Protective

Product profile

PROCLASSIC II℠ UL

Universal Life Insurance

Investment and insurance products are:	• Not FDIC insured • Not insured by any federal government agency • Not a deposit or other obligation of, or guaranteed by, the bank or any of its affiliates • Subject to investment risks, including possible loss of the principal amount invested

Protective refers to Protective Life Insurance Company and Protective Life and Annuity Insurance Company.

Everyone knows that life insurance provides financial protection for loved ones or business interests. But it's also a tool you can use during your lifetime to build the future you envision — whether that includes retirement, college or preparing for life's unexpected costs.

We're pleased to offer Protective ProClassic II℠ UL to those who expect more from their life insurance. This universal life coverage combines affordable death benefit protection with flexible coverage options and the potential for cash value accumulation.

Protective®

Protection for your loved ones

Life insurance provides protection and security for your loved ones — helping them avoid added financial pressures should something happen to you.

Death benefit coverage

The death benefit from your ProClassic II UL policy can be paid directly to your beneficiaries to help them maintain their standard of living. It may also help cover burial and final expenses, and recurring or future costs.

With ProClassic II UL, you also have the option of decreasing your death benefit amount without having to buy a new, separate policy if your needs change. Your death benefit coverage can even be guaranteed for at least 10 to 15 years, meaning your policy will not lapse as long as your planned premiums are paid.[1]

[1]Lapse protection guarantees the policy death benefit for the duration of the guarantee. 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.

Making your policy work for you

ProClassic II UL also offers potential cash value accumulation you can use for future expenses or unexpected costs

Cash value accumulation and access

With ProClassic II UL, a portion of each premium payment goes into the "policy value," or the part of the policy that earns interest. Your policy's cash value accumulates on a tax-deferred basis,[2] which means you may not be taxed until you withdraw funds, allowing them to grow freely. The current interest rate credited to your policy value may change at any time. While the overall economic environment influences interest rates, they are not indexed to any national standard and are subject to change at the discretion of Protective. The current interest rate will never be less than the guaranteed rate of 2.0%.

Although a life insurance policy is intended to help meet long-term needs, we understand that you may need or want to access your policy value. With ProClassic II UL, you have access to your policy value any time after the first policy year through withdrawals or loans.

Keep in mind loans and withdrawals may impact your policy. If you decide to fully surrender the policy during the first 14 years, there will be a charge that varies by age, gender and underwriting class.

ProClassic II UL also offers a loan rescue provision, enabling you to exchange the cash value of an existing life insurance policy containing a loan into a new policy. Your policy includes comprehensive details.

Premium and death denefit flexibility

Financial needs, responsibilities and limitations vary for every individual. And because life's always changing, flexibility is a must.

ProClassic II UL gives you the option of premium and death benefit flexibility. You can choose to pay a level premium for your lifetime or for a certain period of time, or you can adjust premiums to correspond with your expected income level. Premium payments can also be increased, decreased or even skipped, depending on certain policy factors.

Your budget for life insurance premiums may change as you move through your life. If you expect your income to grow with evolving job responsibilities, for example, it could be advantageous to pay lower premiums in the first few years of your policy, then more in the following years.

Your coverage needs might also change. Instead of having to purchase a new policy, you can increase your death benefit amount after your ProClassic II UL policy has been in force for at least one year. The minimum increase is $10,000, and a new 14-year surrender charge period will begin for the increased coverage amount. Death benefit increases require additional underwriting.

[2]The tax treatment of life insurance is subject to change. Neither Protective nor its representatives offer legal or tax advice. Please consult with your legal or tax advisor regarding your individual situation before making any tax-related decisions.

Death benefit options

With ProClassic II UL, you can choose between two distinct death benefit options

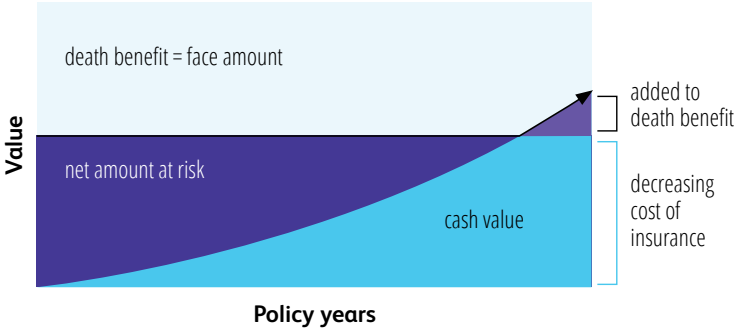
Choice of death benefit options

ProClassic II UL lets you choose between a level death benefit and an increasing death benefit. Your decision will depend on your individual goals and whether you want potential policy value growth to increase your death benefit or lower your cost of insurance over time. The cost of insurance is the amount that is deducted from the policy value on a monthly basis to cover the "net amount at risk." See your policy to learn more.

