



LIFE INSURANCE WITH
**BENEFITACCESS
RIDER**

A chronic and terminal illness rider that
gives you freedom, choice, and control.

This brochure must be accompanied or preceded
by a product brochure.

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Prudential
Bring Your Challenges®

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WHAT IS LIFE INSURANCE AND WHY DO YOU NEED IT?

It's often said that life insurance is not for those who die—it's for those who live. And it is. If you die while you have life insurance in place, the people you've chosen (your beneficiaries) will receive a sum of money (the death benefit) from your life insurance policy.

Life insurance can help protect your family or business from financial loss if you should die while you have obligations. The death benefit proceeds, which your beneficiary receives generally free of federal income tax (IRC §101(a)), can replace some of the money you would have earned and can help your family members:

- Remain in their home.
- Remain in their schools.
- Continue their college education.
- Fulfill retirement dreams.

LIFE INSURANCE CAN HAVE LIVING BENEFITS FOR YOU, TOO.

But sometimes things happen and you might need the financial protection when you're alive. Riders that offer a living benefit provide a practical and convenient way to help meet those needs.

The BenefitAccess Rider featured in this brochure is an accelerated death benefit rider attached to a permanent life insurance policy. If you, as the insured, qualify under the terms and conditions of the rider, you can access your death benefit if you become chronically or terminally ill. This rider is available for an additional cost, additional underwriting requirements and limits apply, and it is secondary to the need for death benefit protection.

Please refer to your policy illustration for policy details.

SOME THINGS IN LIFE ARE WITHIN OUR CONTROL.

Other parts of life can be unexpected.

Retirement can be an exciting and fulfilling time. As you get closer to retirement age, you're likely thinking about your post-career goals. You want to ensure that you:

- Have enough retirement income to maintain your lifestyle.
- Stay healthy and active.
- Can leave a legacy to the people you love.

Unfortunately, these goals can be thrown off track by obstacles such as market volatility, outliving your savings, or getting sick.

You may have some control over certain obstacles. For example, you can work with your financial professional to reduce risk in your investment portfolio and to build a plan to help leave a legacy to your family.

But there are some things that are completely out of anyone's control and can be more difficult to plan for. What if you unexpectedly became seriously or even chronically ill? What would happen to your plans then?

Fact is, there is a very good chance that you may become chronically or terminally ill.



REALITY CHECK

80% of care at home is provided by unpaid caregivers, like **FAMILY AND FRIENDS**.²

IF YOU WERE TO BECOME CHRONICALLY ILL:

- **Who would care for you?** A member of your family?
- **Where would you live?** In your home that may need to be modified for your comfort?
- **How would you continue to participate in family life?** Would you be forced to miss daily life events like soccer games, neighborhood walks, and family celebrations?



5 in 10 people who are age 65 will deal with a chronic illness or disability later in life¹ like Alzheimer's disease, a serious stroke, or crippling arthritis.

¹ Favreault M, et al. Long-term Services and Supports for Older Americans: Risks and Financing. ASPE Issue Brief. Department of Health and Human Services. July 2015, p.3, 9.

² U.S. Department of Health and Human Services. Who Will Provide Your Care? <https://longtermcare.acl.gov/the-basics/who-will-provide-your-care.html>. Accessed February 22, 2016.

Consider your financial and emotional well-being when planning for chronic and terminal illness to help protect yourself and your family.

A chronic or terminal illness can cost thousands of dollars each year; that can really take its toll if you haven't prepared for it. Not everyone will become chronically or terminally ill, but if you do, does your current strategy provide you with the income you will need to protect yourself and your family?

The **BenefitAccess Rider** can help you prepare for the financial impact of chronic or terminal illness so the emotional one is a little easier.



REALITY CHECK

The estimated average out-of-pocket medical costs for a 65-year-old couple that retired in 2015 is **\$260,000.**

... and even more if chronic illness care is needed.³

³ Health Care Costs for Couples in Retirement Rise to an Estimated \$260,000. Fidelity Investments. August 16, 2016. Based on a hypothetical 65-year-old couple with average life expectancies of 85 for a male and 87 for a female, with costs in 2016 dollars.

THE BENEFITACCESS RIDER LETS YOU CHOOSE—

your care, your finances, your life.

BenefitAccess gives you a means to live your life the way you want. There are no restrictions on how the benefits can be used, and they are limited only by the amount of your policy's death benefit. You can get the help you need in the way you want, by advancing up to 100% of your policy's death benefit once you qualify.⁴ You can do this if you are certified as being chronically ill by a licensed health care practitioner, (even if you are expected to recover), or terminally ill by a licensed physician, and if you otherwise meet the terms and conditions of the rider.

