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Protective Life Insurance Company

600 Vine Street, Suite 1800

Cincinnati, OH 45202

Phone 800 628 6390

June 9, 2017

RE: Department of Labor Fiduciary Rule

To whom it may concern:

On April 6, 2016, the Department of Labor ("DOL") issued the final version of its Fiduciary Rule expanding the definition of "fiduciary" to include all financial advisors who provide investment advice related to qualified plans or individual retirement accounts or annuities (together, "retirement accounts"). This means effective June 9, 2017, or such later date as determined by the DOL, (the "Applicability Date") financial advisors, which includes registered representatives, investment advisor representatives, or insurance-only licensed agents, are fiduciaries under ERISA, and must act in the "best interest" of retirement investors. As a fiduciary, a financial advisor either must avoid engaging in a prohibited transaction such as receiving compensation from a third party or comply with one of the prohibited transaction exemptions ("PTEs") available to fiduciaries under the Fiduciary Rule.

We anticipate that financial advisors who sell insurance products will most often rely upon either the Best Interest Contract Exemption ("BIC Exemption") or PTE 84-24. Among other requirements, the BIC Exemption requires that all financial advisors be affiliated with a Financial Institution, which the BIC Exemption defines as a registered investment advisor, a bank, an insurance company, a broker-dealer, or an entity granted permission through application

to the DOL. Accordingly, if a financial advisor is not affiliated with a Financial Institution, she or he will likely seek to rely on PTE 84-24.

This letter, sent on behalf of Protective Life Insurance Company and its New York subsidiary, Protective Life and Annuity Insurance Company, (together "Protective Life") and Investment Distributors Inc. ("IDI") (underwriter of Protective Life variable contracts), informs you of Protective Life's plans and expectations for continuing to do business together under our selling agreement with you after the Applicability Date for the Fiduciary Rule.

Will Protective Life or IDI act as a Fiduciary under the Fiduciary Rule?

No, neither Protective Life nor IDI has acted as a Fiduciary in the past nor will they begin to act as a Fiduciary or Financial Institution under the Fiduciary Rule or the BIC Exemption. If a client contacts Protective Life with questions about a product held in a retirement account, we will continue doing what we have always done and provide basic information to the client about the product, such as contract value. We will not provide any investment advice and will refer the client to the advisor and firm who is the agency or firm of record for their retirement account.

Who is responsible for Fiduciary Rule compliance?

If your firm, any representatives or agents of the firm or agents contracted with Protective Life through your firm act as an "investment advice fiduciary," as defined in the Fiduciary Rule, and engage in a prohibited transaction, we assume and fully expect that your firm will be responsible for fulfilling any fiduciary obligations arising under the DOL Fiduciary Rule and complying with all conditions of an applicable PTE to cover any transactions involving a Protective Life contract after the Applicability Date.

Neither Protective Life nor its affiliates has or will exercise any supervisory authority over your firm or your financial advisors, relating to your firm's or their provision of investment advice, as defined in the Fiduciary Rule, with respect to

any retirement account that acquires or holds a Protective Life annuity contract.


Will Protective Life provide any PTE-required disclosures for selling firms?

Any marketing materials provided by Protective Life, IDI, or our affiliates to your firm or financial advisors are not intended or designed to satisfy any disclosure provisions that may apply to fiduciaries under the Fiduciary Rule or any disclosure conditions of any PTE.

For those agents relying on PTE 84-24 for sales of annuities or life insurance to qualified accounts, Protective Life will have disclosure forms available on its website. The PTE 84-24 disclosure form is specific to each Protective Life product and is meant to assist the agents in complying with the disclosure obligations under PTE 84-24. The disclosure form is only a template, and it is the agent's obligation, as the fiduciary, to review the form and add, correct, or delete information as may be necessary so that the statements about the recommended product, compensation, fees, and material conflicts of interest are not materially misleading. To access the [PTE 84-24 disclosure forms](#) or to learn more about the requirements of PTE 84-24, agents can visit www.myprotective.com, under the "Working with Protective" section.

Please contact your Protective Life representative for any Fiduciary Rule related questions.

Sincerely,

A handwritten signature in black ink that reads "John Sawyer". The signature is written in a cursive, flowing style.

John Sawyer
Senior Vice President

Life and Annuity Executive

On behalf of:



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