



LIFE INSURANCE WITH
**BENEFIT ACCESS
RIDER**

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

Issued by Pruco Life Insurance Company

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Prudential

WHAT IS LIFE INSURANCE AND WHY DO YOU NEED IT?

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.

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 BENEFITS FOR YOU, TOO

Life insurance can help protect your loved ones. But sometimes, you may need the financial protection life insurance provides while you're alive.

The living benefit featured in this brochure is an accelerated death benefit rider that can be attached to a permanent life insurance policy.

With the BenefitAccess Rider in place, you can access money from your policy's death benefit if you become chronically or terminally ill and meet the terms of the rider. You can use the money to pay for care, groceries, or anything else you like.

This living benefit is available for an additional cost. Additional underwriting requirements and limits apply. It is secondary to the need for death benefit protection. Life insurance with the BenefitAccess Rider is not long-term care insurance.

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 some things are completely out of anyone's control and can be more difficult to plan for. What if you unexpectedly were to become 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**.¹

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?



It is estimated that about half (56%) of Americans turning 65 today will develop a disability serious enough that require help with basic personal tasks, often referred to as Activities of Daily Living (ADLs).²

¹[LongTermCare.gov](https://longtermcare.gov). Who Will Provide Your Care?

<https://acl.gov/ltc/basic-needs/who-will-provide-your-care>. Accessed August, 2023.

²Favreault M, et al. Long-term Services and Supports for Older Americans: Risks and Financing, ASPE, 2022.

The Cost of Chronic Illness Care

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 **living benefit** 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 who retired in 2022 are \$315,000 ... and even more if they become chronically ill.³

Qualifying to Use Your Benefit

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 is chronically ill.

Activities of Daily Living

Bathing

Eating

Toileting

Dressing

Continence

Transferring

Typically, this means that the insured:

- Cannot perform at least two Activities of Daily Living without substantial assistance and will likely need assistance for the rest of their life; or
- Requires substantial supervision and protection from threats to health and safety due to a severe cognitive impairment and will likely require supervision for the rest of their life.

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.⁴

³How to Plan for Rising Health Care Costs, Fidelity.

<https://www.fidelity.com/viewpoints/personal-finance/plan-for-rising-health-care-costs>. Accessed 08/2023.

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.⁵ You can do this if you are certified as being chronically ill by a licensed health care practitioner, 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. It 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 ARE:

- Pay a family member to take care of you;
- Modify your home, in whatever way you need (e.g., 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



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

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.⁵

There are instances where the rider proceeds are taxable as income. For example, if you are receiving additional benefits under similar contracts, you should consult with your personal tax advisors regarding the implications of receiving accelerated death benefit payments.⁶

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.

How Much Does the BenefitAccess Rider Cost?

This optional living benefit adds 5% to 25% to the cost of your coverage. Factors that determine the additional cost include your age at time of purchase, gender, health status, and policy coverage amount. This cost delivers the value of being able to access the death benefit when you need it and keep other performing assets intact.

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:

Example 1: You stay at home and receive \$6,000 per month for over four 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 \$69,521 per year for four years and the remaining \$11,761 in the fifth 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 airfare 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.***

Using Your Living Benefit

Here's what happens when you file a claim for a chronic illness benefit.

Step 1:

YOU CALL OUR CLAIMS DEPARTMENT. If you are chronically or terminally ill and would like to initiate a claim, please call a live representative in our claims department. We'll supply you with the necessary forms to complete and return to us for review.

Step 2:

WE PREPARE THE POLICY. Your benefit amount is determined by the amount of your death benefit at the time of claim. Depending on the type of life insurance policy you have, we may need to adjust your policy once you are receiving payments. These changes are made to stabilize your policy so you don't need to worry about market performance while you are on claim.

- If you selected a policy with a variable or rising death benefit option, we will move you to a fixed or level death benefit.
- If you selected a variable policy and are currently invested in underlying sub-accounts, we will move you over to a fixed account.

Step 3:

WE PAY YOUR CLAIM. Once all of the terms of the rider have been met and upon claim approval your benefit is paid, your policy values will be adjusted accordingly.

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.

Advantages of Benefit Access—Terminal Illness

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

1 You can access up to 95% of your death benefit in the event of terminal illness.

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.*

Discover Concierge Care Services

Prudential makes Concierge Care Services available to all customers in approved states who purchase a life insurance policy with the BenefitAccess Rider attached.

These services will be available immediately and can help you:

- Reduce the challenges of finding care and determine the costs of care.
- Match with local care providers and facilities.
- Devise a plan to help you stay in your home and remain as independent as possible.

Two Ways to Access Available Resources

1. Caregiver Advocate Website

- Search a database of 150,000+ providers.
- View informative articles, videos, and tip sheets.
- Explore an interactive map to compare costs of care across locations and care settings.

2. Caregiver Advocate Hotline

- Talk to a live caregiver advocate.
- Get information about senior care services, adult day care, meal services, memory care, and other community resources.
- Get assistance with setting up an online account.

These services are provided by LTCG®, a third-party vendor. For more than two decades, they've been providing care services and solutions that help people through some of the most challenging times in their lives.

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

THE BENEFITACCESS RIDER CHECKLIST

You might be interested in purchasing the BenefitAccess Rider with your policy 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 financially dependent on 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 145 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.

⁴If 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.

⁵**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.
- Once the insured qualifies for BenefitAccess benefits, payments can begin immediately and there are no restrictions on the use of benefit payments. LTC insurance policies often require that a waiting period or elimination period (such as 90 or 100 days) be satisfied before benefit payments begin, and benefits must be used to pay for qualified LTC expenses.

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.

⁶When 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.

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.

Long Term Care Group (LTCG) is an independent organization and is not an affiliate of Prudential Financial. LTCG is contracted to provide Concierge Care Services to Prudential policyowners. These services are not guaranteed, and you will be notified if they are changed or terminated. Participation in Concierge Care Services is optional and neither you nor your invitees will ever be enrolled without consent. LTCG is solely liable for providing Concierge Care Services, and Prudential is not responsible for providing or failing to provide Concierge Care Services or for the negligent provision of Concierge Care Services by LTCG.

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 is available on certain life insurance policies that are issued by Pruco Life Insurance Company, Newark, NJ. The rider form number for the BenefitAccess Rider varies by underlying insurance product and is either VL 145 B-2013 (ED 2015), VL 145 B2-2013 (ED 2015), or VL 145 B3-2014.

All guarantees and benefits of the insurance policy are backed by the claims-paying ability of the issuing insurance company. Policy guarantees and benefits are not obligations of, nor 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.

We do not provide tax, accounting, or legal advice. Clients should consult their own independent advisors as to any tax, accounting, or legal statements made herein.

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