

FINANCIAL DISCLOSURE
Pruco Life Insurance Company
(A PRUDENTIAL FINANCIAL COMPANY)

Prudential FlexGuard® Income 2.0 registered index linked annuity

Single Premium Deferred Registered Index-Linked Annuity (“B” Series)

Used to Fund an Individual Retirement Annuity or Roth Individual Retirement Annuity Program

1. The Annuity or one substantially the same in form and certain riders, endorsements or schedules attached to it have been submitted to the Internal Revenue Service (“IRS”) for approval as to form for use as an Individual Retirement Annuity as described in Section 408(b) of the Internal Revenue Code (“Code”) and as a Roth Individual Retirement Annuity as described in Section 408A of the Code. The IRS approval is a determination as to form only and does not represent a determination of the merits of the Annuity. Approval of the Annuity by the IRS has either been received or is pending.
2. Within seven (7) days after you receive your Annuity (or such other period as may be required by applicable law) you may cancel it for a refund by delivering or mailing it to the representative through whom you bought it or to the Prudential Annuity Service Center at the address indicated on your IRA Disclosure Statement or Roth IRA Disclosure Statement, as applicable. The notice of cancellation shall be deemed mailed on the date of the postmark (or if sent by certified or registered mail, the date of certification or registration) if it is deposited in the mail in the United States in an envelope, or other appropriate wrapper, first class postage prepaid, properly addressed. The amount of the refund will equal the greater of (1) the Purchase Payment, less withdrawals (without regard to sales commissions (if any), administrative expenses or fluctuation in market value) or (2) the current Account Value of the Annuity as of the Valuation Day the refund request is received at our Office (without regard to sales commissions (if any) or administrative expenses). After seven (7) days (or such other period as may be required by applicable law), the terms of your right to cancel will revert to the terms of the Right to Cancel provision of your Annuity. Please refer to the Right to Cancel provision in the prospectus for your Annuity for additional information.
3. Key financial information is fully disclosed in the Prudential FlexGuard® Income 2.0 registered index linked annuity prospectus. This includes all charges, which may be applied to your Annuity in determining the net amount available to you under the Annuity, how those charges are computed, and how annual earnings are computed and allocated. The following is a summary of some of the charges and expenses related to the Prudential FlexGuard® Income 2.0 registered index linked annuity.

We may deduct a Surrender Charge and any applicable Market Value Adjustment (MVA) if you surrender your Annuity or when you make a partial withdrawal. Surrender Charges are applied against the amount of Account Value being withdrawn. The appropriate percentage is multiplied by the amount of Account Value being withdrawn. The Surrender Charge percentage varies with the number of years since Issue Date.

SURRENDER CHARGE

Annuity Year	Percentage Applied Against Account Value being Withdrawn
	B SERIES
Annuity Year 1	8.0%
Annuity Year 2	8.0%
Annuity Year 3	7.0%
Annuity Year 4	6.0%
Annuity Year 5	5.0%
Annuity Year 6	4.0%
Annuity Year 7 or later	0.0%

¹ The years referenced in the Surrender Charge table above refer to the years since Contract Issue Date. Surrender Charges are applied against the amount of Account Value being withdrawn.

The chart above represents the maximum Surrender Charge percentages; withdrawals taken to satisfy RMDs from this Annuity, will not be subject to a Surrender Charge.

An example of a Surrender Charge is illustrated below:

The example assumes the Account Value is \$100,000. The client is allowed \$10,000 as the contract's Free Withdrawal Amount in Annuity Year. If the client withdraws \$15,000, the first \$10,000 is not subject to a Surrender Charge, however the remaining \$5,000 is. To determine the Surrender Charge, we would multiply the amount of the withdrawal that was greater than the Free Withdrawal Amount by the applicable Surrender Charge: $\$5,000 * .06 = \300 . Any additional withdrawals taken during that Annuity Year would also be subject to a Surrender Charge.

