

The Value of Our Term Conversion Privileges



TERM CONVERSION IS VALUABLE TO YOU BECAUSE:

- Your permanent policy’s rates will be based on your health when you purchased the term policy—not based on your health when you’re older.
- Even if you’re no longer considered “insurable” when you decide to convert to permanent coverage, you can continue to be financially protected when you convert one of our term policies to one of our permanent policies.

Term life insurance is a cost-effective way to protect the ones you love for a certain period of time. Term life insurance policies are temporary, but some offer what’s called a “conversion” option. It allows you to convert to a permanent life policy where coverage can last your entire life—without submitting to another physical examination.

Our term policies are issued by Pruco Life Insurance Company or, in New York, by Pruco Life Insurance Company of New Jersey. Both are Prudential Financial companies located in Newark, NJ. Each is solely responsible for its own financial condition and contractual obligations.

THE ADVANTAGE OF SUPERIOR VALUE

We offer one of the most comprehensive term-to-permanent policy conversions in the industry. When comparing life insurance policies from different carriers, look beyond price.

Not all term-to-permanent conversion privileges are the same.

Some Life Insurance Companies ...	While Our Guarantees Give You:
Limit how long you’re able to convert.	<p>Freedom to convert when the time is right for you. You can convert from term to permanent life insurance for the full level-term period, up to age 65.</p>
Limit the products you’re allowed to convert to.	<p>Ability to convert to any of our permanent life insurance policies.¹ We let you convert one of our term policies to any of our permanent policies available for purchase at the time of conversion.</p>
Don’t put it in writing and only reference their company practices.	<p>Our promises in writing. We guarantee the provisions discussed in this article in your term life insurance policy contract.</p>

¹Full underwriting for new contracts will be required if a Type C death benefit option is requested on the permanent policy. Our term life insurance policies can be converted to any of our permanent policies, including survivorship policies. This is currently allowed as an administrative practice if certain conditions are met and the survivorship policy’s face amount does not exceed \$20 million. This amount may be reduced based on retention limits and/or other coverage in force. This is subject to change.

OPTIONAL BENEFIT FOR CHRONIC AND TERMINAL ILLNESS

By current company practice,² you have the option to add our BenefitAccess Rider³ when you convert one of our term policies to a permanent one, if qualified and for an additional fee. If you convert during the first five years, your qualification is dependent on limited underwriting. If the rider is added to your new permanent policy, you can access up to 100% of the death benefit while you're still living if you become chronically or terminally ill and meet the terms and conditions of the rider. You can use this money any way you choose, with no restrictions.

YOU CAN COUNT ON US

Prudential Financial is one of the most recognized and respected names in the financial services industry. It is composed of several insurance companies including Pruco Life Insurance Company and Pruco Life Insurance Company of New Jersey, which issue term and permanent life insurance. The financial strength of our domestic insurance company subsidiaries is highly rated by the major independent rating agencies for our ability to meet financial obligations.⁴

A+ A.M. BEST COMPANY (2nd category of 13) Superior ability to meet ongoing obligations insurance	AA- FITCH RATINGS (4th category of 21) Very strong capacity to meet policyholder and contract obligations	AA- STANDARD & POOR'S (4th category of 23) Very strong financial security characteristics	Aa3 MOODY'S INVESTORS SERVICE (4th category of 21) High quality and very low credit risk
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DISCOVER HOW WE CAN COVER YOU NOW AND FOR THE REST OF YOUR LIFE

Meet with a financial professional today to help you decide which of our term life insurance policies can help you to protect those who matter to you most.

² This is the current company administrative practice as it relates to converting to a permanent product with the BenefitAccess Rider and is subject to change.

³ There is more you should know about the BenefitAccess Rider. Please refer to the next page for important information.

⁴ The ratings are for Pruco Life Insurance Company and Pruco Life Insurance Company of New Jersey. Moody's does not rate Pruco Life Insurance Company of New Jersey. Ratings as of September 15, 2020. Ratings ranges: AAA (Extremely Strong) is the highest of 21 ratings that Standard & Poor's extends, the lowest being R (has experienced regulatory action), and is a measure of claims-paying ability. Aaa (offers exceptional financial security) is the highest of 21 ratings that Moody's extends, the lowest being C (having extremely poor prospects of ever offering financial security), and is a measure of financial security. A++ (Superior) is the highest of 16 ratings that A.M. Best extends, the lowest being S (Suspended), and is a measure of claims-paying ability. AAA (Exceptionally Strong) is the highest of 21 ratings that Fitch Ratings extends, the lowest being C (Distressed), and is a measure of insurer financial strength. Ratings are not an indication of any variable portfolio's performance, which fluctuates with market conditions. Ratings are not a guarantee of future financial strength and/or claims-paying ability.

