

PROTECTIVE LIFE CORP  
Form S-3ASR  
June 26, 2008

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As filed with the Securities and Exchange Commission on June 26, 2008

Registration No. 333-

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM S-3**

**REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933**

**PROTECTIVE LIFE CORPORATION**

**PLC CAPITAL TRUST VI  
PLC CAPITAL TRUST VII  
PLC CAPITAL TRUST VIII**

(Exact name of registrant  
as specified in its charter)

**Delaware**

**Delaware**

**Delaware**

**Delaware**

(State or other jurisdiction of  
incorporation or organization)

**2801 Highway 280 South  
Birmingham, Alabama 35223  
(205) 268-1000**

(Address, including zip code, and telephone number, including area code,  
of registrant's principal executive offices)

**c/o DEBORAH J. LONG, ESQ.  
Senior Vice President, Secretary and General Counsel  
Protective Life Corporation  
2801 Highway 280 South  
Birmingham, Alabama 35223  
(205) 268-1000**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

**95-2492236**

**45-6138505**

**20-6382897**

**20-6382915**

(I.R.S. Employer  
Identification No.)

**Approximate date of commencement of proposed sale to the public:** From time to time after the effective date of this registration statement as determined by the Registrants.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, please check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

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If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (check one):

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company  
 (Do not check if a smaller reporting company)

### CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be registered/ Proposed maximum offering price per unit/ Proposed maximum aggregate offering price/ Amount of registration fee(1)(2)(3)
Debt Securities of Protective Life Corporation(4)(5)	
Preferred Stock of Protective Life Corporation(5)	
Common Stock of Protective Life Corporation(5)	
Depository Shares of Protective Life Corporation(6)	
Warrants of Protective Life Corporation(7)	
Stock Purchase Contracts of Protective Life Corporation(8)	
Trust Preferred Securities of PLC Capital Trust VI	
Trust Preferred Securities of PLC Capital Trust VII	
Trust Preferred Securities of PLC Capital Trust VIII	
Guarantees and back-up undertakings by Protective Life Corporation with respect to the Trust Preferred Securities of the PLC Capital Trusts(9)	
Units(10)	

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- (1) An unspecified aggregate initial offering price and number or amount of the securities of each identified class is being registered as may from time to time be sold at indeterminate prices. Separate consideration may or may not be received for securities that are issuable on exercise, conversion or exchange of other securities or that are issued in units or represented by depositary shares. Any securities registered hereunder may be sold separately or as units with other securities registered hereunder.
- (2) In accordance with Rule 456(b) and Rule 457(r) under the Securities Act of 1933, as amended (the "Securities Act"), the registrants are deferring payment of all of the registration fee, except for \$47,080 that has already been paid with respect to \$400,000,000 aggregate initial offering price of securities that were previously registered under the registration statement of the registrants on Form S-3 filed on December 30, 2004 (No. 333-121791) and were not sold thereunder. Pursuant to Rule 457(p) under the Securities Act, such unutilized registration fee may be applied to the registration fee payable pursuant to this registration statement.
- (3) This registration statement also covers an indeterminate number of debt securities, shares of preferred stock, shares of common stock, depositary shares, warrants, stock purchase contracts and units of Protective Life Corporation and trust preferred securities of the PLC Capital Trusts and the related guarantees of Protective Life Corporation that may be reoffered and resold on an ongoing basis after their initial sale in remarketing or other resale transactions by the registrants or affiliates of the registrants.
- (4) Includes subordinated debentures which may be purchased by the PLC Capital Trusts with the proceeds of the sale of trust preferred securities. Any such subordinated debentures may later be distributed to the holders of trust preferred securities upon the occurrence of certain events.
- (5) Includes such indeterminate number of shares of common stock and preferred stock, and indeterminate principal amount and number of debt securities, as may be issued upon conversion, exchange or settlement of any securities registered hereunder to the extent any such securities are, by their terms, convertible into, exchangeable for or settled for common stock, preferred stock or debt securities.
- (6) Includes depositary shares evidenced by depositary receipts issuable in the event that Protective Life Corporation elects to offer fractional interests in debt securities or shares of common or preferred stock registered hereby, upon the exercise of warrants or delivery upon settlement of purchase contracts.
- (7) Warrants may represent rights to purchase debt securities, preferred stock, common stock or other securities registered hereunder. Warrants may be sold separately or with debt securities, preferred stock, common stock or other securities registered hereunder.
- (8) Includes stock purchase contracts issuable upon conversion or exchange of securities registered hereunder to the extent any such securities are, by their terms convertible into or exchangeable for stock purchase contracts. Each stock purchase contract obligates Protective Life Corporation to sell, and the holder thereof to purchase, an indeterminate number of shares of common stock or preferred stock or depositary shares issuable upon settlement of the stock purchase contracts issued by Protective Life Corporation.
- (9) Includes the rights of holders of the trust preferred securities under the guarantees and back-up undertakings, consisting of obligations of Protective Life Corporation, as set forth in the applicable Amended and Restated Declaration of Trust (including the obligation to pay expenses of the applicable PLC Capital Trust), the Subordinated Indenture and any applicable supplemental indentures thereto, in each case as further described in the Registration Statement. No separate consideration will be received for the guarantees or back-up undertakings. In accordance with Rule 457(n) under the Securities Act, no separate registration fee will be paid for the guarantees or back-up undertakings.
- (10) Each unit will be issued under a unit agreement or other document and will represent an interest in two or more debt securities, warrants, purchase contracts, shares of preferred stock, shares of common stock, depositary shares or trust preferred securities, in any combination, which may or may not be separable from one another.

**This Registration Statement contains a prospectus relating to both the offering of newly issued securities and remarketing or other resale transactions that occur on an ongoing basis in securities that have been previously or will be issued under this Registration Statement.**

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PROSPECTUS

**Protective Life Corporation**

**Debt Securities**

**Preferred Stock**

**Common Stock**

**Depositary Shares**

**Warrants**

**Stock Purchase Contracts**

**Units**

**PLC Capital Trust VI**

**PLC Capital Trust VII**

**PLC Capital Trust VIII**

**Preferred Securities**

**Guaranteed as Described in this Prospectus and the Accompanying Prospectus Supplement by  
Protective Life Corporation**

Protective Life Corporation, or any of the trusts named above, may offer from time to time the securities described in this prospectus, separately or together in any combination, at prices and on other terms to be determined at the time of the offering. This prospectus describes some of the general terms that may apply to these securities. We will provide the specific terms of any securities we offer in one or more supplements to this prospectus. You should read this prospectus and any prospectus supplement carefully before you invest in the securities described in the applicable prospectus supplement. A prospectus supplement may also add to, change, update or clarify information contained in this prospectus.

