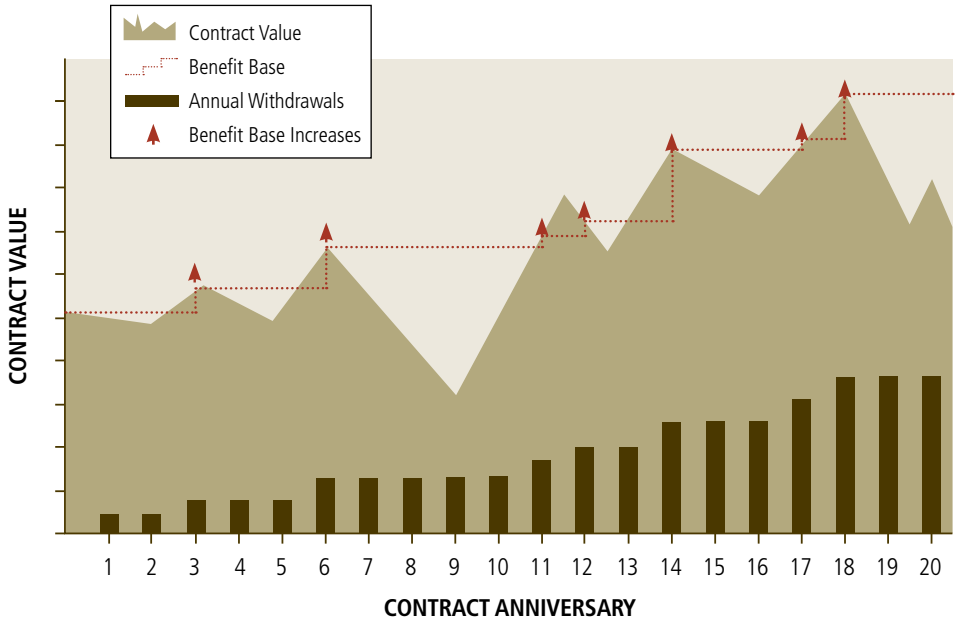
Market upside potential.

Securing retirement income may be your primary concern, yet you also want to continue growing your assets. With *SecurePay*, your benefit base will increase when positive market performance has caused your adjusted contract value to exceed your benefit base. The adjusted contract value equals the contract value minus any investments made two years after purchasing *SecurePay*.

This opportunity occurs on every contract anniversary until you reach age 95. Your future benefit withdrawals are then based on the new, *higher* benefit base – increasing the amount of your benefit withdrawals. If your adjusted contract value is equal to or less than the current benefit base on a contract anniversary, your benefit withdrawals simply remain level.

The example below demonstrates the growth opportunity *SecurePay* provides with market participation. Capturing potential market gains has the effect of increasing your future benefit withdrawal amounts.

Taking advantage of the market's upside potential.



This chart is hypothetical and intended solely to demonstrate the potential lifetime annual withdrawals and to illustrate the annual step-up feature. It is not indicative of the performance of any variable annuity investment, does not reflect any actual account values, nor does it reflect any fees associated with Protective Life's variable annuities. It assumes SecurePay is selected at issue with an initial investment and no subsequent investments or excess withdrawals. Chart is not to scale.

Is *SecurePay* right for you?

- *You desire a simple, low cost option.*
- *You want income now or in the near future.*
- *You need steady, predictable income by withdrawing a portion of the contract value.*
- *You want to retain contract value to pass onto beneficiaries, if market performance is good.*
- *You can stick to the plan by meeting your retirement income need with set guaranteed lifetime annual withdrawals.*

SecurePay quick facts.

Age availability: 0-85

Annual fees

– Purchased with your variable annuity: 0.60%

– Purchased after your variable annuity (see *RightTime*): 0.70%

Guaranteed lifetime annual withdrawal percentages:

– Single person: 5.0%

– Both spouses: 4.5%

SecurePay R72 – a valuable solution for growth now with steady, predictable retirement income later

As with *SecurePay*, your benefit withdrawals with *SecurePay R72* are guaranteed to continue for life, even if your contract value falls to zero as a result of poor market performance. Unique to *SecurePay R72*, it also provides for greater asset growth by guaranteeing your benefit base will annually increase at least 10 times, prior to starting your benefit withdrawals.

Guaranteed growth.

Should your adjusted contract value grow by less than 7.2% each year, your benefit base will still increase by 7.2% (adjusted contract value must be at least 50% of the benefit base). The adjusted contract value equals the contract value minus any investments made two years after purchasing *SecurePay R72*.

