

# Your Options

## At Prudential,

we believe that our responsibility doesn't end when we pay a death benefit. That is why we want to help you through this difficult time by providing information to help you understand the payment and settlement options available to you.

Once you have read through this information, you may also want to check with us to see if there are other settlement options provided by the original policy/contract. There may be tax consequences associated with settlement options. You may wish to consult your tax or legal adviser, as neither Prudential nor its representatives can offer tax advice.

Additional information about other settlement options, including interest rates, can be found in the original policy or you may call our **Customer Service Office at (800) 496-1035** for assistance.

At a Glance Prudential Settlement and Payment Options		
Settlement Options	Description	Page
<b>Life Income</b>	Monthly payments to you for life.	2
<b>Life Income with a Certain Period</b>	Monthly payments to you for life with a certain period of guaranteed payments to you or your named beneficiary.	2
<b>Fixed Period</b>	Payment for an elected number of years, with the right to withdraw the present value of unmade payments	3
<b>Fixed Amount</b>	Payments of a selected amount until the proceeds and interest earned are fully paid to you, with a right to withdraw the unpaid balance.	4
<b>Interest Payment</b>	While proceeds are held at interest, you receive regular interest payments with the right to withdraw the unpaid balance. You may also elect to have interest accumulate.	4
<b>Payment Option</b>		
<b>Lump Sum</b>	Receive the full death benefit in a single lump sum check	5

## Settlement Options

### Life Income

The Life Income option allows you to receive monthly payments for the rest of your life.

#### **General Information:**

The monthly payment amount you receive under this option will remain the same for the rest of your life and will depend on:

- The amount you place in this option
- Your date of birth (You must provide proof of age, such as a copy of a birth or baptismal certificate, driver's license, or passport.)
- Your sex
- Current interest rates

**To select this settlement option, check the “*Select another payment option*” box in Section 4 of the Death Benefits Claim form and write the following wording (with appropriate changes, as suggested below):**

*Provide the Life Income option, monthly payments for life, with no certain period.*

### Life Income with a Certain Period

*(Select another payment option)*

The Life Income with a Certain Period option allows you to receive monthly payments for the rest of your life. This can be used to supplement retirement income. The certain period is a number of years that you choose, during which you will receive guaranteed benefit payments. If you die within the certain period, your named beneficiary will receive the present value of the remaining certain period payments. The present value is the reduced value of certain period payments at the time of your death, or at the time you withdraw the remaining certain period payments. If you live beyond the certain period, you will continue to receive payments for the rest of your life, but your beneficiary will not receive a death benefit.

Unless you elect otherwise, you have the option to withdraw the present value before the end of the certain period. If you choose the option of having the present value available for withdrawal, the monthly payment amount you receive will be lower than if you do not choose this privilege. Please be aware that withdrawing the present value will use up the remaining certain period payments. For this reason, if you withdraw the present value, you will not receive any more monthly payments until after the certain period ends. Payments will then resume and continue for the rest of your life.

#### **General Information:**

- You can select a certain period of either 5, 10, 15, or 20 years, or one that lasts until your payments add up to the death benefit amount you place in the option. (This is called “Installment Refund.”)
- The monthly payment amount that you receive will remain the same for the duration of your payments.
- The amount of the monthly payment will depend on the length of the certain period you select as well as the amount of the death benefit you place in the option. Other factors that affect the monthly amount you receive are:

- Your date of birth (You must provide proof of age, such as a copy of a birth or baptismal certificate, driver's license, or passport.)
- Your sex
- Current interest rates
- Your choice regarding present value withdrawal

**To select this settlement option, check the “*Select another payment option*” box in Section 4 of the Death Benefits Claim form and write the following wording (with appropriate changes, as suggested below):**

*Provide the Life Income with a Certain Period option, monthly payments for life, with payments certain for (5, 10, 15, or 20 years or installment refund), with the right to withdraw (or with no right to withdraw).*

If you have any questions about withdrawing the present value, please contact us at (800) 496-1035.