This prospectus may not be used to consummate sales of any securities unless it is accompanied by a prospectus supplement.

Protective Life Corporation's common stock is listed on the New York Stock Exchange under the trading symbol "PL". Unless stated otherwise in a prospectus supplement, the securities offered hereby will not be listed on a national securities exchange.

Protective Life Corporation or the trusts may offer securities through one or more agents, underwriters, dealers or other third parties, or directly to one or more purchasers, on a continuous or delayed basis. The prospectus supplement for each offering of securities will describe in detail the plan of distribution for that offering.

**Investing in our securities or the securities of the trusts involves risks. We urge you to read carefully the information included or incorporated by reference in this prospectus and any applicable prospectus supplement for a discussion of the factors you should consider before deciding to invest in any securities offered by this prospectus. See "Risk Factors" on page 4 of this prospectus.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined that this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

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The date of this prospectus is June 26, 2008.

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### ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we and the trusts have filed with the Securities and Exchange Commission (the "SEC") utilizing an automatic shelf registration process. By using a shelf registration statement, we, and in the case of an offering of trust preferred securities, the trusts, may sell any combination of the securities described in this prospectus from time to time, in one or more offerings. In addition, we or any of our affiliates may use this prospectus and the applicable prospectus supplement in a remarketing or other resale transaction involving the securities after their initial sale. This prospectus, which constitutes part of the registration statement, does not contain all of the information set forth in the registration statement. Parts of the registration statement are omitted from this prospectus in accordance with the rules and regulations of the SEC. The registration statement, including the attached exhibits, contains additional relevant information about Protective Life Corporation and the trusts. The registration statement and its exhibits can be obtained from the SEC as indicated under the heading "Where You Can Find More Information."

This prospectus only provides a general description of the securities we or the trusts may offer. Each time we or the trusts sell securities, we or the trusts will provide a prospectus supplement to this prospectus that will contain specific information about the terms of those securities and that offering. The prospectus supplement may also add, update, change or clarify information contained in this prospectus, and, accordingly, to the extent inconsistent, information in this prospectus is superseded by the information in the prospectus supplement. The rules of the SEC allow us to incorporate by reference information into this prospectus. This information incorporated by reference is considered to be part of the prospectus. Information we file later with the SEC will automatically update and supersede the information in the prospectus. You should read both this prospectus and any prospectus supplement together with additional information described under the heading "Where You Can Find More Information."

**You should rely only on the information contained or incorporated by reference in this prospectus and any applicable prospectus supplement. We have not authorized anyone to provide you with different information. We are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information in this prospectus, any prospectus supplement or any document incorporated herein by reference is accurate as of any date other than the date of the applicable document. Our business, financial condition, results of operations and prospects may have changed since that date.**

Unless otherwise indicated, or the context otherwise requires, references in this prospectus to "Protective," "we," "us" and "our" or similar terms are to Protective Life Corporation and its subsidiaries. Unless otherwise indicated, or the context otherwise requires, references in this prospectus to the "trusts" or the "PLC Capital Trusts" are to PLC Capital Trust VI, PLC Capital Trust VII and PLC Capital Trust VIII, collectively, and, references to a "trust" or a "PLC Capital Trust" are to PLC Capital Trust VI, PLC Capital Trust VII or PLC Capital Trust VIII, individually.

## **RISK FACTORS**

Investing in our securities and the trust preferred securities of the trusts involves risks. Before deciding to purchase any of our securities or the trust preferred securities, you should carefully consider the discussion of the risks and uncertainties under the heading "Risk Factors" contained in our Annual Report on Form 10-K for the fiscal year ended December 31, 2007, which is incorporated by reference in this prospectus, and under similar headings in our subsequently filed quarterly reports on Form 10-Q and annual reports on Form 10-K, as well as the other risks and uncertainties described in any applicable prospectus supplement and in the other documents incorporated by reference in this prospectus. See the section entitled "Where You Can Find More Information" in this prospectus. The risks and uncertainties we discuss in the documents incorporated by reference in this prospectus are those we currently believe may materially affect our company. Additional risks and uncertainties not presently known to us or that we currently believe are immaterial also may materially and adversely affect our business, financial condition and results of operations. The operating results of companies in the insurance industry have historically been subject to significant fluctuations. The factors which could affect the Company's future results include, but are not limited to, general economic conditions and the known trends and uncertainties which are described in the foregoing documents.

## **SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This prospectus, any applicable prospectus supplement, and the information incorporated by reference in this prospectus and any applicable prospectus supplement may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These statements relate to future events and expectations and can be identified by the use of predictive, future-tense or forward-looking terminology, such as "anticipates," "believes," "estimates," "plans," "expects," "forecasts," "intends," "may," "outlook," "projects," "should," "will," "will likely result," or the negative of those terms or other similar expressions. All statements that reflect Protective's expectations, assumptions or projections about the future other than statements of historical fact are forward-looking statements, including, without limitation, anticipated financial results or operating performance, and statements regarding Protective's strategies, objectives, goals, targets, outlook, and business and financial prospects. Forward-looking statements are subject to a number of risks, uncertainties and other factors and are not guarantees of future performance. Actual results, performance or outcomes may differ materially from those expressed in or implied by those forward-looking statements. Accordingly, you should not place undue reliance on such forward-looking statements. We undertake no obligation to update publicly any forward-looking statements, whether in response to new information, future events or otherwise, except as required by applicable law.

For information on some of the factors that could cause actual results to differ materially from those in forward-looking statements, see the section entitled "Risk Factors" in this prospectus.

## **WHERE YOU CAN FIND MORE INFORMATION**

Protective is subject to the informational requirements of the Exchange Act, and in compliance with such laws Protective files annual, quarterly and current reports, proxy statements and other information with the SEC. Our SEC filings are available to the public from the SEC's web site at <http://www.sec.gov>. You may also read and copy any document we file with the SEC at the SEC's public reference room in Washington, D.C. located at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Our common stock is listed and traded on the New York Stock Exchange (the "NYSE"). You may also inspect the information we file with the SEC at the NYSE's offices at 20 Broad Street, New York, New York 10005. Information about us, including our SEC filings, is also available at our Internet web site

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at <http://www.protective.com>. However, the information on our Internet web site is not a part of this prospectus or any prospectus supplement.