An additional tax of 10% may be imposed on distributions taken from the contract prior to the Owner reaching 59½ years of age.

The Market Value Adjustment (MVA) is a separate and distinct adjustment. A MVA is an adjustment (positive or negative) that applies to any withdrawals within the MVA period that exceed the contract's Free Withdrawal Amount and are attributable to the Fixed Income Asset Proxy.

The MVA Period is a 6-year period beginning at Index Effective Date that renews every 6 years in which a MVA will apply to Partial Withdrawal amounts above the Free Withdrawal Amount and Surrenders.

4. The Index Strategies provide an Index Credit based on the Index Return of the underlying Index associated with the Index Strategy. The Index Strategies provide a level of protection against negative Index Returns; however, negative Index Returns in excess of the Buffer will result in a loss of principal and any prior earnings, which could also result in a significant amount of loss.
5. In addition to the Index Strategies, you can allocate to a Fixed Account. We will credit compounded interest daily based on an annual interest rate we declare. We may change the current annual interest rate for the Fixed Account at any time of our discretion, subject to a Guaranteed Minimum Interest Rate (GMIR) of 0.25%. Fixed Account funds can be reallocated to Index Strategies on your Index Anniversary Date or sooner as provided pursuant to the Flexible Allocation feature. Fixed Account assets are held in the Index Strategies Separate Account. Surrender Charges may apply to funds disbursed from the Fixed Account.
6. The amount paid to a broker dealer firm to cover both the individual representative's commission and other distribution expenses are described in your prospectus. We may also provide compensation to the distributing firm for providing ongoing service to you in relation to the Annuity. Commissions and other compensation paid in relation to the Annuity do not result in any additional charge to you or to the investment options.
7. From time to time, we may offer various optional benefits and features that may be made part of your Annuity at a cost to you. Before you elect to purchase any such benefit, please refer to the section of the prospectus pertaining to the applicable benefit for a detailed description of any fees, charges, or financial impact of the applicable benefit on your Annuity.

PRUCO LIFE INSURANCE COMPANY (PRUCO)
INDIVIDUAL RETIREMENT ANNUITY (IRA) DISCLOSURE STATEMENT

This Disclosure Statement, the accompanying Financial Disclosure, and your IRA Endorsement contain important information about your IRA. Please read these documents carefully. For additional information please consult Internal Revenue Service Publications 590-A and 590-B, your Annuity, Prospectus, or any district office of the Internal Revenue Service. In addition, the recently enacted Consolidated Appropriations Act, 2023 (which includes SECURE 2.0 of 2022 ("SECURE 2.0") and the further Consolidated Appropriations Act, 2020 (which includes the Setting Every Community Up for Retirement Enhancement Act ("SECURE 1.0")) provide numerous tax law changes impacting IRAs that are summarized, in part, within this Disclosure Statement.

Except where otherwise indicated or required by law, references to "you" or "your" in this Disclosure Statement shall be understood to mean the IRA owner or a surviving Spouse that elects to treat the Annuity as his or her own IRA.

Revocation

You (the IRA owner or a Designated Beneficiary under an inherited IRA that has transferred the IRA from another annuity provider or employer plan) may revoke your PRUCO IRA for a refund within seven (7) days (or such other period as may be required by applicable law) after you receive it by mailing or delivering a written notice of cancellation to:

Pruco Life Insurance Company
Annuity Service Center
P.O. Box 7960
Philadelphia, PA 19125

For Overnight delivery:

Pruco Life Insurance Company
1600 Malone Street
Millville, NJ 08332

The notice of cancellation shall be deemed mailed on the date of the postmark (or if sent by certified or registered mail, the date of certification or registration) if it is deposited in the mail in the United States in an envelope, or other appropriate wrapper, first class postage prepaid, properly addressed.