This opportunity occurs on every contract anniversary until it has occurred 10 times or until you decide to begin your benefit withdrawals, if earlier. Your future benefit withdrawals are then based on the guaranteed new and *higher* benefit base – increasing the amount of your benefit withdrawals.

Market upside potential.

With *SecurePay R72*, your benefit base will also increase when positive market performance has caused your adjusted contract value to exceed your benefit base. This opportunity occurs on every contract anniversary until you reach age 95. Your future benefit withdrawals are then based on the new, *higher* benefit base – once again increasing the amount of your benefit withdrawals.

SecurePay R72 quick facts.

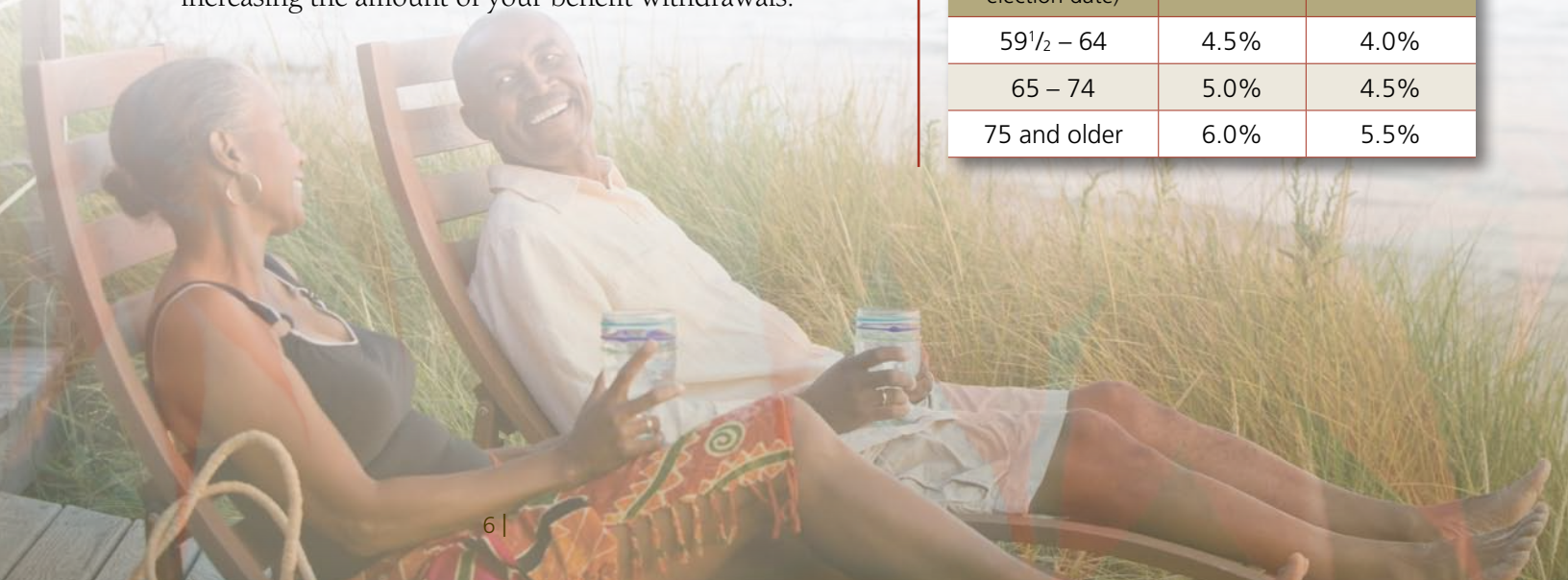
Age availability: 55-85

Annual fees

- Purchased with your variable annuity: 1.00%
- Purchased after your variable annuity (see *RightTime*): 1.10%