The SEC allows us to "incorporate by reference" information that we file with the SEC into this prospectus and any accompanying prospectus supplement, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be a part of this prospectus, and certain information in documents that we file later with the SEC will automatically update and supersede information contained in documents filed earlier with the SEC or contained in this prospectus. We incorporate by reference in this prospectus the documents listed below:

Protective's Annual Report on Form 10-K for the year ended December 31, 2007;

Protective's Quarterly Report on Form 10-Q for the three-month period ended March 31, 2008; and

Protective's Current Reports on Form 8-K filed with the SEC on February 12, 2008 and April 18, 2008.

This prospectus also incorporates by reference all documents that we file with the SEC pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus and prior to the termination of the offering under this prospectus. These documents contain important information about Protective and its finances. Unless specifically stated in a prospectus supplement, we are not incorporating by reference, in any case, any documents or information deemed to have been furnished and not filed in accordance with SEC rules, including any information submitted under Item 2.02, Results of Operations and Financial Condition, or Item 7.01, Regulation FD Disclosure, of Form 8-K.

You should consider any statement contained in a document incorporated or considered incorporated by reference into this prospectus to be modified or superseded to the extent that a statement contained in this prospectus, or in any other subsequently filed document that is also incorporated or deemed to be incorporated by reference in this prospectus, modifies or conflicts with the earlier statement. You should not consider any statement modified or superseded, except as so modified or superseded, to constitute a part of this prospectus. We have not authorized anyone else to provide you with different information. You should not assume that the information in this prospectus or the information incorporated by reference in this prospectus is accurate as of any date other than the date of this prospectus or the document from which such information is incorporated.

You may obtain a copy of any or all of the documents incorporated by reference into this prospectus (including any exhibits that are specifically incorporated by reference in those documents), as well as a copy of the registration statement of which this prospectus is a part and its exhibits, at no cost to you by writing or telephoning us at the following address or telephone number or visiting our website:

Protective Life Corporation  
P. O. Box 2606  
Birmingham, Alabama 35202  
Attention: Investor Relations  
Tel: (205) 268-1000  
Fax: (205) 268-3023  
[www.protective.com](http://www.protective.com)

## PROTECTIVE LIFE CORPORATION

Protective is a Delaware corporation incorporated in 1981. We are a holding company, whose subsidiaries provide financial services through the production, distribution, and administration of insurance and investment products. Protective Life Insurance Company, founded in 1907, is our principal operating subsidiary. Our principal executive offices are located at 2801 Highway 280 South, Birmingham, Alabama 35223, and its telephone number is (205) 268-1000.

## THE PLC CAPITAL TRUSTS

Protective created PLC Capital Trust VI, PLC Capital Trust VII and PLC Capital Trust VIII, Delaware statutory trusts, pursuant to three separate declarations of trust that were executed by Protective, as sponsor of the trusts, and the trustees of the trusts. We have filed a form of amended and restated declaration of trust for each trust as an exhibit to the registration statement of which this prospectus is a part.

Each trust exists solely to:

issue and sell to the public its preferred securities, representing undivided beneficial interests in the assets of each trust;

issue and sell to us common securities, representing undivided beneficial interests in the assets of each trust;

use the gross proceeds from the sale of the preferred securities and common securities to acquire a corresponding series of Protective's subordinated debt securities;

distribute the cash payments it receives from the corresponding subordinated debt securities it owns to you and the other holders of preferred securities and us, as holder of the common securities; and

engage in those other activities necessary or incidental to these purposes.

Any debt securities we sell to a trust will be the sole assets of the trust, and, accordingly, payments under the debt securities will be the sole revenues of such trust.

All of the common securities of each trust will be directly or indirectly owned by Protective. The common securities will represent an aggregate liquidation amount equal to at least 3% of each trust's total capitalization. The preferred securities of each trust will represent the remaining 97% of such trust's total capitalization. The common securities will have terms substantially identical to, and will rank equal in priority of payment with, the preferred securities. However, if Protective defaults on the related subordinated debt securities, then cash distributions and liquidation, redemption and other amounts payable on the common securities will be subordinate to the preferred securities in priority of payment.

The preferred securities of each trust will be guaranteed by Protective as described later in this prospectus.

Each trust has a term of approximately 55 years, but may earlier terminate as provided in its declaration. Each trust's business and affairs will be conducted by the trustees appointed by Protective, as the direct or indirect holder of all the common securities. The holder of the common securities of each trust will be entitled to appoint, remove or replace any of, or increase or reduce the number of, the trustees of the trusts. The duties and obligations of the trustees shall be governed by the declaration of trust for such trust. A majority of the trustees of each trust will be persons who are employees or officers of or affiliated with Protective. One trustee of each trust will be a financial institution which will be unaffiliated with Protective and which shall act as institutional trustee and as indenture trustee for purposes of the Trust Indenture Act of 1939, pursuant to the terms set forth in a

prospectus supplement. In addition, unless the institutional trustee maintains a principal place of business in the State of Delaware, and otherwise meets the requirements of applicable law, one trustee of each trust will have its principal place of business or reside in the State of Delaware.

Protective will pay all fees and expenses related to the trusts and the offering of preferred securities and common securities, the payment of which will be guaranteed by Protective. The office of the Delaware trustee for each PLC Capital Trust in the State of Delaware is Wilmington Trust Company, 1100 North Market Street, Wilmington, Delaware 19890. Each trust's offices are located at 2801 Highway 280 South, Birmingham, Alabama 35223, and each trust's telephone number is (205) 268-1000.

The trusts will not have separate financial statements. The statements would not be material to holders of the trust preferred securities because the trusts will not have any independent operations. Each of the trusts exists solely for the reasons summarized above.

**USE OF PROCEEDS**

Except as otherwise described in a prospectus supplement, we intend to use the net proceeds from any sale of our securities offered by this prospectus for general corporate purposes. Such general corporate purposes may include, but are not limited to, repayments of our indebtedness or the indebtedness of our subsidiaries. Pending such use, the proceeds may be invested temporarily in short-term marketable securities. Except as otherwise described in a prospectus supplement, the trusts will use the proceeds from the sale of any preferred securities, together with any capital contributed in respect of common securities, to invest in Protective's subordinated debt securities. The prospectus supplement relating to an offering will contain a more detailed description of the use of proceeds of any specific offering of securities.

**CONSOLIDATED EARNINGS RATIOS**

The following table sets forth, for the years and periods indicated, Protective's ratios of:

consolidated earnings to fixed charges;

consolidated earnings to fixed charges before interest credited on investment products.