This gives you options to help live life on your terms—maintaining your independence and freedom. You can help pay for expenses related to your illness, preserve it for all the other reasons you bought life insurance, or use a combination of both. **With options like this, you'll know that your money is going to good use.**

Some examples may be:

- Pay a family member to take care of you.
- Modify your home, in whatever way you need (i.e. installing ramps, expanding doorways to accommodate a mobility device, etc.)
- Take loved ones on a trip or fly them in to visit.
- Pay for transportation if you are unable to drive.
- Or anything else you'd like.

**BENEFITACCESS
RIDER LETS YOU
LIVE YOUR LIFE
THE WAY YOU WANT.**

It can help pay for:



TRANSPORTATION



FAMILY CARE



HOME ADAPTATION



TRIPS



RXs



YARD WORK



SKILLED CARE



HOME CARE

No receipts and no restrictions— use the benefit how you want to.

There is no requirement to submit receipts or medical bills to collect benefits. You can qualify for chronic illness benefits when a licensed health care practitioner certifies that you are chronically ill and you meet other terms of the rider. Once your claim is approved and you are receiving benefits, there are no restrictions on how you can use the money—use it however you see fit.

You should consult with your personal tax advisors regarding the implications of receiving accelerated death benefit payments. There are instances where the rider proceeds are taxable as income.⁴

This depends on:

- If additional benefits are being received under similar contracts
- Whether qualified expenses (e.g., costs associated with preventative, therapeutic, curing, treating, rehabilitative services, etc.) are incurred

BenefitAccess Rider— two components for protection.



1. Chronic illness
2. Terminal illness

Each works differently from the other, but combined they give you protection should you suffer a chronic or terminal illness.

THE FLEXIBILITY OF BENEFITACCESS

These two hypothetical examples show the flexibility of how the rider can be used by a chronically ill person with a \$300,000 life insurance policy:⁵

Example 1:

You stay at home and receive \$6,000 per month for over 4 years. You use the monthly income to help improve your quality of life by paying a loved one to stay home with you, or by hiring a professional assistant to help you with day-to-day chores. With this monthly income stream from BenefitAccess, you adjust your lifestyle to help you cope with a chronic illness and have the quality of life you want.

Example 2:

You take an annual lump sum of \$70,568 per year for 4 years, and the remaining \$11,761 in the 5th year. On an annual basis, you take advantage of the larger lump sum benefit to use for any reason you desire. You spend it on air fare for your children and grandchildren to come visit you; or, splurge on an extended family vacation. With help from BenefitAccess, you afford yourself the extra amenities needed to make yourself comfortable and enjoy precious time with your loved ones.

Please keep in mind that by using the flexibility of your policy to obtain benefits as a result of chronic illness, you will be reducing and may even eliminate the death benefit intended for your beneficiaries.

Actual results may vary based on your individual circumstances.



*Consider all of your needs when purchasing a life insurance policy—
including those for chronic or terminal illness expenses.*

Life insurance with the BenefitAccess Rider is there when you need it.

This rider gives you access to the policy's death benefit if the insured is chronically or terminally ill and meets the terms of the rider.

For chronic illness, a licensed health care practitioner would annually certify that the insured:

Activities of Daily Living

Bathing
Eating
Toileting
Dressing
Continence
Transferring

- Cannot perform at least two Activities of Daily Living without substantial assistance for a period of at least 90 days; OR
- Requires substantial supervision and protection from threats to health and safety due to a severe cognitive impairment.

An elimination period may apply. The elimination period is a period of 90 consecutive calendar days that must pass before benefits can be payable.

Whether an elimination period applies or not will be determined at the time of claim, based on the certification of a licensed health care practitioner.

WHILE YOU ARE RECEIVING BENEFITS FOR CHRONIC ILLNESS, YOUR POLICY IS PROTECTED FROM LAPSE.

During the time that you are receiving rider benefits, we will ensure that your policy does not lapse. Policy charges will be waived, so you will not have to worry about paying premiums.

If you stop receiving benefits within 25 months of going on claim, you may need to resume paying premiums to keep your policy from lapsing. However, once you've been on claim for 25 months or longer, policy charges will be permanently waived, so you'll never have to resume paying premiums or worry about your policy lapsing.⁶



Using your chronic illness benefit.