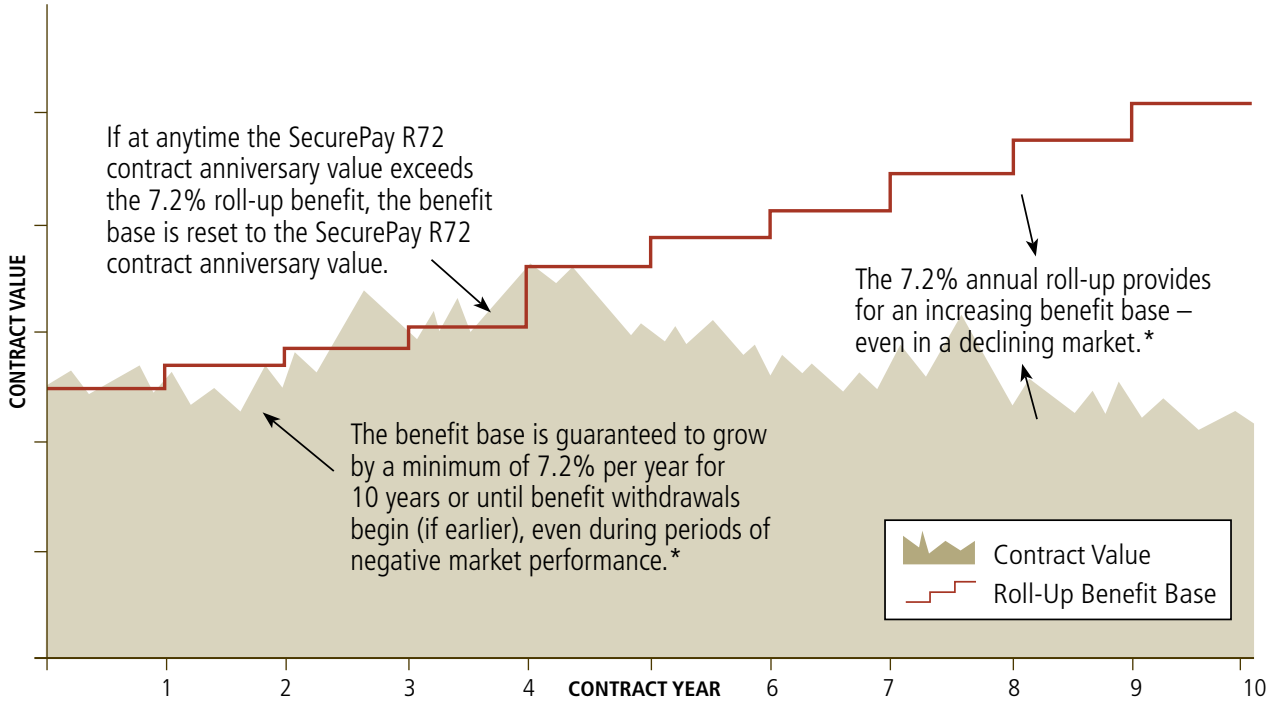
Guaranteed Lifetime Annual Withdrawal Percentages

Age (younger covered person on benefit election date)	Single Person	Both Spouses
59½ – 64	4.5%	4.0%
65 – 74	5.0%	4.5%
75 and older	6.0%	5.5%



How it works.

Guaranteed growth – even with poor market performance



*The adjusted contract value must be at least 50% of the benefit base.

This chart is hypothetical and intended solely to demonstrate how the roll-up feature of the SecurePay R72 withdrawal benefit works. It is not indicative of the performance of any subaccounts, does not reflect any actual account values, nor does it reflect all fees associated with Protective Life's variable annuities. It assumes the SecurePay with roll-up option is selected at issue with an initial purchase payment and no subsequent purchase payments or withdrawals.

Is *SecurePay R72* right for you?

- *You have time until retirement to benefit from the guaranteed growth of the benefit base.*
- *You need steady, predictable income by withdrawing a portion of the contract value.*
- *You want to retain contract value to pass onto beneficiaries, if market performance is good.*
- *You can stick to the plan by meeting your retirement income need with set guaranteed lifetime annual withdrawals.*

additional features

Additional features to meet your unique needs.

Protective Life offers the following value-added options to help you customize your protected lifetime income benefit to better meet your retirement income needs.

SecurePay NH – nursing home benefit

(available with *SecurePay* and *SecurePay R72*)

SecurePay NH is available at *no additional cost* and can double your benefit withdrawal percentage up to a maximum of 10%, should you require qualified care.

To be eligible for *SecurePay NH*, you must:

- *Be confined to a qualified nursing care facility for 90 consecutive days*
- *Be unable to perform two out of six specified activities of daily living*
- *Have not been in a nursing home one year before and after purchasing SecurePay or SecurePay R72*

Although it is not a comprehensive solution to long-term care planning, *SecurePay NH* can offer enhanced flexibility at a time when additional funds may be needed to help pay for care. For more information about qualifying for *SecurePay NH* and how the enhanced benefit withdrawal percentage is determined, please see the contract and prospectus.

SecurePay NH not available in the state of New York.