The subordinated debt securities included in the ratio calculations below comprise the following securities:

9% Subordinated Debentures, Series A;

8<sup>1</sup>/<sub>4</sub>% Subordinated Debentures, Series B;

6<sup>1</sup>/<sub>2</sub>% Subordinated Debentures, Series C;

7<sup>1</sup>/<sub>2</sub>% Subordinated Debentures, Series D;

7<sup>1</sup>/<sub>4</sub>% Subordinated Debentures, Series E;

6<sup>1</sup>/<sub>8</sub>% Subordinated Debentures, Series F; and

7<sup>1</sup>/<sub>4</sub>% Capital Securities due 2066.

Protective calculates the ratio of "Consolidated Earnings to Fixed Charges" by dividing the sum of income from continuing operations before income tax ("BT"), interest expense (which includes an estimate of the interest component of operating lease expense and interest on non-recourse funding obligations) ("I") and interest credited on investment products ("IP") by the sum of interest expense ("I") and interest credited on investment products ("IP"). The formula for this ratio is:  $(BT+I+IP)/(I+IP)$ . Protective continues to sell investment products that credit interest to the contractholder, investment products include products such as guaranteed investment contracts, funding agreements, annuities, and variable universal life insurance policies. The inclusion of interest credited on investment products results in a negative impact on the ratio of earnings to fixed charges because the effect of increases in interest credited to contractholders more than offsets the effect of the increases in earnings.

Protective calculates the ratio of "Consolidated Earnings to Fixed Charges Before Interest Credited on Investment Products" by dividing the sum of income from continuing operations before income tax ("BT") and interest expense ("I") by interest expense ("I"). The formula for this calculation, therefore, would be:  $(BT+I)/I$ .

**Three Months  
Ended  
March 31,**

**Year Ended December 31,**

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	<u>2008</u>	<u>2007</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Ratio of Consolidated Earnings to Fixed Charges	1.2	1.5	1.4	1.4	1.5	1.5	1.5
Ratio of Consolidated Earnings to Fixed Charges Before Interest Credited on Investment Products	2.6	6.4	4.4	6.8	7.4	8.3	8.0

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## DESCRIPTION OF SECURITIES

This prospectus contains summary descriptions of the debt securities, preferred stock, common stock, depositary shares, warrants, stock purchase contracts and units that Protective may sell from time to time, and the trust preferred securities guaranteed by Protective that the trusts may sell from time to time. These summary descriptions are not meant to be complete descriptions of each security. However, this prospectus and the accompanying prospectus supplement will contain the material terms and conditions for each security being offered.

## DESCRIPTION OF DEBT SECURITIES

We may offer unsecured senior debt securities or subordinated debt securities. We refer to the senior debt securities and the subordinated debt securities together in this prospectus as the "debt securities". The senior debt securities will rank equally with all of our other unsecured, unsubordinated obligations. The subordinated debt securities will be subordinate and junior in right of payment to all of our senior debt.

We will issue the senior debt securities in one or more series under the senior indenture, dated as of June 1, 1994, between Protective and The Bank of New York Trust Company, N.A., as successor trustee, as supplemented by:

Supplemental Indenture No. 1, dated as of July 1, 1994;

Supplemental Indenture No. 2, dated as of August 1, 1996;

Supplemental Indenture No. 3, dated as of September 15, 1996;

Supplemental Indenture No. 4, dated as of November 15, 1996;

Supplemental Indenture No. 5, dated as of December 1, 1996;

Supplemental Indenture No. 6, dated as of March 20, 2000;

Supplemental Indenture No. 7, dated as of December 14, 2000;

Supplemental Indenture No. 8, dated as of February 28, 2001;

Supplemental Indenture No. 9, dated as of May 23, 2003;

Supplemental Indenture No. 10, dated as of October 21, 2004; and

Supplemental Indenture No. 11, dated as of December 11, 2007.

We will issue the subordinated debt securities under the subordinated indenture, dated as of June 1, 1994, between Protective and The Bank of New York Trust Company, N.A., as successor trustee, as amended and supplemented by:

Supplemental Indenture No. 1, dated as of June 9, 1994;

Supplemental Indenture No. 2, dated as of August 1, 1994;

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Supplemental Indenture No. 3, dated as of April 29, 1997;

Supplemental Indenture No. 4, dated as of November 20, 1997;

Supplemental Indenture No. 5, dated as of August 22, 2001;

Supplemental Indenture No. 6, dated as of September 25, 2002;

Supplemental Indenture No. 7, dated as of January 27, 2004; and

Supplemental Indenture No. 8, dated as of July 3, 2006.

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The following description of the terms of the debt securities and the indentures is a summary. It summarizes only those portions of the indentures which we believe will be most important to your decision to invest in the debt securities. You should keep in mind, however, that it is the indentures themselves, and not this summary, which define your rights as a debt holder. There may be additional provisions in the indenture which are not important to you. You should read the indentures for a full description of all the terms of the debt. The senior indenture and subordinated indenture, as well as the supplemental indentures thereto entered into prior to the date of this prospectus, have been filed as exhibits to the registration statement of which this prospectus is a part. See "Where You Can Find More Information" for information on how to obtain copies of the senior indenture and the subordinated indenture.

### General

The debt securities will be unsecured obligations of Protective. The senior debt securities will be unsecured and will rank equally with all other unsecured and unsubordinated obligations of Protective. The subordinated debt securities will be subordinate and junior in right of payment to the extent and in the manner set forth in the subordinated indenture to all present and future senior indebtedness of Protective. See " Subordination under the Subordinated Indenture." The indentures do not limit the aggregate amount of debt securities which may be issued. Except as otherwise provided in the applicable prospectus supplement, the indentures, as they apply to any series of debt securities, also do not limit the incurrence or issuance of other secured or unsecured debt of Protective or any of Protective's subsidiaries.

