

Prudential's New, 2017 CSO and PBR Compliant Term Products are Coming November 11th

Pru's new term rates are coming, as is the first implementation of "Rate Basis Automation" that will streamline the transition period for Term Essential by automatically delivering the best price to the client without a specific request from the advisor. Read on for the details!

Find out more about these changes from Prudential...

- [Formal Announcement from Pru](#)
- [Pru's Term Portfolio Differentiators](#)

From Prudential...

Effective November 11, 2019, the overall average increase for Term Essential is 1.9%. Term Elite will also experience some increases. This includes terms for 15, 20, and 30 years; there is no increase for 10-year terms. Prudential term products remain competitive and aren't expected to experience changes for the remainder of the year.



Term Essential Transition Period – Rate Basis Automation

The November 2019 Term Essential repricing will be the first to benefit from our "Rate Basis Automation" functionality. With this new functionality there is no need for a financial professional to request the lower-priced premium during the November transition period for Term Essential. Term Essential applications (for either the old product or the repriced product) received during the transition period will be priced with a premium based on the lesser of the two automatically.

When the premium rate basis is systematically changed, an informational task will be sent to the producer indicating that the lower premium rates have been applied to the policy. Not all future repricing's will be eligible for Rate Basis Automation. The new functionality is used for Term products only and will be activated when there is a rate change only with no feature changes to the product.

Transition Dates:

- Ready to Sell Date: November 11, 2019
- Transition Period End Date: December 9, 2019
- Applications dated after December 8th will receive the New Rates only.

Term Elite Transition Period - Traditional Transition Rules and Processes

- November 11, 2019 (Ready to Sell Date): New Rates for the repriced product are in effect. All applications signed and dated on or after November 11, 2019 will receive New Rates (unless Old Rates are requested and permitted)
- December 9, 2019 (Transition Period End Date): Last day that an application can be signed with a request for Old Rates
 - If Old Rates are desired for an application dated during the 28-day Transition Period, a request must be submitted on or after the state introduction date
 - Applications dated December 9th and later will receive the New Rates only
- States that approve the New Rates after November 11, 2019 will have their "Ready to Sell Date" and "Transition Period End Date" adjusted.

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