SecurePay ME – medical condition feature

(available with *SecurePay* and *SecurePay R72*)

SecurePay ME may help lessen the burden of serious health impairments by increasing your benefit withdrawal percentage by 0.25 – 2.00%.

To be eligible for *SecurePay ME*, you must:

- *Be age 75 or younger*
- *Have your variable annuity contract in force for two years or more (or two years following the most recent change of ownership)*
- *Have not designated a date for your benefit withdrawals to begin*

Should Protective Life make an offer of an enhanced benefit withdrawal percentage based upon review of your medical records, a one-time fee of $150 will be deducted from the contract value at the time your increased benefit withdrawals begin. There is no fee, if an offer is not made. This fee is subject to change, but will never be more than $300.

For more information about qualifying for *SecurePay ME* and how the enhanced benefit withdrawal percentage is determined, please see the contract and prospectus.

Please note from time to time, Protective Life will establish the criteria for qualification of a covered person and the associated enhanced living benefit withdrawal percentage, if any. When establishing these criteria, we will consider factors such as: the covered person(s)' medical condition, the efficacy of current and future treatment modalities, general market conditions, including the performance of the model portfolios and the experience and actuarial assumptions for the living benefit at the time the request for a medical evaluation is received. We will apply these criteria equitably to all covered persons. Since each of these factors will vary over time, our decision regarding any individual request for a medical evaluation is not representative of the decision we will reach at any time in the future.

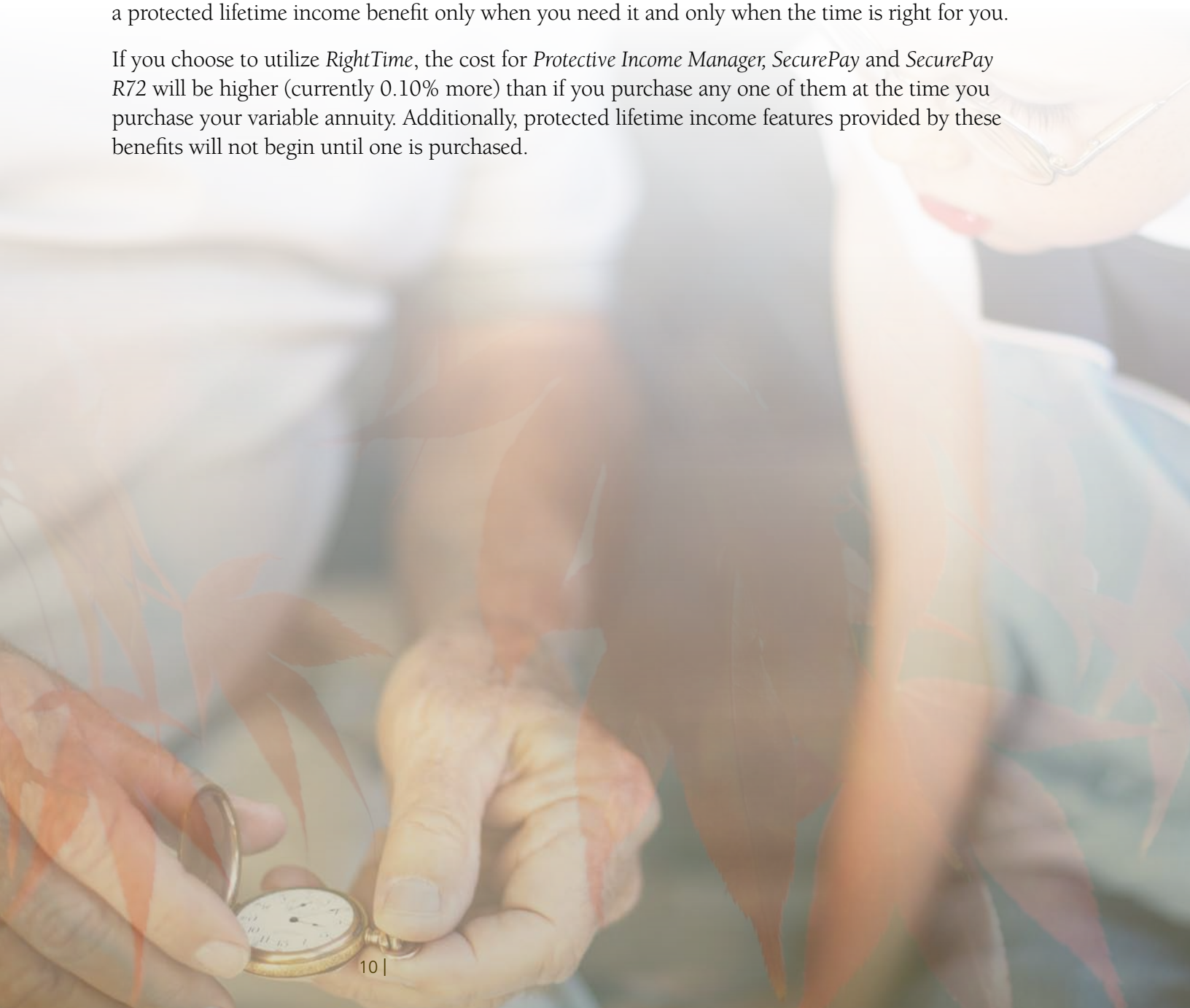
Additional features continued.

