



## OVERVIEW

# Offering Managed Separate Accounts on PruLife® Private Placement VUL

## An exciting new option for private placement life insurance from a name you know and trust

You can offer new private placement life insurance clients greater investment choice and flexibility through a **Managed Separate Account (MSA)**.

As an alternative to allocating assets to Insurance Dedicated Funds (IDFs), MSAs offer a more customized approach to selecting the underlying investment options in a private placement life insurance policy. This enables advisors to more closely manage a client's overall investment goals to help fuel potential cash value growth in the policy. This can complement the needed protection offered by the policy's death benefit.

With a unique investment goal in mind, the advisor can help a client take advantage of the tax-efficient structure of private placement life insurance. At the same time, a client can have the comfort of letting a trusted investment advisor continue to manage the selected strategy, subject to portfolio diversification and investor control rules.

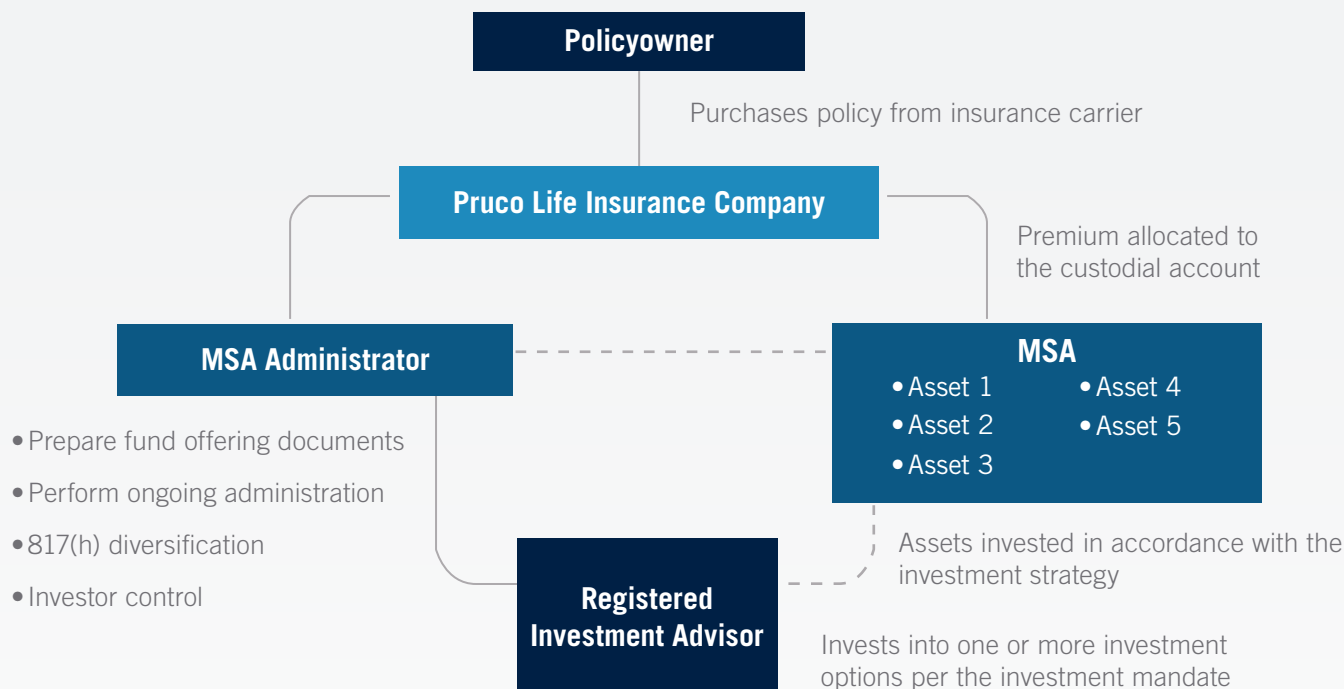


## How It Works

Once the policy is approved, and the MSA is selected:

1. Pru will deposit premium net of any charges into the money market account.
2. After the policy is placed in force,\* eligible funds designated for the client's MSA can be transferred to the custodial account established for the client's account.
3. The Registered Investment Advisor (RIA) begins trading based on the selected investment strategy. The MSA performance is reflected in changes in fund unit values.

*Note that electing an MSA requires a premium commitment of \$5 million within the first 4 policy years with \$1.25 million received in the first 12 months. The RIA may set a higher minimum.*



\*Subject to the policy free look period and funding date of underlying investment and any pertinent funding date requirements.

## Who Is Eligible?

Because Private Placement VUL is a domestic proprietary private placement variable life product for high-net-worth clients, it can be issued only to clients who satisfy the definitions of an *Accredited Investor* under Rule 501(a)(1)-(8) of Regulation D of the Securities Act of 1933 and a *Qualified Purchaser* under Section 2(a)(51) of the Investment Company Act of 1940.

**An Accredited Investor fits within one of eight categories, which most commonly include:**

- A natural person with:
  - an individual net worth, or joint net worth with a spouse, that exceeds \$1 million, excluding the person's primary residence.
  - an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year.
- Any trust with assets in excess of \$5 million, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described under Regulation D.
- A charitable organization, corporation, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets exceeding \$5 million.

### **A Qualified Purchaser fits within one of these categories:**

- A natural person who owns at least \$5 million in qualified investments.
- A family-owned company or trust owning at least \$5 million in qualified investments.
- A trust not formed for the specific purpose of acquiring the securities offered; grantors and trustees must also meet the definition of qualified purchasers.
- Any person, acting for his or her own account or the accounts of other qualified purchasers, who in the aggregate owns and invests, on a discretionary basis, not less than \$25 million in qualified investments.

### **Grow your business with private placement life insurance with MSAs**

Offering private placement life insurance with MSAs can help you:

- Expand your tax-efficient solutions for ultra-high-net-worth clients while providing the value of a life insurance policy.
- Develop a more comprehensive tax diversification strategy for clients.
- Join existing national and regional investment institutions who offer this combination.

## **Do you know an interested client or Investment Manager?**

You likely already know a client or RIA who can benefit from this solution. Contact your Prudential Life Insurance Wholesaler or call us at **1-800-800-2738, Option 1**, to get started.

Private Placement VUL is issued by Pruco Life Insurance Company and offered through Pruco Securities, LLC (member SIPC). Both are Prudential Financial companies located in Newark, NJ. This product is not available in all states. Private Placement VUL is also offered by broker-dealers who have an agreement with Pruco Securities, LLC.

Private Placement Variable Universal Life Insurance is a long-term investment and may not be suitable for all investors. The policy's value will fluctuate based upon the performance of the underlying funds. It is possible to lose principal. Policyowners should be aware of the additional risks involved with investing in non-registered funds. Non-registered funds are not registered under the securities laws and are not subject to the same regulatory requirements as registered funds. Among other activities, non-registered funds may engage in potentially riskier investment practices, charge higher fees, and impose liquidity restrictions on policyowners' assets.

**Clients should consider the investment objectives, risks, and charges and expenses carefully before investing in the policy, and/or underlying exempt portfolios and investment options. The applicable private offering memorandum, prospectus, and, if available, summary prospectus contain this information as well as other important information. Clients can obtain a copy of the prospectus and private offering memorandum from a financial professional. They should read these documents carefully before investing.**

**It is possible to lose money by investing in securities.**

This material is being provided for informational or educational purposes only and does not take into account the investment objectives or financial situation of any client or prospective client. The information is not intended as investment advice and is not a recommendation about managing or investing any client's retirement savings. Clients seeking information regarding their particular investment needs should contact a financial professional.

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