The amount of the refund will equal the greater of (1) a full refund of the Purchase Payment (without regard to sales commissions (if any), administrative expenses or fluctuations in market value) and (2) the current Account Value of the Annuity as of the Valuation Day the refund request is received at our Office (without regard to sales commissions (if any) or administrative expenses).

After seven (7) days, the terms of your right to cancel will revert back to the terms of the Right to Cancel provision of your Annuity. Please refer to the Right to Cancel provision of your Annuity for additional information.

IRA Requirements

An IRA is a personal savings plan that lets you save for retirement on a tax-advantaged basis. All IRAs must meet certain requirements as set forth in the Internal Revenue Code (the "Code"). This IRA is an Individual Retirement Annuity established pursuant to Code Section 408(b). An individual retirement annuity must be issued in your name as the owner, and either you or your beneficiaries who survive you are the only ones who can receive the benefits or payments. An IRA must meet all of the following requirements:

1. Your interest in the contract, and that of any Beneficiary following your death, must be nonforfeitable.
2. The contract must provide that you cannot transfer any portion of it to any person other than the issuer.
3. There must be flexible premiums so that if your compensation changes, your payment can also change.
4. The contract must provide that annual contributions cannot exceed the maximum provided by law.
5. Distributions must begin by April 1 of the year following the year in which you reach the applicable age.

Eligibility

You are eligible to establish and contribute to a traditional IRA if you (or, if you file a joint return, your spouse) received taxable compensation during the year.

There is no longer an age limitation with regard to contributions to a traditional IRA. You can have a traditional IRA whether or not you are covered by any other retirement plan. However, you may not be able to deduct all of your contributions if you or your spouse is covered by an employer retirement plan. If you or your spouse have compensation, each of you may be eligible to set up an IRA. You cannot both participate in the same IRA.

Compensation includes wages, salaries, tips, professional fees, bonuses and other amounts received for professional services, and taxable alimony and separate maintenance payments made pursuant to a divorce or separation instrument executed on or before December 31, 2018. This includes any military differential pay you receive from your employer while you are serving on active duty for a period of more than 30 days. Compensation also includes any taxable amounts paid to you to aid in the pursuit of graduate or postdoctoral study. Compensation does not include earnings or profits from property (such as rental income, interest income, and dividend income), pension or annuity income, deferred compensation received, income from a partnership for which you do not provide services that are a material income producing factor, and any amounts you exclude from income, such as foreign earned income and housing costs.

Contribution Limits

Generally, the most that can be contributed to your traditional IRA is the smaller of 100% of your compensation (defined earlier) that you must include in income for the year, or the limits described in the following table:

IRA Contribution Limits	
Year	Limit
2026	\$7,500*

Even if you do not have taxable compensation for a year, you may be able to make nondeductible contributions to a traditional IRA if you receive qualified foster care payments that are difficulty of care payments.

* The IRA contribution limit may be increased by cost of living adjustments in the future.

Catch-up Contributions

Individuals age 50 and older may make additional “catch-up” contributions to their traditional IRA. These “catch-up” contributions are in addition to the contribution limits listed above. The maximum “catch-up” contribution amounts are as follows:

IRA “Catch-up” Contribution Limits	
Year	Limit
2026	\$1,100

Spousal IRA Contribution Limits

If you file a joint return and your taxable compensation is less than that of your spouse, the most that can be contributed for the year to your IRA is the smaller of the IRA contribution amount described in the “IRA Contribution Limit” chart above, or the total compensation includable in the gross income of both you and your spouse for that year, reduced by your spouse’s IRA contribution for the year to a traditional IRA and any contributions for the year to a Roth IRA on behalf of your spouse.