Each prospectus supplement will describe the terms relating to the specific series of debt securities being offered, including, but not limited to:

the title;

the principal amount being offered, and if a series, the total amount authorized and the total amount outstanding as of the most recent date;

any limit upon the amount that may be issued;

the date or dates on which the principal of and premium, if any, will mature or the method of determining such date or dates;

the interest rate or rates, which may be fixed or variable, if any, or the method of calculating such rate or rates;

the date or dates from which interest, if any, will accrue or the method by which such date or dates will be determined;

the date or dates on which interest, if any, will be payable and the record date or dates for such payment;

the place or places where principal of, premium, if any, and interest, if any, will be payable;

the period(s) within which, the price(s) at which, the currency or currencies (including currency unit or units) in which, and the terms and conditions upon which, such debt securities may be redeemed, in whole or in part, at the option of Protective;

any mandatory or optional sinking fund provisions or any provisions or obligations for redeeming or retiring the securities and other related terms and provisions;

the denominations in which such debt securities are authorized to be issued;

the currency or currency unit for which debt securities may be purchased or in which debt securities may be denominated and/or the currency or currencies (including currency unit or



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units) in which principal of, premium, if any, and interest, if any, on such debt securities will be payable and whether Protective or the holders of any such debt securities may elect to receive payments in respect of such debt securities in a currency or currency unit other than that in which such debt securities are stated to be payable;

if the amount of principal of, or any premium or interest on, any of such debt securities may be determined with reference to an index or pursuant to a formula, the manner in which such amounts will be determined;

if other than the full principal amount, the portion of the principal amount of such debt securities which will be payable upon the acceleration of maturity or the method by which such portion shall be determined;

if the principal amount payable at the stated maturity of any of such debt securities cannot be determined as of any one or more dates prior to the stated maturity, the amount which will be deemed to be the principal amount as of any such date for any purpose, including the principal amount which will be due and payable upon any maturity other than the stated maturity or which will be deemed to be outstanding as of any such date (or, in any such case, the manner in which such deemed principal amount is to be determined);

the person to whom any interest on any such debt security shall be payable if other than the person in whose name such debt security is registered on the applicable record date;

any addition to, or modification or deletion of, any event of default or any covenant of Protective specified in the indenture with respect to such debt securities;

the application, if any, of such means of defeasance or covenant defeasance as may be specified for such debt securities;

whether such debt securities are to be issued in whole or in part in the form of one or more temporary or permanent global securities and, if so, the identity of the depository for such global security or securities;

in the case of the subordinated indenture, the terms, if any, upon which the holders may convert or exchange such debt securities into or for common stock of Protective or other securities or property; and

any other terms not inconsistent with the terms of the indentures pertaining to such debt securities. (Section 3.1 of each indenture.)

Unless otherwise specified in the applicable prospectus supplement, the debt securities will not be listed on any securities exchange.

Unless otherwise specified in the applicable prospectus supplement, debt securities will be issued in fully-registered form without coupons. Where debt securities of any series are issued in bearer form, the prospectus supplement will describe the special restrictions and considerations, including special offering restrictions and special federal income tax considerations, which apply to any such debt securities and to payment on and transfer and exchange of such debt securities. Bearer debt securities will be transferable by delivery. (Section 3.5 of each indenture.)

Debt securities may be sold at a substantial discount below their stated principal amount, bearing no interest or interest at a rate which at the time of issuance is below market rates. The applicable prospectus supplement will describe the federal income tax consequences and special considerations applicable to any such debt securities.

If the purchase price of any of the debt securities is payable in one or more foreign currencies or currency units or if any debt securities are denominated in one or more foreign currencies or currency

units or if the principal of, premium, if any, or interest, if any, on any debt securities is payable in one or more foreign currencies or currency units, the prospectus supplement will set forth the restrictions, elections, certain federal income tax considerations, specific terms and other information with respect to such issue of debt securities and such foreign currency or currencies.

If any index is used to determine the amount of principal payments, premium, if any, or interest on any series of debt securities, the prospectus supplement will describe the special federal income tax, accounting and other considerations applicable.

The general provisions of the indentures do not afford holders of the debt securities protection in the event of a highly leveraged or other transaction involving Protective that may adversely affect holders of the debt securities.

### **Payment, Registration, Transfer and Exchange**

Unless otherwise provided in the applicable prospectus supplement, payments in respect of the debt securities will be made in the designated currency at the office or agency of Protective maintained for that purpose as Protective may designate from time to time. Protective may also make interest payments, if any, on debt securities in registered form:

by checks mailed to the holders of debt securities at their registered addresses; or

by wire transfer to an account maintained by the holder as specified in the register. (Sections 3.7(a) and 9.2 of each indenture.)

Unless otherwise indicated in an applicable prospectus supplement, payment of any installment of interest on debt securities in registered form will be made to the person in whose name such debt security is registered at the close of business on the regular record date for such interest. (Section 3.7(a) of each indenture.)

Payment on debt securities in bearer form will be made in the currency and in the manner designated in the prospectus supplement, subject to any applicable laws and regulations, at the paying agencies outside the United States appointed by Protective from time to time. The prospectus supplement will name the initial paying agents outside the United States for a series of debt securities. Protective may at any time designate additional paying agents or rescind the designation of any paying agents. However, if debt securities of a series are issuable as registered securities, Protective will be required to maintain at least one paying agent in each place of payment for such series. If debt securities of a series are issuable as bearer securities, Protective will be required to maintain a paying agent in a place of payment outside the United States where debt securities of such series and any coupons may be presented and surrendered for payment. (Section 9.2 of each indenture.)

All moneys paid by Protective to the debt trustees or a paying agent for the payment of the principal of, or any premium or interest on, any debt security which remain unclaimed at the end of two years will be repaid to Protective. The holder of a debt security may look only to Protective for payment after such time. (Section 9.3 of each indenture.)

Unless otherwise provided in the applicable prospectus supplement, debt securities in registered form will be transferable or exchangeable at the agency Protective designates from time to time. (Sections 3.5 and 9.2 of each indenture.) Debt securities may be transferred or exchanged without service charge, other than any tax or other governmental charge imposed in connection therewith. (Section 3.5 of each indenture.)

### **Global Debt Securities**

The debt securities of a series may be issued in whole or in part in global form. A debt security in global form will be deposited with, or on behalf of, a depository which will be named in the applicable

prospectus supplement. In such a case, one or more global debt securities will be issued in a denomination or aggregate denominations equal to the portion of the aggregate principal amount of outstanding debt securities of the series to be represented by such global debt security or securities. (Section 3.3 of each indenture.) Unless and until it is exchanged in whole or in part for debt securities in definitive certificated form, a global debt security may not be transferred or exchanged except (1) as a whole among the depository for such global debt security and its nominee and/or their successors and (2) in the circumstances described in the applicable prospectus supplement. (Section 3.5 of each indenture.)

The applicable prospectus supplement will describe the specific terms of the depository arrangement with respect to any portion of a series of debt securities to be listed in global form. Protective expects that the following provisions will apply to depository arrangements.