RightTime – flexibility to choose how and when to pay for your benefit

(available with *Protective Income Manager, SecurePay* and *SecurePay R72*)

Perhaps you are ready to buy a Protective Life variable annuity today in order to take advantage of its accumulation and tax deferral features but don't currently have a need for a protected lifetime income benefit. *RightTime* gives you the freedom to purchase *Protective Income Manager, SecurePay* or *SecurePay R72* when you buy your variable annuity or at a later date. This way, you can purchase a protected lifetime income benefit only when you need it and only when the time is right for you.

If you choose to utilize *RightTime*, the cost for *Protective Income Manager, SecurePay* and *SecurePay R72* will be higher (currently 0.10% more) than if you purchase any one of them at the time you purchase your variable annuity. Additionally, protected lifetime income features provided by these benefits will not begin until one is purchased.



Which protected lifetime income benefit is right for you?

	Protective Income Manager	SecurePay	SecurePay R72
Guaranteed lifetime income	✓	✓	✓
Protected market participation	✓	✓	✓
Capture market gains until age 95		✓	✓
Guaranteed growth			✓
Flexibility and control	✓		
Steady and predictable income		✓	✓
Generally higher income *(some fluctuation)*	✓		
RightTime *(buy now or later)*	✓	✓	✓
SecurePay NH *(nursing home benefit)* *(not available in the state of New York)*		✓	✓
SecurePay ME *(medical condition feature)*		✓	✓

All withdrawals, including those taken under the terms of the Protective Income Manager, SecurePay and SecurePay R72 protected lifetime income benefits, reduce the contract value and death benefit. Surrender charges and federal and state income taxes may apply, as well as a 10% federal penalty, if a withdrawal occurs before the owner reaches age 59½. See the product prospectus for complete details.

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 the issuing life insurance company. Optional protected lifetime income benefits, such as Protective Income Manager, SecurePay and SecurePay R72, are available at an additional cost with certain requirements and restrictions that may affect the underlying annuity contract features.

Secure your retirement.

A protected lifetime income benefit is yet one more way to truly **customize** your Protective Life variable annuity. With it, you will participate in the market with **enhanced protection** and provide for a **lifetime of income**. Whether you need retirement income now or later, you have the choice to start – and pay for it – when needed. **Secure** your retirement now by **ensuring** you never outlive your benefit withdrawals. **It's your choice. It's your retirement.**

experience unique
retirement

Protective Life refers to Protective Life Insurance Company (PLICO) and its affiliates, including Protective Life & Annuity Insurance Company (PLAICO). Variable annuities are issued by PLICO in all states except New York and in New York by PLAICO; securities issued by Investment Distributors, Inc. (IDI) the principal underwriter for registered products issued by PLICO and PLAICO, its affiliates. All companies are located in Birmingham, AL. Product availability and features may vary by state. Each company is solely responsible for the financial obligations accruing under the products it issues. Product guarantees are backed by the financial strength and claims-paying ability of the issuing company.

Product features and availability may vary by state. Flexible premium deferred variable and fixed annuity contract policy form numbers IPV-2112 and 2113. In NY, AF-2121 and -2122-R2. Protective Income Manager rider benefit form number IPV-2168-R2. In NY, AF-2168-R2. SecurePay benefits rider form number IPV-2164. In NY, AF-2147. SecurePay R72 rider benefits form number IPV-2165. In NY, AF-2148. SecurePay ME endorsement form number IPV-2156. In NY, AF-2144. SecurePay NH feature form number IPV-2159.

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 PLICO or PLAICO at (800) 456-6330

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