Simplified Employee Pension (SEP) Contributions

A separate IRA may be established for use by your employer as part of a SEP arrangement. The SEP rules permit an employer to contribute to each participating employee’s SEP-IRA up to 25% of the employee’s compensation or \$72,000 (for 2026, indexed annually for cost of living), whichever is less. The compensation taken in account is limited (\$360,000 for 2026 indexed annually). These contributions are funded by the employer. Your employer may contribute to your SEP-IRA on your behalf even if you are covered under a qualified plan for the year. You can make contributions to your SEP-IRA independent of employer SEP contributions. You can deduct them the same way as contributions to a traditional IRA. However, your deduction may be reduced or eliminated because, as a participant in a SEP, you are covered by an employer retirement plan. It is up to you and your employer to ensure that contributions in excess of normal IRA limits are made under a valid SEP-IRA.

Timing of Contributions

Contributions can be made to your traditional IRA for a year at any time during the year or by the due date for filing your return for that year, not including extensions. You do not have to contribute to your traditional IRA every tax year, even if you can. You may use IRS forms to have part or all of a tax refund directly deposited in your IRA assuming you are otherwise eligible to make a contribution at the time of the refund. In order for the refund to be attributed to the prior year, it must be received by the due date of your return, not including extensions.

Deducting Contributions

Generally, you can deduct the lesser of the contributions to your traditional IRA for the year, or the general limit (or the spousal IRA limit, if applicable). However, if you or your spouse were covered by an employer sponsored retirement plan, you may not be able to deduct your traditional IRA contributions.

If you or your spouse is an active participant in an employer plan during the year, the contribution to your traditional IRA (or your spouse's traditional IRA) may not be deductible in whole or in part. If you are covered by a retirement plan at work, consult the table below to determine if your IRA contribution is deductible. If your modified adjusted gross income (AGI) is below the lower limit, your contribution is fully deductible. If your modified AGI is above the upper limit, your contribution is not deductible. If your modified AGI falls between the lower and upper limits, your contribution will be only partially deductible. Your Modified AGI is your AGI as shown on your income tax return, plus traditional IRA deductions, student loan interest deductions, deductions for qualified tuition and related expenses, foreign earned income exclusions (if you file Form 1040), foreign housing exclusions or deductions (if you file Form 1040), exclusions of qualified bond interest shown on IRS Form 8815 and exclusions of employer-paid adoption expenses shown on IRS Form 8839.

Table of Lower and Upper Limits				
Year	Single		Married Filing Jointly (or Qualifying Widow(er)s)	
	Lower Limit	Upper Limit	Lower Limit	Upper Limit
2026 and thereafter	\$81,000	\$91,000	\$129,000	\$149,000

If you are married and file a joint return and one spouse is an active participant in an employer sponsored retirement plan and the other spouse is not, a contribution to an IRA for the spouse that is not an active participant in an employer sponsored retirement plan will be fully deductible at modified AGI levels below \$242,000. This deduction will be phased out at modified AGI levels between \$242,000 and \$252,000. If you are married filing separately, your deductible IRA contribution will be phased out between zero dollars and \$10,000 of modified AGI.

State income tax issues

Some states have not conformed their laws to the new federal tax laws. These states may have laws that conflict with the limits discussed above. You should consult a tax advisor in your state to ensure that your state has approved these contribution limit increases.

IRA Contribution Credit

If you make eligible contributions to an employer-sponsored qualified retirement plan, an eligible deferred compensation plan, or an IRA, you may be able to take a tax credit. The amount of the credit you can get is based on the contributions you make and your credit rate. Your credit rate can be between 10% and 50%, depending on your adjusted gross income. The maximum contribution taken into account is \$2,000 per taxpayer. On a joint return, up to \$2,000 is taken into account for each spouse. You cannot claim the credit if you are under age 18, are a full-time student, someone else claims an exemption for you on their tax return or if your AGI is above the following limits:

\$80,500 if your filing status is married filing jointly,

\$60,375 if your filing status is head of household, or

\$40,250 if your filing status is either single, married filing separately, or qualifying widow(er) with a dependent child.