Upon the issuance of any global debt security, and the deposit of such global debt security with or on behalf of the depository, the depository will credit, on its book-entry registration and transfer system, the respective principal amounts of the debt securities represented by such global debt security to the accounts of institutions that have accounts with the depository or its nominee. These institutions are referred to as "participants." The accounts to be credited will be designated by the underwriters or agents engaging in the distribution of such debt securities or by Protective, if such debt securities are offered and sold directly by Protective. Only participants or persons that hold interests through participants may have beneficial ownership interests in a global debt security. The depository or its nominee will maintain records of the ownership of beneficial interests held by participants. Participants will maintain records of the beneficial ownership interests of persons that hold through them. The laws of some jurisdictions require that certain purchasers of securities take physical delivery of such securities in certificated form. The above limitations and such laws may impair the ability to transfer beneficial interests in such global debt securities.

So long as the depository, or its nominee, is the registered owner of a global debt security, the depository or its nominee will be considered the sole owner or holder of the debt securities for all purposes under each indenture. (Section 3.8 of each indenture.) Unless otherwise specified in the applicable prospectus supplement and except as specified below, owners of beneficial interests in a global debt security will not be entitled to have debt securities of the series represented by such global debt security registered in their names, will not receive or be entitled to receive physical delivery of debt securities in certificated form and will not be considered the holders for any purposes under the relevant indenture. (Section 3.5 of each indenture.)

Each person owning a beneficial interest in a global debt security must rely on the procedures of the depository and, if such person is not a participant, on the procedures of the participant through which such person owns its interest, to exercise any rights of a holder under the relevant indenture. The depository may grant proxies and otherwise authorize participants to give or take any request, demand, authorization, direction, notice, consent, waiver or other action which a holder is entitled to give or take under the relevant indenture. Protective understands that, under existing industry practices, if Protective requests any action of holders or any owner of a beneficial interest in a global debt security desires to give any notice or take any action a holder is entitled to give or take under the relevant indenture, the depository would authorize the participants to give such notice or take such action, and participants would authorize beneficial owners owning through such participants to give such notice or take such action or would otherwise act upon the instructions of beneficial owners owning through them.

Unless otherwise specified in the applicable prospectus supplement, payments with respect to principal, premium, if any, and interest, if any, on debt securities represented by a global debt security registered in the name of a depository or its nominee will be made to such depository or its nominee, as the registered owner of such global debt security.

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Protective expects that the depository for any debt securities issued in global form, will immediately credit participants' accounts with payments of principal, premium or interest, in amounts proportionate to their respective beneficial interests in the principal amount of such global debt security as shown on the records of such depository. Protective also expects that payments by participants to owners of beneficial interests in such global debt security held through such participants will be governed by standing instructions and customary practices, as is now the case with the securities held for the accounts of customers registered in "street names," and will be the responsibility of such participants. Nevertheless, payments, transfers, exchanges and other matters relating to beneficial interests in a global debt security may be subject to various policies and procedures adopted by the depository from time to time. None of Protective, the respective debt trustee or any agent of Protective or the respective debt trustee shall have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial interests of a global debt security, or for maintaining, supervising or reviewing any records relating to such beneficial interests. (Section 3.8 of each indenture.)

Unless otherwise specified in the applicable prospectus supplement, if the depository for any debt securities issued in global form notifies Protective that it is unwilling or unable to continue as depository and a successor depository is not appointed by Protective within 90 days, Protective will issue such debt securities in definitive certificated form in exchange for such global debt security. In addition, Protective may at any time and in its sole discretion determine not to have any of the debt securities of a series issued in global form and, in such event, will issue debt securities of such series in definitive certificated form in exchange for all of the global debt securities representing such debt securities. (Section 3.5 of each indenture.)

The debt securities of a series may also be issued in whole or in part in the form of one or more bearer global securities that will be deposited with a depository, or with a nominee for such depository, identified in the applicable prospectus supplement. Any such bearer global securities may be issued in temporary or permanent form. (Section 3.4 of each indenture.) The applicable prospectus supplement will describe the specific terms and procedures, including the specific terms of the depository arrangement, with respect to any portion of a series of debt securities to be represented by one or more bearer global securities.

### **Consolidation, Merger or Sale by Protective**

Under the terms of each indenture, we are prohibited from consolidating with or merging into any other corporation or from selling all or substantially all of our assets, unless:

the corporation formed by such consolidation or into which Protective is merged or the corporation which acquires its assets is organized in the United States and expressly assumes all of our obligations under each indenture;

immediately after giving effect to such transaction, no default or event of default shall have happened and be continuing; and

if, as a result of such transaction, properties or assets of Protective would become subject to a mortgage, pledge, lien, security interest or other encumbrance not permitted by the debt securities of any series, Protective or its successor shall take steps necessary to secure such debt securities equally and ratably with all indebtedness secured thereby.

Upon any such consolidation, merger or sale, the successor corporation formed by such consolidation, or into which Protective is merged or to which such sale is made, shall succeed to and be substituted for Protective under each indenture. (Section 7.1 of each indenture.)

**Events of Default, Notice and Certain Rights on Default**

Each indenture provides that, if an event of default occurs with respect to the debt securities of any series and is continuing, the trustee for such series or the holders of 25% in aggregate principal amount of all of the outstanding debt securities of that series, by written notice to Protective, and to the trustee for such series, if notice is given by such holders of debt securities, may declare the principal of, or, if the debt securities of that series are original issue discount securities or indexed securities, such portion of the principal amount specified in the prospectus supplement, and accrued interest on all the debt securities of that series to be due and payable. However, with respect to any debt securities, including subordinated debt securities, issued under the subordinated indenture, the payment of principal and interest on such debt securities shall remain subordinated to the extent provided in Article 12 of the subordinated indenture. (Section 5.2 of each indenture.)

