

Regulatory Update

COVID-19 New Jersey Notification

New Jersey COVID-19 Mailing

A recent Executive Order issued by Governor Murphy, together with recent amendments to the insurance and banking regulations issued by the State of New Jersey Department of Banking & Insurance, extend grace periods and give New Jersey (NJ) customers other rights under their life insurance policy and/or annuity contract if they can demonstrate financial hardship as a result of the COVID-19 pandemic. These grace periods and rights are currently in effect but are temporary, though they may be extended.

As part of the Executive Order, Prudential is required to notify all NJ customers of these rights. Letters will be sent starting this week to meet this requirement. Due to the significant volume of NJ customers, the release of the letters will be staggered and span over a few weeks. Below is the information provided in the letter:

We have been actively monitoring the rapidly changing environment due to the impact of the novel coronavirus (COVID-19) pandemic, which has profoundly affected daily life as we know it. As a Prudential customer, you chose a company that has endured challenging and unforeseen events over its 145 years of existence, and we remain strong and ever ready to serve and support you.

A recent Executive Order issued by Governor Murphy, together with recent bulletins issued by the State of New Jersey Department of Banking & Insurance, extend grace periods and give you other rights under your life insurance policy and/or annuity contract if you can demonstrate financial hardship as a result of the COVID-19 pandemic and your policy was in good standing as of March 1, 2020. These grace periods and rights are currently in effect but are temporary, though they may be extended.

Insurance Payments - Grace Period

If you can demonstrate financial hardship as a result of the COVID-19 pandemic, we must extend to 90 days the applicable grace period for the payment of premiums and fees under your life insurance policy and/or annuity contract. If you do not make a timely premium payment and can demonstrate financial hardship as a result of the COVID-19 pandemic, we may not impose any late fees relating to the premium payment or report you to a credit reporting agency.

Catching Up on Overdue Insurance Payments

We are also required to permit you to pay the overdue premium over a 12-month period if you did not make a timely premium payment due to financial hardship as a result of the COVID-19 pandemic.

How to Demonstrate Financial Hardship

If you are unable to make a timely premium payment due to financial hardship as a result of the COVID-19 pandemic, you may write to us at the address listed above or call us at the number below and provide a statement that you are experiencing financial hardship as a result of the COVID-19 pandemic. If you choose to submit a written statement, you do not need to have the statement notarized.

Additional Resources

You may find more information about these temporary relief options online at:

- Executive Orders issued by Governor Murphy: Go to www.nj.gov
- COVID-19 information from the Department of Banking & Insurance: www.state.nj.us/dobi/covid

You may also visit us online at www.prudential.com to:

- Get answers to the most commonly asked COVID-19 questions related to Prudential benefits.
- View policy values and transaction histories, and access policy documents and tax forms.
- Make a policy or loan payment, reallocate your investments (as applicable), and initiate a death claim.

For general policy questions, please call our customer service office at (800) 778-2255. We are available Monday through Friday between 8:00 a.m. and 6:00 p.m. Eastern time. One of our customer service representatives will be glad to help you. If you are using a telecommunications device for the hearing impaired, please call (800) 778-8633, Monday through Friday between 8:00 a.m. and 6:00 p.m. Eastern time.

If you have been impacted by COVID-19, we have added a dedicated service phone number that you may call at (800) 556-8527. We are available to help you Monday through Friday between 8:00 a.m. and 6:00 p.m., Eastern time.

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COVID-19 Billing Notice Insert

As a reminder to our customers to call for assistance if impacted by COVID-19, an insert will be included in billing notices starting the week of 05/18/2020.



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As a Prudential customer, you chose a company that has endured challenging and unforeseen events over its 145 years of existence. We stand strong and remain as focused as ever on the safety and wellbeing of our customers, financial industry partners, employees and the communities we serve.

We recognize the financial challenges you may be faced with during these uncertain times and have taken specific actions to help.

We've made it easier to reach us and find information.

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Certain states have established extended timeframes to make payments, as well as specific timeframes related to policy lapses. Please visit your state's department of insurance website for additional, state-specific information. Billing notices and other notices are systematically produced and do not factor in any temporary state mandates.

If you are experiencing difficulty making premium payments as a result of the COVID-19 pandemic, we encourage you to call us for assistance.

We know you have choices for your life insurance needs and we're proud that you selected us. We are committed to keeping you informed of changes and providing additional resources you can use to make decisions regarding your life insurance.

Thank you for choosing Prudential.

COVID-19 State Alerts

- A total of 36 jurisdictions have issued life insurance-related customer accommodations. The majority of alerts require the client to proactively notify Prudential if they have been impacted by COVID-19 and need assistance.
- If a client notifies Prudential and requests additional time to make a payment due to being impacted by COVID-19, the request will be granted. We will extend the grace period 60 days, unless a longer period of time is required by state law.
- The following 12 jurisdictions have specific lapse restrictions: Alaska, Arkansas, Connecticut, Delaware, D.C, Indiana, Louisiana, Mississippi, Missouri, New Mexico, Oregon and West Virginia. Four of these states (Arkansas, Connecticut, New Mexico, West Virginia) require the customer to initiate the assistance with the carrier. The remaining 8 states do not require the customer to notify the carrier. As a result, a systematic solution is being built to prevent any policies from

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lapsing for these 8 states. Once implemented, the customer will still receive their normal billing notices; however, the day before the policy is set to lapse, the lapse will be blocked and a letter released to the client letting them know there is additional time to make the payment along with other important information. Once the systematic solutions are implemented, a “look-back” process will occur for these 8 states to ensure any policy that lapsed prior to the systematic solution being implemented is outreached so the client knows their policy is still in force and details for next steps.

- It is important to note that by taking advantage of this extended grace period for interest sensitive products, the client’s policy cash value and any no lapse guarantees could be negatively impacted. We strongly encourage the client to request an in-force illustration and discuss any changes in payments with their financial professional.
- Commissions are paid when premium payments are received per the standard BAU process.

Customer Value Center

Many of you may have experienced higher than average hold times in the Customer Value Center (CVC) in the recent past. The current environment is creating a great deal of market volatility, which has caused an increase in CVC volume. Regardless of external factors, we understand that this can be frustrating, and we are taking steps to make improvements.

The good news is that we expect improvement over the next few weeks as we continue to train additional resources. This training started in early April and will be completed in June. Additionally, we encourage you to utilize online resources on Prudential.com when you are able. An example of a recent resource added is www.prudential.com/val, which has educational tools intended to guide the customer or advisor with their VAL questions. This tool is now referenced in the VAL Deficiency letters.

CVC hours of operation are 9-5 Eastern Time and wait times tend to be lower in the early mornings as well as Wed-Fri. Thank you for your patience during these difficult times.

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