Starting in 2027, the credit will operate differently and, in most instances where it applies, it will provide a pre-tax contribution match to your retirement plan or IRA rather than a tax credit directly payable to you, and there may be a tax penalty for withdrawing that contribution too soon.

Indexing

The income limits for traditional IRAs and the savers credit for low-income contributions to retirement plans are indexed for inflation.

Rollover Contributions

Generally, a rollover is a tax-free distribution to you of cash or other assets from one retirement plan that you contribute to another retirement plan.

1. Rollovers from one IRA to the same or another IRA: You can withdraw, tax-free, all or part of the assets from one traditional IRA if you reinvest them in the same or another traditional IRA. The rollover must be completed within 60 days after the date you receive the distribution from the first IRA. You can make only one rollover from one IRA to another (or the same) IRA in any 1-year period regardless of the number of IRAs you own. The IRS may waive the 60-day requirement where the failure to do so would be against equity or good conscience, such as in the event of a casualty, disaster, or other event beyond your reasonable control. The IRS, in Rev. Proc. 2020-46 (or subsequent guidance),

allows for a self-certification procedure (which is subject to verification on audit) in order for you to claim eligibility for a waiver of the 60-day requirement with respect to a rollover into an IRA. Plan administrators and IRA trustees, custodians, or issuers may rely on such certification in accepting and reporting receipt of a rollover contribution. As indicated in this IRS guidance, we, as a financial institution, are not required to accept your self-certification for waiver of the 60-day deadline. Furthermore, the IRS may grant you a waiver of the 60-day requirement, with respect to a rollover into an IRA, upon examination of your income tax return.

Amounts that cannot be rolled over: Amounts that must be distributed each year under the required minimum distribution (“RMD”) rules are not eligible for rollover. In addition, if you inherit a traditional IRA from someone other than your spouse, you cannot roll it over or allow it to receive a rollover contribution (but see “Direct Rollovers to Non-Spouse Beneficiaries,” below).

2. Rollovers from an employer retirement plan into an IRA: If you receive an eligible rollover distribution from your (or your deceased spouse’s) employer’s qualified pension, profit-sharing or stock bonus plan, annuity plan, tax sheltered annuity plan (403(b) plan), or governmental deferred compensation plan (governmental 457(b) plan), you can roll over all or part of it into a traditional IRA or a SIMPLE IRA that is at least two years old (the 60-day rule discussed above applies). In addition, you can roll over after-tax or nondeductible contributions from your qualified employer plan or 403(b) arrangement into a traditional IRA (such rollovers of after-tax contributions may only be done by a direct rollover from the distributing plan to the traditional IRA). Amounts that cannot be rolled over: Required minimum distributions; hardship distributions; a series of substantially equal periodic payments paid over your life or life expectancy, the life or life expectancy of you and your beneficiary or for a period of 10 years or more; corrective distributions of excess contributions or excess deferrals; loans treated as distributions (unless your benefit is reduced (offset) to repay the loan); dividends on employer securities; or, generally, distributions you receive as a Beneficiary, are not eligible to be rolled over.

Withholding: If an eligible rollover distribution is paid directly to you, the payor must withhold 20% of it. The amount withheld is part of the distribution. If you roll over less than the full amount of the distribution, you may have to include in your income the amount you do not roll over. However, you can make up the withheld amount with funds from other sources. To avoid withholding you can request a direct rollover from the payor.

3. Rollover from an IRA to an employer retirement plan: You can roll over tax-free a distribution from your traditional IRA into an employer’s qualified plan, 403(b) plan, or governmental 457(b) plan. The part of the distribution that you can roll over is the part that would otherwise be taxable (included in your income). Qualified plans may, but are not required to accept such rollovers. Rules applicable to other rollovers apply, such as the 60-day rule.
4. Direct Rollovers to Non-Spouse Beneficiaries: Non-spouse beneficiaries may directly roll over death benefits to an IRA from a qualified retirement plan, a governmental 457(b) plan, a 403(b) plan, or an IRA. The IRA receiving the death benefit must be titled and treated as an “inherited IRA”. The distributed amount must satisfy all of the requirements to be an eligible rollover distribution other than the requirement that the distribution be made to the participant or the participant’s spouse. Thus, annuity distributions, required minimum distributions, and installment payments over a specified period of ten or more years may not be rolled over. Required minimum distribution rules applicable to non-spouse beneficiaries apply to the IRA.