Option A (Level)

The level death benefit option is typically the less expensive option over time. Your beneficiaries will receive the level death benefit amount of the policy. As policy value grows over time, it decreases the net amount at risk, thus decreasing the cost of insurance. In the illustration, the death benefit amount does not change as the net amount at risk decreases. In addition to lowering the cost of insurance, the death benefit actually increases when policy value exceeds the level face amount.

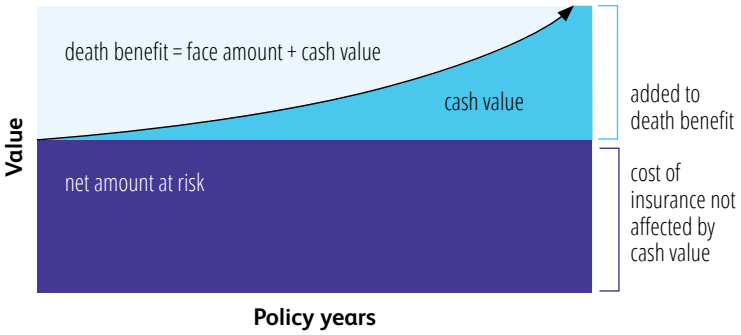
Level death benefit



Option B (Increasing)

With the increasing death benefit option, potential policy value growth does not decrease the net amount at risk. Thus, your cost of insurance is not affected by policy value growth. Instead, any policy value growth is added to the face amount of the policy upon your passing. Beneficiaries receive this amount as the death benefit. In the illustration, the death benefit increases with policy value growth, but the net amount at risk remains level.

Increasing death benefit



About ProClassic II UL

Every applicant for a ProClassic II UL policy is given an underwriting classification, based on your health and insurance risk factors, to determine your policy rates. The policy also has defined issue ages as follows:

Select preferred	18-75
Preferred	18-75
Non-tobacco	18-75
Tobacco	18-75
Juvenile	0-17

The minimum policy face amount (death benefit) is $25,000 for applicants rated in the non-tobacco, tobacco and juvenile classes, and $100,000 for all other classes. There is no maximum face amount.

The ProClassic II UL policy earns a guaranteed annual effective interest rate of 2.0%. The current credited rate could be higher and will be determined periodically by Protective.

If you need to access your policy's cash value after the first policy year, all withdrawals are charged a $25 fee and may reduce your policy's death benefit amount, subject to minimums. Withdrawals will also impact lapse protection and surrender charges may apply. Loans are available, and interest will be charged in arrears for all policy years. The guaranteed interest rate for loans is 3.5% during the first 10 policy years and 2.75% thereafter. The current rate may be lower and is subject to change at the discretion of Protective. Keep in mind loans and withdrawals may impact the policy. If you decide to fully surrender your policy during the first 14 years, there will be a charge that varies by age, gender and underwriting class.

There are certain fees and charges associated with a ProClassic II UL policy.

Premium load	5% — applies to all policy years and premiums
Monthly administrative charge	$5 — applies to all policy years but discontinues at age 121
Monthly cost of insurance charge	Varies by issue age, gender, underwriting class, policy year and any ratings; discontinues at age 121
Monthly expense charge	Per $1,000 of initial face amount; varies by age, gender and underwriting class; applies to first 15 policy years after issue or face increase

What happens next?

If you decide a ProClassic II UL policy is right for you, the application process begins

Working with your financial professional, you'll sign some forms and answer a few medical questions. You'll also complete the application, determine your face amount (death benefit) and select any optional benefits or riders.

In most cases, a medical professional will then contact you to schedule a life insurance physical examination, usually in your own home. Your application is then sent to Protective for underwriting, where, over the next few weeks, your application and physical exam results are reviewed. Medical records or additional underwriting criteria may be required to determine your health risk and qualification for the policy.

If approved, you'll receive a copy of your policy. Be sure to keep it with your other important documents and notify your beneficiaries. Please remember that guarantee of coverage requires payment of premiums according to the amount and schedule you set.

It is important to regularly review your policy and annual report to make sure your strategy stays aligned with your goals.

Protective

We're Protective

Protective provides protection that fits your life, because we believe everyone deserves a sense of security and protection. We've been protecting people for over 110 years, delivering on our promises and pushing to do more for more people.

Because we're all protectors.

Protective® is a registered trademark of Protective Life Insurance Company, founded in 1907. The Protective trademarks, logos and service marks are property of Protective Life Insurance Company and are protected by copyright, trademark and/or other proprietary rights and laws.

Protective refers to Protective Life Insurance Company and its affiliates, including Protective Life and Annuity Insurance Company. Protective is a registered trademark and ProClassic II is a trademark.

ProClassic II (UL-25) is a universal life insurance policy issued by Protective Life Insurance Company in all states except New York where it is issued by Protective Life and Annuity Insurance Company under form number (UL-25-NY). Protective Life Insurance Company is located in Omaha, NE, and Protective Life and Annuity Insurance Company is located in 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. All payments and guarantees are subject to the claims-paying ability of the issuing company.

The tax treatment of life insurance is subject to change. Neither Protective nor its representatives offer legal or tax advice. Please consult your legal or tax advisor regarding your individual situation before making any tax-related decisions.

protective.com

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