Two Sales Strategies for Life Insurance with the BenefitAccess Rider

Life insurance with the BenefitAccess Rider (BAR) can be an attractive option for a wide variety of clients who want death benefit protection and a cost-effective way to help with the financial impact associated with a chronic or terminal illness. BAR is an optional rider available at an additional cost. Here are two approaches that are commonly used with clients who have different goals and financial situations.

1 A PROTECTION-FOCUSED STRATEGY

THE GOAL

Protection-focused clients want the death benefit that life insurance provides so they know that their families will be taken care of after they're gone.

WHY ADD BAR?

BAR is an added layer of protection for clients and their families. It can help preserve assets in the face of a chronic illness and give clients choice over how they use the funds.

EXAMPLE

Diane is a 60-year-old female. She needs coverage in the amount of $250,000 and has decided to purchase PruLife® Universal Protector because she is conservative and guarantees are important to her. She's rated Non-Smoker Plus and is paying premium in all years.

Annual premium without BAR	Annual premium with BAR 2%
$4,320	$5,091

Adding BAR is just another $771 annually, or about $64 a month, but what Diane gets is so much more. If she becomes chronically or terminally ill and meets the terms of the rider, she can accelerate up to 100% of the death benefit to use in any way she likes. No restrictions; no receipts required. In this situation any benefits Diane receives under the rider will reduce and could deplete the death benefit for her beneficiaries.

2 AN ACCUMULATION-FOCUSED STRATEGY

THE GOAL

Accumulation-focused clients want the death benefit protection that life insurance provides, plus the opportunity to build cash value, which they can use as a supplemental income stream in retirement.

WHY ADD BAR?

With BAR in place, clients can accelerate the death benefit if they become chronically or terminally ill and meet the terms of the rider. Adding BAR provides valuable flexibility with relatively minimal impact to policy cash values, which can be used to help supplement their retirement plan.

EXAMPLE

Dennis is a 45-year-old male who has the risk tolerance for variable investing. He needs death benefit coverage and wants to build cash value to use in retirement, so he has decided to purchase PruLife® Custom Premier II. He's rated Non-Smoker Plus and is paying annual premiums of $10,000 for 20 years for a total of $200,000 in premiums paid. The initial face amount in both scenarios is $252,288 and they remain very similar throughout the duration of the contract. Let's see how BAR may impact Dennis's income potential.*

Without BAR

Annual distributions starting at age 65	Total distributions over 20 years
$36,000	$520,000

With BAR 2%

Annual distributions starting at age 65	Total distributions over 20 years
$35,172	$503,440

With BAR on the policy, the annual policy distributions are just $828 less per year, a difference of less than 2% compared with a policy without BAR. That's a trade-off worth considering because if Dennis becomes chronically or terminally ill, he'll have access to a much larger pool of money (over $250,000 in most years) to use any way he sees fit. Like Diane, the amount of the death benefit available to his beneficiaries will be reduced if he receives benefits under the rider.

In a scenario with maximum charges and a 0% rate of return the policy cash values would go to 0 and the policy would lapse at age 68.

**These results are based on an 8% gross rate of return (7.35% net) and current charges and distributions taken from age 65—84.*

Life insurance with BAR MAY BE RIGHT FOR A WIDE VARIETY OF CLIENTS

The above are two common scenarios, but keep in mind that BAR can be added to policies of all sizes from $100,000 to $5 million. For clients with fewer assets and lower death benefit needs, adding BAR enables them to access funds in the event of chronic or terminal illness that they otherwise might not have.

For clients with larger death benefit needs and more substantial assets, leveraging BAR in the event of chronic or terminal illness can help prevent the erosion of other assets within their portfolio.

Helping Clients Achieve Their Goals. That's Financial Wellness.

QUESTIONS? Contact your Prudential Wholesaler or call the sales desk at 1-800-800-2738, option 1.

The BenefitAccess Rider is an optional rider that accelerates the life insurance death benefit when the insured is terminally ill or is chronically ill as defined in the rider. It is not Long-Term Care (LTC) insurance. Benefits received under the rider will reduce and may deplete the death benefit. Electing the BenefitAccess Rider results in an additional charge and underwriting requirements. Some benefit payments may be subject to a fee. Other terms and conditions apply and can vary by state. Clients should consult their tax and legal advisors.

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.

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PruLife Universal Protector and PruLife Custom Premier II are issued by Pruco Life Insurance Company in all states except New York, where they are issued by Pruco Life Insurance Company of New Jersey. PruLife Custom Premier II 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 prospectus and, if available, the summary prospectus contain this information as well as other important information. A copy of the prospectus(es) may be obtained from prudential.com. Clients should read the prospectus(es) carefully before investing. It is possible to lose money by investing in securities.

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