Trustee to Trustee Transfers

A transfer of funds in your traditional IRA from one trustee directly to another IRA trustee is not a rollover. Because there is no distribution to you, the transfer is tax-free and not reportable. Because the transfer is not a rollover, it is not affected by the 1-year waiting period requirement discussed above in the section entitled, Rollover Contributions.

Distributions

You may request a distribution from your IRA at any time. However, distributions received prior to your attaining age 59 ½ may be subject to a 10% additional tax. Distributions subject to the 10% additional tax generally must be reported on IRS Form 5329.

Exceptions to Age 59 ½ Rule

If you receive a distribution prior to attaining age 59 ½, you may not have to pay the 10% additional tax if you meet one or more of the following:

- You have unreimbursed medical expenses that are deductible (without regard to whether you itemized deductions).
- The distributions are not more than the cost of your medical insurance if you are unemployed and certain requirements are met.
- You are disabled within the meaning of Code Section 72(m)(7).
- You are the Beneficiary of a deceased IRA owner or plan participant.
- You are receiving distributions that are part of a series of substantially equal periodic payments.

- The distributions are not more than your qualified higher education expenses for yourself or other qualified individual.
- You use the distributions to buy, build, or rebuild a first home (subject to a \$10,000 lifetime limit).
- The distribution is due to an IRS levy of the qualified plan.
- The distribution is a qualified reservist distribution.
- You receive a qualified birth or adoption distribution as defined in Code section 72(t)(2)(H).
- The distribution is made to you on account of terminal illness within the meaning of Code Section 72(t)(2)(L). A physician must certify you as having a terminal illness and certain other documentation requirements may apply.
- The distribution is a qualified disaster distribution or qualified disaster recovery distribution within the meaning of Code Sections 72(t)(2)(M) and 72(t)(11).
- The distribution is made to you for emergency personal expenses (one distribution per calendar year for personal or family emergency expenses, up to the lesser of \$1,000 or vested account balance over \$1,000 (made after 12/31/2023) within the meaning of Code Section 72(t)(2)(I)

The distribution is made to you as a victim of domestic abuse (subject to a \$10,000 limit adjusted for inflation) within the meaning of Code Section 72(t)(2)(K). In certain instances, such as qualified birth or adoption distributions, qualified disaster distribution, emergency personal expenses, domestic abuse or distribution on account of terminal illness, you may generally re-contribute the distribution amount within 3 years beginning on the date you received the distribution, subject to certain limitations.

In addition, you generally can take a tax-free withdrawal of contributions if you do it before the due date for filing your tax return for the year in which you made them. You can do this if: (1) you did not take a deduction for the contribution; and (2) you withdraw any interest or other income earned on the contribution (you can take into account any loss on the contribution while it was in your IRA when calculating the amount that must be withdrawn). In this case, even if you are under 59 ½, the 10% additional tax will not apply.

Qualified Reservist Distributions: Withdrawals from an IRA or attributable to elective deferrals to a 401(k), 403(b) or similar arrangement that meet certain requirements are exempt from the 10% additional tax as “qualified reservist distributions”. The withdrawal must be from an IRA or from elective deferrals under a 401(k) plan, 403(b) plan, SEP or SIMPLE; the withdrawal must be made to a reservist or national guardsman who was ordered or called to duty after September 11, 2001. The period for which the reservist is ordered or called to duty must be greater than 179 days, or for an indefinite period; The withdrawal must be made during the period beginning on the date of the order or call to duty and ending at the close of the active-duty period. A qualified reservist distribution can be repaid to an IRA until the end of the two-year period that begins on the day after the active-duty period ends.

