



# Portability & Conversion Guide

## Why consider portability or conversion of your Group Life and Accidental Death & Dismemberment Insurance benefits

*Even though your employment was terminated, you still have options to help keep you and your loved ones financially protected.*

Continue your Group Term Life and Accidental Death & Dismemberment (AD&D) Insurance benefits, issued by **The Prudential Insurance Company of America (Prudential)**, through conversion or portability. Make your decision within 31 days of the termination of your Group Life and AD&D coverage. Let's go through your options.

### ➔ Start here.

#### **What's conversion?**

When your employment or eligibility for coverage ends, you can convert your employer's Group Term Life Insurance into an Individual Whole Life Insurance policy.<sup>4</sup> You may also convert your Dependent Term Life coverage into a Whole Life Insurance policy.

#### **What's portability?**

Portability allows you to keep some or all your Term Life and AD&D Insurance after your group coverage ends. Plan features will likely differ from your employer's plan.

Rates will also differ and be charged at preferred or standard rates depending on answers to a short medical questionnaire.

## → Coverage

### What does a conversion policy cover?

Converting your group insurance gives you a Whole Life permanent individual insurance policy. Medical questions (evidence of medical insurability) aren't required. There's a guaranteed cash value and guaranteed benefit for the lifetime of the insured if premiums are paid when due and there are no outstanding loans or withdrawals. The face amount is payable at death.

### What does a portability policy cover?

Portability is term insurance with generally lower premiums than Whole Life Insurance. The coverage reduces according to the reduction schedule. Your amount of Supplemental Life coverage must be at least \$20,000 on the day your insurance ends.

AD&D portability: The terms and conditions of coverage will not be the same as the AD&D coverage under the Group Contract.

## → Rates

### What are the rates for conversion?

Conversion rates are based on your age when your coverage ends. You may view the conversion rates on our website or in the Prudential brochure sent to you when the Conversion Notice is submitted.

### What are the rates for portability?

Portability rates are based on five-year age brackets and are further distinguished based on answers to the health questions. Portability rates are available upon request from your employer.

## → Eligibility

### Who's 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.

### Who's eligible for portability?

Generally, employees who have selected Basic Life, Supplemental Life and/or Supplemental AD&D Insurance, are under age 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.<sup>5</sup>

### You may convert or port certain coverage but may not do both.

Group Contract	Convertible	To which coverage	Portable	To which coverage
Basic Life Insurance	Yes	An Individual Whole Life policy	Yes	Term Life policy or AD&D policy (terms and conditions may be different from the employer's Group Contract)
Supplemental Life	Yes	An Individual Whole Life policy	Yes	Term Life policy or AD&D policy (terms and conditions may be different from the employer's Group Contract)
Supplemental Dependent Life	Yes <sup>2</sup>	An Individual Whole Life policy	Yes <sup>1</sup>	Term Life policy or AD&D policy (terms and conditions may be different from the employer's Group Contract)
Basic AD&D	No		Yes <sup>2</sup>	Term Life policy or AD&D policy (terms and conditions may be different from the employer's Group Contract)
Supplemental AD&D	No		Yes	Term Life policy or AD&D policy (terms and conditions may be different from the employer's Group Contract)
Supplemental Dependent AD&D	No		Yes <sup>2</sup>	Term Life policy or AD&D policy (terms and conditions may be different from the employer's Group Contract)

## Continue comparing your options

	Conversion	Portability
<b>Length of coverage</b>	Coverage is in effect until age 100, when the insured is expected to cash in the policy. If the insured does not cash in, his or her coverage would stay in force.	Coverage ends at age 80.
<b>Does it have cash value?</b>	Yes.	No.
<b>Is evidence of good health (Evidence of Insurability) required?</b>	Evidence of Insurability isn't required	For our standard portability coverage, Evidence of Insurability is optional. <sup>3</sup> This provides an employee the choice to submit evidence of good health. An employee who submits satisfactory evidence will pay a lower rate than a person who submits no evidence or unsatisfactory evidence. Medical evidence is not required for dependent child coverage.
<b>How much coverage could I choose?</b>	The coverage amount must be high enough to generate a premium of \$15 per month. Employees may convert an amount up to what they were covered for under the group plan unless converting because the Group Contract ends entirely or coverage for a group of people (a class) ends entirely. Then, the amount is the lesser of the amount not replaced by another carrier within 31 days of the termination of Prudential benefits and \$10,000 (individual states may vary). Amounts above \$1,000,000 are referred to the Conversion Team for review.	Life and AD&D Insurance: You can get a minimum of \$20,000 and a maximum of five times your annual earnings or \$1,000,000, whichever is less. There's no minimum amount for dependents.  AD&D Insurance coverage cannot exceed your Term Life Insurance coverage.  Ported coverage cannot exceed the coverage amount that was in place as an active employee.
<b>When can I port or convert my employer coverage?</b>	There's no waiting period or minimum time a person must be covered before the group contract ends (or ends for an entire class of employees by amendment or otherwise). In this case, conversion is available only to those employees insured for the same coverage for at least five years.  (Individual states may vary.) <sup>4</sup>	Employees and dependents can elect portability if: <ul style="list-style-type: none"> <li>• The employees and spouses are under age 80</li> <li>• Dependent children are under age 26</li> <li>• Employees are actively at work on the day before employment ends.</li> </ul> A spouse can port if the employee ports or upon the employee's death or divorce. Children can port if the employee ports, or upon the employee's death if the spouse ports.

### Please carefully read the provisions in your Booklet-Certificate that describe these options.

Make your decision within 31 days of the termination of your Group Life and AD&D coverage to continue your benefits through conversion or portability.

## Visit [www.prudential.com/giconversion](http://www.prudential.com/giconversion) for more information

### For conversion

Call Group Life Conversion Team: 877-889-2070

### For portability

Call Group Life Portability Team: 800-778-3827

<sup>1</sup> As long as employee ports. (Exceptions: death of the employee—spouse and child may port; divorce—spouse only may port).

<sup>2</sup> To port AD&D, the employee must also port Life.

<sup>3</sup> For an NY sitused case, EOI is not permitted. Only standard rates apply.

<sup>4</sup> In certain states (NY, WV, and MN), term life insurance may be available. The Conversion Unit will provide details when the Notice is received.

This policy provides ACCIDENT insurance only. It does NOT provide basic hospital, basic medical, or major medical insurance as defined by the New York State Department of Financial Services.

<sup>5</sup> Terms and conditions may be different from the employer's group contract.

Portability provisions may not be available in all states. Actual contract language may vary depending on state requirements.

**IMPORTANT NOTICE—THIS POLICY DOES NOT PROVIDE COVERAGE FOR SICKNESS.**

**This type of plan is NOT considered "minimum essential coverage" under the Affordable Care Act and therefore does NOT satisfy the individual mandate that you have health insurance coverage. If you do not have other health insurance coverage, you may be subject to a federal tax penalty.**

This material is currently not approved for use in the states of GA, MS, NM WV.

Group Insurance coverages are issued by The Prudential Insurance Company of America, a Prudential Financial company, Newark, NJ. The Booklet-Certificate contains all details, including any policy exclusions, limitations, and restrictions, which may apply. Contract Series: 83500.

© 2022 Prudential Financial, Inc. and its related entities. Prudential, the Prudential logo, and the Rock symbol are service marks of Prudential Financial, Inc. and its related entities, registered in many jurisdictions worldwide.