The following are events of default with respect to debt securities unless otherwise provided in a prospectus supplement relating to the debt securities of a particular series:

default for 30 days in payment of any interest on any debt security of that series or any applicable coupon or any additional amount payable with respect to debt securities of such series as specified in the applicable prospectus supplement when due;

default in payment of principal, or premium, if any, at maturity or on redemption or otherwise, or in the making of a mandatory sinking fund payment of any debt securities of that series when due;

default for 60 days after notice to Protective by the trustee for such series, or by the holders of 25% in aggregate principal amount of the debt securities of such series then outstanding, in Protective's compliance with any of its agreements or covenants in the indenture or in any supplemental indenture or board resolutions referred to therein under which the debt securities of that series may have been issued;

a default in payment of any portion of the principal when due or payable on any indebtedness of Protective for borrowed money having an aggregate principal amount then outstanding of at least \$25,000,000 (after the expiration of any applicable grace period with respect thereto), or other default resulting in acceleration of indebtedness of Protective for borrowed money where the aggregate principal amount so accelerated equals or exceeds \$25,000,000 and such acceleration is not rescinded or annulled within 30 days after the written notice thereof to Protective by the respective trustee or to Protective and the respective trustee by the holders of 25% in aggregate principal amount of the notes then outstanding; provided that if such event of default under any such indebtedness is remedied or cured by Protective or waived by the holders of such indebtedness, then the event of default under the respective indenture shall be deemed remedied, cured or waived; and

certain events of bankruptcy, insolvency or reorganization of Protective or Protective Life Insurance Company. (Section 5.1 of each indenture.)

Events of default with respect to a specified series of debt securities may be added to the indenture and will be described in the applicable prospectus supplement. (Sections 3.1 and 5.1 (7) of each indenture.)

Each indenture provides that the respective trustee will, within 90 days after the occurrence of a default with respect to the debt securities of any series, give to the holders of the debt securities of that series notice of all defaults known to it unless such default has been cured or waived. However, except in the case of a default in payment on the debt securities of that series, the respective trustee may withhold the notice if and so long as the Board of Directors of Protective, the executive committee thereof or a committee of its responsible officers in good faith determines that withholding such notice

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is in the interests of the holders of the debt securities of that series. (Section 6.6 of each indenture.) "Default" means any event which is, or after notice or passage of time or both, would be, an event of default. (Section 1.1 of each indenture.)

Each indenture provides that the holders of a majority in aggregate principal amount of the debt securities of each series affected (with each such series voting as a class) may, subject to certain limited conditions, direct the time, method and place of conducting any proceeding for any remedy available to the trustee for such series, or exercising any trust or power conferred on such trustee. (Section 5.8 of each indenture.)

Each indenture includes a covenant that Protective will file annually with the respective trustee a certificate as to Protective's compliance with all conditions and covenants of such indenture. (Section 9.6 of each indenture.)

The holders of a majority in aggregate principal amount of any series of debt securities by written notice to the trustee for such series may waive, on behalf of the holders of all debt securities of such series, any past default or event of default with respect to that series and its consequences, except a default or event of default in the payment of the principal of, premium, if any, or interest, if any, on any debt security. (Section 5.7 of each indenture.)

### **Modification of the Indentures**

Each indenture contains provisions permitting Protective and the respective debt trustee to enter into one or more supplemental indentures without the consent of the holders of any of the debt securities in order:

to evidence the succession of another corporation to Protective and the assumption of the covenants of Protective by a successor to Protective;

to add to the covenants of Protective or surrender any right or power of Protective;

to add additional events of default with respect to any series of debt securities;

to add or change any provisions to such extent as necessary to permit or facilitate the issuance of debt securities in bearer form;

to change or eliminate any provision affecting only debt securities not yet issued;

to secure the debt securities;

to establish the form or terms of debt securities;

to evidence and provide for successor debt trustees or to add or change any provisions to such extent as necessary to permit or facilitate the appointment of a separate trustee or trustees for specific series of debt securities;

if allowed without penalty under applicable laws and regulations, to permit payment in respect of debt securities in bearer form in the United States;

to correct any defect or supplement any inconsistent provisions or to make any other provisions with respect to matters or questions arising under such indenture or to cure any ambiguity or correct any mistake, *provided* that any such action does not adversely affect the interests of any holder of debt securities of any series then outstanding; or

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in the case of the subordinated indenture, to modify the subordination provisions thereof in a manner not adverse to the holders of subordinated debentures of any series then outstanding (and in the case of subordinated debentures issued in return for the proceeds of preferred

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securities of any series then outstanding, not adverse to the holders of such preferred securities). (Section 8.1 of each indenture.)

Each indenture also contains provisions permitting Protective and the respective debt trustee, with the consent of the holders of a majority in aggregate principal amount of the outstanding debt securities affected by such supplemental indenture, with the debt securities of each series voting as a class, to execute supplemental indentures adding any provisions to or changing or eliminating any of the provisions of such indenture or any supplemental indenture or modifying the rights of the holders of debt securities of such series, except that, without the consent of the holder of each debt security so affected, no such supplemental indenture may:

change the time for payment of principal or premium, if any, or interest on any debt security;

reduce the principal of, or any installment of principal of, or premium, if any, or interest on any debt security, or change the manner in which the amount of any of the foregoing is determined;

reduce the interest rate, the amount of principal or the amount of premium, if any, payable upon the redemption of any debt security;

reduce the amount of principal payable upon acceleration of the maturity of any original issue discount or indexed security;

change the currency or currency unit in which any debt security or any premium or interest thereon is payable;

impair the right to institute suit for the enforcement of any payment on or with respect to any debt security;

reduce the percentage in principal amount of the outstanding debt securities affected thereby the consent of whose holders is required for modification or amendment of such indenture or for waiver of compliance with certain provisions of the Indenture or for waiver of certain defaults;

change the obligation of Protective to maintain an office or agency in the places and for the purposes specified in such indenture;

in the case of the subordinated indenture, modify the subordination provisions thereof in a manner adverse to the holders of subordinated debentures of any series then outstanding, and in the case of subordinated debentures issued in return for the proceeds of preferred securities of any series then outstanding, adverse to the holders of such preferred securities; or

modify the provisions relating to waiver of certain defaults or any of the foregoing provisions. (Section 8.2 of each indenture.)

### **Subordination under the Subordinated Indenture**

In the subordinated indenture, Protective has covenanted and agreed that any subordinated debt securities issued thereunder are subordinate and junior in right of payment to all present and future senior indebtedness to the extent provided in the subordinated indenture. The subordinated indenture defines the term "senior indebtedness" as the principal, premium, if any, and interest on:

all indebtedness of Protective, whether outstanding on the date of the issuance of subordinated debt securities or thereafter created, incurred or assumed, which is for money borrowed, or which is evidenced by a note or similar instrument given in connection with the acquisition of any business, properties or assets, including securities;

any indebtedness of others of the kinds described in the preceding clause for the payment of which Protective is responsible or liable as guarantor or otherwise; and



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amendments, renewals, extensions and refundings of any such indebtedness,

unless in any instrument or instruments evidencing or securing such indebtedness or pursuant to which the same is outstanding, or in any such amendment, renewal, extension or refunding, it is expressly provided that such indebtedness is not superior in right of payment to subordinated debt securities.