Depending on your life insurance policy type, some changes occur in your policy if you use your chronic illness benefit. If you have:

A life insurance policy with a Variable Death Benefit (Type B)	At the time you submit a claim, the death benefit option will be automatically changed to a Fixed Death Benefit (Type A) and cannot be changed. The death benefit at the time of claim will be fixed as well.
A life insurance policy with variable investment options	At the time you submit a claim, you will need to authorize the transfer of any policy values from variable investment options into the fixed-rate option. While your claim is reviewed and while you are receiving Benefit Payments, policy values must remain in the Fixed Rate Option, and you must allocate future premiums or loan repayments to the Fixed Rate Option. If you stop receiving chronic illness benefits and are no longer on claim, this restriction no longer applies and you may request that policy values and future premium payments be allocated to variable investment options.

No matter what type of policy you have, if you choose to use the BenefitAccess Rider, monthly benefit payments will reduce the death benefit on a dollar-for-dollar basis and may eliminate it altogether, depending on how much you use.⁶

DOLLAR-FOR-DOLLAR BASIS



Your financial professional can provide you with an illustration or presentation that includes additional information about how your policy values and death benefit are affected by using the BenefitAccess Rider.

The advantages of BenefitAccess —Terminal Illness

If you are certified as terminally ill by a licensed physician and your claim is approved, here's how it works:

1 Funds from your policy's death benefit will be accelerated and paid to you. The amount you receive will be reduced by a discount factor. This means the amount paid to you is less than the death benefit of the policy.

2 You may take a benefit payment in either a partial or full lump sum. You may only take one partial acceleration.*

3 If you choose to take the one-time partial amount of the death benefit instead of the full amount available for acceleration, your life insurance policy will continue and the death benefit will be reduced dollar-for-dollar by the amount of benefit that was accelerated.

If you only accelerate part of the death benefit, future premium payments and contract values will be adjusted accordingly to the new death benefit amount.

4 Full acceleration will eliminate the death benefit available for your policy's beneficiaries and your policy will terminate.

5 Annual recertification is not required for terminal illness benefits. Evidence of terminal illness is required for any terminal illness claim (partial or full).



*When the Terminal Illness option is being used,
you will no longer qualify for the Chronic Illness option.*

*Accelerated benefits paid under the terms of the Terminal Illness portion of the rider are subject to a \$150 processing fee (\$100 in Florida).

THE BENEFITACCESS RIDER CHECKLIST.

You might be interested in the BenefitAccess Rider if you:

- Have a family history of longevity or chronic disease
- Are concerned about outliving your spouse
- Need income for medical or non-medical expenses if you were to become chronically ill
- Would prefer to stay at home if chronically ill
- Do not wish to become a financial burden to your loved ones if you become chronically ill
- Are interested in having access to your death benefit if you face a terminal illness
- Would like to be prepared today but make decisions tomorrow about how you'll be cared for should you become chronically ill



THE PROTECTION COMPANY FOR OVER 140 YEARS

Prudential Financial is a worldwide financial leader with a long tradition of serving the public interest. Prudential Financial has approximately 50 million customers. The well-known Rock symbol is an icon of strength, stability, expertise, and innovation that has stood the test of time.

⁴ 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. 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.

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 only be made if the payments are subject to favorable tax treatment by the federal government. 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 eligible under Internal Revenue Code Section 101(g)(1) and all other applicable sections of federal law for favorable tax treatment.

⁵ When the insured and policyowner are not the same (e.g., a policy owned by an irrevocable life insurance trust (ILIT)), the policyowners should consult with a qualified tax advisor to ensure there are no unintended consequences of the unavailability of funds to the insured or unintended tax consequences related to the availability of funds to the insured. In addition, if the policyowner has an insurable interest in the insured's life based on certain business or financial relationships, the rider's benefits may be subject to income tax.

⁶ If at the time of claim your policy is in default, but not past the grace period, the benefit payment will be reduced by the amount needed to bring your policy out of default. If at the time of claim there is a loan on your policy, a portion of each benefit payment will be used to reduce the loan on a pro-rata basis. The benefit you receive will be reduced by the amount of the loan repayment. Interest will continue to accrue on any outstanding loan and a policy can lapse due to excess policy debt.

Like most insurance policies, our policies contain exclusions, limitations, reductions of benefits, and terms for keeping them in force. Your financial professional can provide you with costs and complete details.

The rider form number for the BenefitAccess Rider varies by underlying insurance product and state. The rider number is either VL 145 B5-2017 or ICC17 VL 145 B5-2017. Rider form numbers may be followed by a state code.

Variable universal life insurance products are offered through Pruco Securities, LLC (member SIPC), Newark, NJ.

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