

Portability & Conversion of Your Group Life Insurance Coverage

With your termination of employment, you have certain options available to you for your group term-life insurance benefits, issued by The Prudential Insurance Company of America. A decision must be made within 31 days of the termination of your group life coverage to continue your benefits through either **conversion** or **portability**.

What is **conversion**? When employment ends or eligibility for coverage ends the group contract provides for the conversion of an employee's Group **Term** Life Insurance into an individual **permanent*** life insurance policy. Dependents may also convert Dependent Term Life coverage into an individual **permanent** life insurance policy.

What is **portability**? Portability allows you to keep some or all of your supplemental term-life insurance, after coverage under your group plan terminates. The plan features will likely differ from those found under your employer's plan. Additionally, the rates will also differ and will be charged at preferred or standard rates depending upon the answers to a short medical questionnaire.

You may either convert or port certain coverage, you may not do both. Please carefully read the provisions in your booklet/certificate that describes these options. The following outlines coverage available to convert and/or port:

	Convertible	Portable
Basic Life	Y	N
Supplemental Life	Y	Y
Supplemental Dependent Life	Y*	Y*

*As long as employee ports. (exceptions: death of the employee - spouse and child may port; divorce - spouse only may port).

What does **conversion provide**? Converting your group insurance gives you a whole-life permanent individual policy. Evidence of medical insurability is not required. There is a guaranteed cash-value and a guaranteed death benefit for the lifetime of the insured, provided premiums are paid when due and there are no outstanding loans or withdrawals. The face amount is payable at death.

What does **portability** provide? Portability is **term** insurance and therefore the premiums are generally lower than with whole-life. The coverage reduces in accordance with the reduction schedule. Your amount of supplemental life must be at least \$20,000 on the day your insurance ends in order to exercise the portability option.

What are the rates for **conversion** and **portability**? Conversion rates are based upon your age when your coverage ends. You may view the conversion rates on our Web site or in the Prudential brochure sent to you when the Conversion Notice is submitted. Portability rates are based on five-year age brackets and are further distinguished based upon answers to the health questions. Portability rates are available upon request from your employer.

Who is eligible for **portability**? Only employees who have selected Supplemental Term-Life Insurance, are under the age of 80, are not leaving due to retirement or disability, and meet the actively-at-work requirement on the day coverage ends under the employer's group plan.

Who is eligible for **conversion**? Employees may convert life coverage when employment or eligibility ends, subject to the "Conversion" section of your Group Contract. Dependents are also eligible to convert their insurance when their eligibility ends or the employee's employment or eligibility ends as described in the Group Contract.

How much of my **Supplemental Term Life Insurance** can be ported? A portion or the entire current amount of insurance you have in effect, (subject to a minimum of \$20,000 and a maximum of 5x annual earnings, not to exceed \$1 million).

Please remember applications and premiums for conversions must be submitted within 31 days of termination of coverage. Applications for portability must be submitted within 31 days of coverage termination. Upon receipt and approval of the portability form, Prudential will bill for the premium due.

The Basic Term Life, Optional Term Life, and Dependent Term Life coverages are issued by The Prudential Insurance Company of America, 751 Broad Street, Newark, NJ 07102. The Booklet-Certificate contains all details, including any policy exclusions, limitations and restrictions, which may apply. Contract Series: 83500.

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