## **Fixed Period**

The Fixed Period option allows the death benefit, plus interest, to be paid to you over a fixed number of years. This option could be helpful if you have recurring expenses for a specific period of time, such as child support or tuition.

### **General Information:**

- You will receive equal payment amounts for a period of time that you choose. The time period you select can be from 1 to 25 years.
- You decide how often you want to receive your payments. At your choice, we will pay the interest annually, semiannually, quarterly, or monthly.
- The scheduled payment amount you receive will depend on the:
  - Length of time and payment schedule that you select.
  - Current interest rates and the total amount that you place under this option.
- The payment amount you receive will include interest. (The interest rate applied may change to reflect current interest rates, but it will never be less than the guaranteed rate specified in your Claim Settlement Certificate that you will receive.)
- You may withdraw the present value of the remaining payments at any time. (If you withdraw the present value before your fixed period ends, you will no longer receive periodic payments and your beneficiary will not receive a death benefit.) The present value is the reduced value of certain period payments at the time of your death, or at the time you withdraw the remaining certain period payments.
- Your beneficiary will receive the present value of any remaining payments at your death.

**To select this settlement option, check the “*Select another payment option*” box in Section 4 of the Death Benefits Claim form and write the following wording (with appropriate changes, as suggested below):**

*Provide the Fixed Period option, monthly (or quarterly, semiannual, annual) payments for (Select number between 1-25) years, with the right to withdraw (or with no right to withdraw).*

## Fixed Amount

Under the Fixed Amount option, you elect a specified amount that will be payable until the death benefit, including interest earned, is fully paid to you.

### **General Information:**

- You select the fixed payment amount.
- You decide how often you want to receive your payments. At your choice we will pay the interest annually, semiannually, quarterly, or monthly.
- You must choose a periodic amount that equals at least \$90 for every \$1,000 of death benefit.
- You may withdraw amounts of \$100 or more at any time.
- You will receive interest on the death benefit. The interest rate may change to reflect current interest rates, but it will never be less than the guaranteed rate specified in your Claim Settlement Certificate that you will receive. Interest applied will be used to extend the payment period.
- Your beneficiary will receive any remaining balance at your death.

**To select this settlement option, check the “*Select another payment option*” box in Section 4 of the Death Benefits Claim form and write the following wording (with appropriate changes, as suggested below):**

*Provide the Fixed Period option, monthly (or quarterly, semiannual, annual) payments of \$ \_\_\_\_\_, with no right to withdraw (or with the right to withdraw).*

## Interest Payment

Under the Interest Payment option, you can leave all or part of the death benefit with Prudential to earn interest. You can also change to a different option if your needs change.

### **General Information:**

- You decide how often you want to receive interest payments. At your choice we will pay the interest annually, semiannually, quarterly, or monthly. You can also leave the interest to accumulate.
- You must place at least \$1,000 in this option. If the balance falls below \$1,000, we have the right to pay the balance in one lump sum.
- You may withdraw amounts of \$100 or more at any time.
- The interest rate applied may change to reflect current interest rates, but it will never be less than the guaranteed rate specified in your Claim Settlement Certificate that you will receive.
- Your beneficiary will receive any remaining balance at your death.

**To select this settlement option, check the “*Select another payment option*” box in Section 4 of the Death Benefits Claim form and write the following wording (with appropriate changes, as suggested below):**

*Provide the Interest Payment option, annual (or monthly, quarterly or semiannual) interest payments, with the right to withdraw (or with no right to withdraw).*

Note: If you would prefer that the interest accumulate, substitute “interest to accumulate” for “annual interest payments.”

## **Lump Sum**

With this payment option, you will receive the full death benefit in a single lump sum check.

**To select the Lump Sum Payment option, check the “*Receive a single lump sum check - For all funds net of any assignments (e.g., funeral home assignments)*” box in Section 4 of the Death Benefits.**

## **Other Available Options**

Additional annuity settlement options may be available. If you are interested in an option not listed here, please contact us at (800) 496-1035.