Information about the BenefitAccess Rider:

ALL STATES EXCEPT CA: The BenefitAccess Rider is available for an extra premium. Additional underwriting requirements and limits may also apply. Receiving benefits under the terms of the rider will reduce and may eliminate the death benefit.

Benefits paid under the BenefitAccess Rider are intended to be treated for federal tax purposes as accelerated life insurance death benefits under IRC §101(g)(1)(b). Tax laws related to receiving accelerated death benefits are complex, and benefits may be taxable in certain circumstances. Receipt of benefits may affect eligibility for public assistance programs such as Medicaid. Accelerated benefits paid under the terms of the Terminal Illness portion of the rider are subject to a \$150 processing fee (\$100 in Florida). Please consult your tax and legal advisors before initiating a claim.

To qualify for chronic illness benefits, you (the insured) must be certified as chronically ill by a licensed health care practitioner. For chronic illness benefits to continue beyond one year, recertification by a licensed health care practitioner is required. Other terms and conditions may apply, including an elimination period. The elimination period is a term of 90 consecutive calendar days that must pass before benefits can be payable. To qualify for terminal illness benefits, you must be certified as terminally ill by a licensed physician. This rider is not Long-Term Care (LTC) insurance, and it is not intended to replace LTC. The rider may not cover all of the costs associated with chronic or terminal illness. It is a life insurance accelerated death benefit rider and is generally not subject to health insurance requirements. The availability of the rider as well as terms and conditions may vary by state.

Access to policy withdrawals is restricted during periods in which BenefitAccess Chronic Illness benefit payments are being made.

For New York contracts: Please also note the rider is not subject to the minimum requirements of New York law, does not qualify for the New York State Long-Term Partnership Program, and is not a Medicare supplement policy. In addition, receiving accelerated death benefits may affect clients' eligibility for public assistance programs and such benefits may be taxable. Benefit payments may be made only if the payments are subject to favorable federal tax treatment. When determining whether the benefit payments will receive favorable tax treatment, the payment of benefits from all insurance policies must be considered. Benefit payments may be reduced or unavailable if they are expected to exceed the maximum amount allowed under Internal Revenue Code Section 101(g)(1) and all other applicable sections of federal law.

California: The BenefitAccess Rider is a life insurance benefit that gives you, the policyowner, the option to accelerate some or all of your life insurance policy's death benefit if you meet the criteria for a qualifying event described in the policy. This policy or certificate does not provide Long-Term Care insurance subject to California Long-Term Care insurance law. This policy or certificate is not a California Partnership for Long-Term Care program policy. This policy or certificate is not a Medicare supplement (policy or certificate). Benefits paid under the BenefitAccess Rider are intended to be treated for federal tax purposes as accelerated death benefits under IRC §101(g)(1)(b). Receiving benefits under the terms of the rider will reduce and may eliminate the net death benefit your beneficiaries will receive.

It is important to understand the differences between the BenefitAccess Rider (BenefitAccess) and Long-Term Care (LTC) insurance.

- BenefitAccess is an Accelerated Death Benefit (ADB) rider on a life insurance policy and is not LTC insurance, nor is it intended to replace the need for LTC insurance.
- The insured is not required to incur LTC expenses to receive BenefitAccess benefits. Eligibility for BenefitAccess benefits is based on the insured's chronic illness condition, not the LTC expenses incurred. LTC benefits are typically based on evidence (such as receipts) that the insured has incurred qualified long-term care expenses, and the benefit payment on an LTC policy amount is equal to the amount of LTC expenses incurred by the insured during that benefit period.
- The total benefit amount available under BenefitAccess is the death benefit of the life insurance policy. The total benefit amount available under an LTC insurance policy is based on a benefit level and a pool of money selected by the policyowner at the time of purchase.
- There may be other differences between BenefitAccess and any specific LTC insurance policy. You should carefully review the specific details of each before making any decision to purchase.

This material is being provided for informational or educational purposes only and does not take into account the investment objectives or financial situation of any client or prospective clients. The information is not intended as investment advice and is not a recommendation about managing or investing your retirement savings. If you would like information about your particular investment needs, please contact a financial professional.

Life insurance is issued by The Prudential Insurance Company of America, Pruco Life Insurance Company (except in NY), and Pruco Life Insurance Company of New Jersey (in NY). All are Prudential Financial companies located in Newark, NJ.

Investment and Insurance Products:

Not Insured by FDIC, NCUSIF, or Any Federal Government Agency.
May Lose Value. Not a Deposit of or Guaranteed by Any Bank, Credit Union, Bank Affiliate, or Credit Union Affiliate.