The senior indebtedness shall continue to be senior indebtedness and entitled to the benefits of the subordination provisions irrespective of any amendment, modification or waiver of any term of the senior indebtedness or extension or renewal of the senior indebtedness.

No direct or indirect payment, in cash, property or securities, by set-off or otherwise, shall be made or agreed to be made on account of the subordinated debt securities or interest thereon or in respect of any repayment, redemption, retirement, purchase or other acquisition of subordinated debt securities, if:

Protective defaults in the payment of any principal, or premium, if any, or interest on any senior indebtedness, whether at maturity or at a date fixed for prepayment or declaration or otherwise; or

an event of default occurs with respect to any senior indebtedness permitting the holders to accelerate the maturity and written notice of such event of default, requesting that payments on subordinated debt securities cease, is given to Protective by the holders of senior indebtedness,

unless and until such default in payment or event of default has been cured or waived or ceases to exist.

All present and future senior indebtedness, including, without limitation, interest accruing after the commencement of any such proceeding, assignment or marshalling of assets, shall first be paid in full before any payment or distribution, whether in cash, securities or other property, shall be made by Protective on account of subordinated debt securities in the event of:

any insolvency, bankruptcy, receivership, liquidation, reorganization, readjustment, composition or other similar proceeding relating to Protective, its creditors or its property;

any proceeding for the liquidation, dissolution or other winding-up of Protective, voluntary or involuntary, whether or not involving insolvency or bankruptcy proceedings;

any assignment by Protective for the benefit of creditors; or

any other marshalling of the assets of Protective.

In any such event, payments or distributions which would otherwise be made for subordinated debt securities will generally be paid to the holders of senior indebtedness, or their representatives, in accordance with the priorities existing between these creditors at that time until the senior indebtedness is paid in full. If the payments or distributions on subordinated debt securities are in the form of Protective's securities or those of any other corporation under a plan or reorganization or adjustment and are subordinate to outstanding senior indebtedness and to any securities issued with respect to such senior indebtedness under a plan of reorganization or readjustment, they will be made to the holders of the subordinated debt securities. No present or future holder of any senior indebtedness will be prejudiced in the right to enforce the subordination of subordinated debt securities by any act or failure to act on the part of Protective.

Senior indebtedness will only be deemed to have been paid in full if the holders of such indebtedness have received cash, securities or other property which is equal to the amount of the outstanding senior indebtedness. After payment in full of all present and future senior indebtedness, holders of subordinated debt securities will be subrogated to the rights of any holders of senior indebtedness to receive any further payments or distributions that are applicable to the senior

indebtedness until all the subordinated debt securities are paid in full. In matters between holders of subordinated debt securities and any other type of Protective's creditors, any payments or distributions that would otherwise be paid to holders of senior debt securities and that are made to holders of subordinated debt securities because of this subrogation will be deemed a payment by Protective on account of senior indebtedness and not on account of subordinated debt securities.

The subordinated indenture provides that the foregoing subordination provisions, may be changed prior to the issuance of any subordinated debt securities. The prospectus supplement relating to such subordinated debt securities would describe any such change.

The subordinated indenture places no limitation on the amount of additional senior indebtedness that may be incurred by Protective. Protective expects from time to time to incur additional indebtedness constituting senior indebtedness.

### **Defeasance and Covenant Defeasance**

If indicated in the applicable prospectus supplement, Protective may elect either:

to defease and be discharged from any and all obligations with respect to the debt securities of or within any series, except as otherwise provided in the relevant indenture ("defeasance"); or

to be released from its obligations with respect to certain covenants applicable to the debt securities of or within any series ("covenant defeasance"), upon the deposit with the relevant debt trustee (or other qualifying trustee), in trust for such purpose, of money and/or government obligations which through the payment of principal and interest in accordance with their terms will provide money in an amount sufficient, without reinvestment, to pay the principal of and any premium or interest on such debt securities to maturity or redemption, as the case may be, and any mandatory sinking fund or analogous payments thereon.

As a condition to defeasance or covenant defeasance, Protective must deliver to the relevant debt trustee an officer's certificate and an opinion of counsel to the effect that the holders of such debt securities will not recognize income, gain or loss for federal income tax purposes as a result of such defeasance or covenant defeasance and will be subject to federal income tax on the same amounts and in the same manner and at the same times as would have been the case if such defeasance or covenant defeasance had not occurred. Such opinion of counsel, in the case of defeasance under the first clause above, must refer to and be based upon a ruling of the Internal Revenue Service or a change in applicable federal income tax law occurring after the date of the relevant indenture. Additional conditions to defeasance include:

delivery by Protective to the relevant debt trustee of an officer's certificate to the effect that neither such debt securities nor any other debt securities of the same series, if then listed on any securities exchange, will be delisted as a result of such defeasance;

no event of default with respect to such debt securities or any other debt securities occurring or continuing at the time of such defeasance or, in the case of certain bankruptcy events of default, at any time on or prior to the 90th day after the date of such defeasance; and

such defeasance not resulting in the trust arising from the deposit of any moneys in respect of such defeasance constituting an "investment company" within the meaning of the Investment Company Act unless such trust shall be registered under such Act or exempt from registration thereunder. (Article 4 of each indenture.)

If indicated in the applicable prospectus supplement, in addition to obligations of the United States or an agency or instrumentality thereof, government obligations may include obligations of the government or an agency or instrumentality of the government issuing the currency or currency unit in which debt securities of such series are payable. (Sections 1.1 and 3.1 of each indenture.)

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In addition, with respect to the subordinated indenture, in order to be discharged:

no event or condition shall exist that, pursuant to certain provisions described under " Subordination under the Subordinated Indenture" above, would prevent Protective from making payments of principal of, and premium, if any, and interest on subordinated debt securities and applicable coupons at the date of the irrevocable deposit referred to above or at any time during the period ending on the 121st day after such deposit date; and

Protective shall deliver to the trustee under the subordinated indenture an opinion of counsel to the effect that the trust funds will not be subject to any rights of holders of senior indebtedness, and after the 121st day following the deposit, the trust funds will not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally except that if a court were to rule under any such law in any case or proceeding that the trust refunds remained the property of Protective, then the trustee under the subordinated indenture and the holders of subordinated debt securities would be entitled to certain rights as secured creditors in such trust funds. (Section 4.6 of the subordinated indenture.)

Protective may exercise its defeasance option with respect to such debt securities not