LEAVING A LEGACY WITH LIFE INSURANCE

MEET STEVE: Steve is a 55-year-old widower with two adult children and three grandchildren.

STEVE’S CONCERNS: Steve wants to leave a legacy for his children and grandchildren after he’s gone. But he is also becoming increasingly concerned with potential costs of a chronic illness and does not want to burden his children in the event he needs care. Steve is disappointed with an underperforming life insurance policy he has had for years that still requires annual premium payments. He still needs the life insurance coverage but will be retiring soon and does not want to pay premiums any longer.

STEVE’S SOLUTION: Steve talks with his financial professional and they decide a Protective Advantage Choice UL policy with the Income Provider Option and ExtendCareSM Rider is the best choice. Steve funds the policy by doing a 1035 transfer using the $207,334.48 cash surrender value from his previous life insurance policy.

<table>
<thead>
<tr>
<th>Age</th>
<th>Policy Surrender Value</th>
<th>Death Benefit Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>56</td>
<td>$163,765</td>
<td>$648,680</td>
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<tr>
<td>60</td>
<td>$176,429</td>
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<td>$216,678</td>
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<tr>
<td>80</td>
<td>$203,162</td>
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<td>$0</td>
<td>$648,680</td>
</tr>
<tr>
<td>105</td>
<td>$0</td>
<td>$648,680</td>
</tr>
</tbody>
</table>

Effective as of November 2014. Assumes male age 55, non-tobacco, coverage to age 105, ExtendCare maximum monthly benefit of $9,900. Please note these policy surrender values are illustrative and not guaranteed.

NEEDS MET:
• The cash value from Steve’s old life insurance policy was enough to purchase a Protective Advantage Choice UL policy with a $648,680 death benefit guaranteed to age 105.
• By selecting the Income Provider Option, Steve’s beneficiaries will receive a $50,000 initial lump sum benefit upon his death, followed by monthly payments of $4,989 for the next 10 years. This will allow Steve to leave the legacy he desires.¹
• With ExtendCare, Steve also has access to his death benefit amount if he requires chronic illness care at some point. Any amount not used for chronic illness care will remain available for his beneficiaries at his death.²

Steve now has all of the coverages he wants and needs without having to make another premium payment for as long as he lives.

¹ Income Provider Option is an endorsement available only at issue on certain UL products issued by Protective Life Insurance Company and a portion of periodic payments may be reported as taxable income to the beneficiary.
² ExtendCare is available at an additional cost.

For more information about Protective Advantage Choice UL, contact the Life Sales Desk at 800.628.6390, option 2.
This case study is hypothetical and for illustrative purposes only. Each individual situation will be different based on the age, sex and health status of the insured. Different planned premium frequencies will require different total annual premium amounts. More frequent planned premiums will typically require higher premium payments to be made. For current information on Protective Life Insurance Company’s products, please use our ELI software or contact our sales desk for an illustration.

Lapse protection guarantees the policy death benefit for the duration of the guarantee and does not cover cash or surrender value. Loans, withdrawals, and other policy and premium changes will affect the cost and length of protection. Failure to make premium payments as planned may cause the policy to lose lapse protection and premiums required to restore it could be significantly higher. Refer to the policy and endorsements for complete terms, conditions and limitations.

Protective Advantage Choice UL (UL-21) is a universal life insurance policy issued by Protective Life Insurance Company, Birmingham, AL. Policy form numbers, product features and availability may vary by state. Consult policies for benefits, riders, limitations and exclusions. Subject to underwriting. Up to a two-year contestable and suicide period. Benefits adjusted for misstatements of age or sex. In Montana, unisex rates apply.

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

Policyholders who replace existing life insurance coverage with a new policy within the 1035 exchange process could experience unintended consequences such as income tax liability, new underwriting guidelines, and loan, surrender charge and contestability period changes on the replacement policy.

The tax treatment of life insurance is subject to change. Neither Protective Life nor its representatives offer legal or tax advice. Your clients should consult with their legal or tax advisors regarding their individual situations before making any tax related decisions.

ExtendCare falls under IRC Sec. 101(g) Accelerated Death Benefit guidelines and does not fall under health regulations. This differentiation could affect eligibility for public assistance programs such as Medicaid, Supplemental Income or others. Purchasers should consult a qualified advisor along with legal or tax advisor to determine if the rider will affect their initial or continued eligibility for public assistance programs or other tax-related decisions.

ExtendCare (Form ICC12-L630 and L630) is available only at issue and at an additional cost. Actual terms and conditions contained in the rider govern all benefits provided. Please see the rider for more detailed information.

ExtendCare is intended as a non-medical supplement to traditional long-term care policies and riders.

Actual terms and conditions contained in the product policy and the endorsement govern benefits provided. A portion of periodic payments may be reported as taxable income to the beneficiary. Consumers should consult their attorney or tax advisor regarding their individual situations. Please see the endorsement for more detailed information. May not be available in all states or on all currently-marketed UL products. State variations may apply. Income Provider Option (UL-E35) is issued by Protective Life Insurance Company, Birmingham, AL.