HIGHLIGHTER Overloan Protection Rider

What Is the Overloan Protection Rider?	The Overloan Protection Rider (OPR) is designed to protect the policy from lapsing with an outstanding loan under the conditions outlined below. However, the OPR can only be added to policies with the Guideline Premium Test (GPT) selected as the Definition of Life Insurance (DOLI). Since the DOLI Test cannot be changed after the policy is delivered and accepted by the client, keep the Overloan Protection Rider in mind at the point of sale. (See the section on "Impact on DOLI" below for more information.) Anyone contemplating the purchase of the policy with the intention of pursuing this strategy or otherwise exercising the "Overloan Protection" provided under the OPR should be aware that, among other risks, exercising the OPR has not been ruled on by the Internal Revenue Service (IRS) or the courts. Therefore, exercising the OPR may be subject to challenge by the IRS because it is possible that the loans in excess of cash value may be treated as taxable distributions. Additionally, any loans outstanding at policy lapse or surrender prior to the death of the insured will cause immediate taxation to the extent of gain in the policy. Policyholders should consult their tax advisors for advice regarding their particular situation. PruLife Founders Plus Indexed UL®, PruLife Index Advantage UL®, and Prudential FlexGuard® Life IVUL are not available in NY.
Issuing the Rider	The OPR must be selected at issue—even though the customer may not exercise the rider until their 75th birthday and until the policy has been in force for at least 15 years. The OPR will not be issued on a policy that also includes the Accidental Death Benefit.
Cost of the Rider	There is no charge for the OPR if it is not exercised. If it is exercised, a one-time charge will be deducted from the contract fund. The charge is equal to 3.5% of the cash value.
Benefits of the Rider	After the OPR is exercised, the company will waive any monthly charges or unpaid loan interest that would otherwise cause the contract debt to exceed the cash value. The contract will not enter default once the OPR is exercised.
Exercising the Rider	The customer's right to exercise the OPR is subject to all of these conditions: (a) A customer's request to exercise the OPR must be dated on or after the later of: – the 15th policy anniversary, and – the policy anniversary on or after the insured's 75th birthday. (b) Contract debt must be greater than the basic insurance amount. (c) Contract debt must be equal to or greater than 95% of the cash value. (d) There must be sufficient net cash value to pay the one-time benefit charge. (e) The DOLI selected must be the GPT. This election is made at the time of application and may not be changed after the policy is delivered and accepted. (f) The policy must not be a Modified Endowment Contract (MEC). (g) Exercising the OPR must not cause the policy to become a MEC or cause the policy to fail to qualify as life insurance under the applicable tax law. If all of the above conditions are met, customers may request to exercise the OPR by submitting a written request. The exercise of the OPR will be effective on the monthly date or after the date we receive the written request at the Home Office. **The request to exercise this rider is irrevocable.**
Effects on the Policy	If a customer is considering exercising the OPR, they should be aware of the following effects on the policy: ▸ Once the OPR is exercised, customers may not make any further: (h) withdrawals. (i) increases or decreases to the basic insurance amount. (j) premium payments. (k) changes to the death benefit type if: – The OPR is exercised on a variable policy, money in the variable investment options will be transferred to the fixed-rate option, and no further transfers out of the fixed-rate option will be allowed. – Any riders and benefits and their associated charges will terminate. – The death benefit option will be changed to Type A. – The basic insurance amount will be changed to equal the Type A death benefit.

NOT FOR CONSUMER USE.

1007481-00004-00 Ed. 04/2023

Impact on DOLI	It is important to understand the customer's long-term goals because, once the policy is delivered to the client, the test selected CANNOT be changed. With minimal funding, the choice between Cash Value Accumulation Test (CVAT) and GPT is generally not important. CVAT may provide the beneficiary with a higher death benefit under certain funding scenarios and is generally selected when the policyholder wants to heavily fund the policy during the early years. GPT may provide higher cash value under certain funding scenarios and is generally selected when the policyholder wants to heavily fund the policy over the life of the policy. If the premium payments exceed tax law limits, the policy will be classified as a MEC, so clients should consult with their tax advisors. Life insurance should be sold primarily to provide a death benefit. Keep in mind: ▸ If you are selling a policy to someone who prefers to maximize the policy death benefit at life expectancy, CVAT may be the better choice. ▸ If you are selling a policy to a customer who wants death benefit coverage and, down the road, anticipates using the value in the policy to supplement their retirement income, GPT may be the better choice for two reasons: (a) potential for better cash values at retirement and (b) ability to add the OPR. **Please note:** There is no simple rule to determine the right DOLI for a client. We recommend you to compare the impact of CVAT and GPT for each client so that you can assist each of them in making an informed decision. One easy method to compare the different impacts of CVAT or GPT is to run a Summary Report in the Prudential illustration system.
Termination of the Rider	The benefit will end on the earliest of: (l) The end of the grace period if the policy is in default. (m) The policy anniversary immediately following the insured's 121st birthday or, for Survivorship, the policy anniversary following the younger insured's 121st birthday. (n) The date the policy ends for any other reason.

PruLife Founders Plus Indexed UL®, PruLife Index Advantage UL®, Prudential FlexGuard® Life IVUL (Not available in NY), VUL Protector®, PruLife® Essential UL, PruLife® SVUL Protector®, and PruLife® Custom Premier II are issued by Pruco Life Insurance Company except in New York, where they are issued by Pruco Life Insurance Company of New Jersey. SVUL Protector®, Prudential FlexGuard® Life IVUL, VUL Protector® and PruLife® Custom Premier II are/is offered through Pruco Securities, LLC (member SIPC). All are Prudential Financial companies located in Newark, NJ.

Clients should consider the investment objectives, risks, and charges and expenses carefully before investing in the contract and/or underlying portfolios. The initial summary prospectus for the contract and the prospectus or summary prospectus for the underlying portfolios (collectively, the "prospectuses") contain this information as well as other important information which may be obtained by contacting your Prudential Life Wholesaler or from prudential.com. Clients should read the prospectuses carefully before investing.

All guarantees and benefits of the insurance policy are backed by the claims-paying ability of the issuing insurance company. Guarantees do not apply to the underlying investment options. Policy guarantees and benefits are not backed by the broker-dealer and/or insurance agency selling the policy, nor by any of their affiliates, and none of them makes any representations or guarantees regarding the claims-paying ability of the issuing insurance company.

Outstanding loans and withdrawals will reduce policy cash value and the death benefit and may have tax consequences.

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 clients or prospective clients. The information is not intended as investment advice and is not a recommendation about managing or investing a client's retirement savings. Clients seeking information regarding their particular investment needs should contact a financial professional.

NOT FOR CONSUMER USE.

ISG_FL_ILI934_01