Required Minimum Distributions During Your Life

If you are the owner of a traditional IRA, you must start receiving distributions from your IRA by April 1 of the year following the year you reach the applicable age (the “required beginning date”).

If you were born...	Your "applicable age" is ...
Before July 1, 1949	70 ½
After June 30, 1949 and before 1951	72
After 1950 and before 1960	73
After 1959	75

After the year you reach the applicable age, Required Minimum Distributions are required by December 31 of each subsequent year. Required Minimum Distributions during your lifetime are generally calculated by dividing the value of your IRA as of the end of the year preceding the year for which the Required Minimum Distribution is being figured by a life expectancy factor found in Table III of IRS Publication 590-B. This table is often referred to as the Uniform Lifetime Table.

You may elect to have us calculate and distribute Required Minimum Distributions annually. We calculate such amounts assuming the Minimum Distribution amount is based solely on the value of your Annuity. The Required Minimum Distribution amounts applicable to you may depend on other annuities, savings, or investments of which we are unaware. You may elect to have the Required Minimum Distribution paid out monthly, quarterly, semi-annually, or annually. Required Minimum Distributions must be made in intervals of no longer than one year.

Required Minimum Distributions After Your Death

Upon your death, any remaining interest in your IRA must be distributed in accordance with federal income tax requirements. For Owner and Beneficiary deaths prior to 2020, please consult your tax advisor regarding the applicable post-death distribution requirements.

The post-death distribution requirements were amended, applicable generally with respect to deaths occurring after 2019, by SECURE 1.0.

- **Death before your required beginning date.** If you die before your required beginning date, and you have a designated beneficiary, any remaining interest must be distributed within 10 years after your death, unless the designated beneficiary is an “eligible designated beneficiary” (“EDB”). A designated beneficiary is any individual designated as a beneficiary by the employee or IRA owner. An EDB is any designated beneficiary who is (1) your surviving spouse, (2) your minor child, (3) disabled, (4) chronically ill, or (5) an individual not more than 10 years younger than you. An individual’s status as an EDB is generally determined on the date of your death. An EDB (other than a minor child) can generally stretch distributions over their life or life expectancy if payments begin by the end of the calendar year following the year of your death and continuing over the EDB’s remaining life expectancy after the EDB’s death. However, all amounts must be fully distributed by the end of the year containing the 10th anniversary of the EDB’s death. Special rules apply to minors and beneficiaries that are not individuals. Additional special rules apply to surviving spouses, see “Spousal Continuation” below.
- **Death on or after your required beginning date.** In general, if you die on or after your required beginning date, and you have a designated beneficiary who is not an EDB, any remaining interest in your IRA must continue to be distributed over the longer of your remaining life expectancy and your designated beneficiary’s life expectancy (or more rapidly), but all amounts must be distributed within 10 years of your death. If your Beneficiary is an EDB (other than a minor child), distributions must continue over the longer of your remaining life expectancy and the EDB’s life expectancy (or more rapidly), but all amounts must be distributed within 10 years of the EDB’s death. Special rules apply to EDBs who are minors, EDBs who are older than the Owner, and Beneficiaries that are not individuals.
- **Annuity Payments:** If you commence taking distributions in the form of an annuity that can continue after your death, such as in the form of a joint and survivor annuity or an annuity with a guaranteed period of more than 10 years, any distributions after your death that are scheduled to be made beyond the applicable distribution period imposed under the law might need to be commuted at the end of that period (or otherwise modified after your death if permitted under federal tax law and by us) in order to comply with the post-death distribution requirements.

Other rules: The post-death distribution requirements do not apply if the employee or IRA owner elected certain annuity payments that comply with prior law commenced prior to December 20, 2019. Also, even if annuity payments have not commenced prior to December 20, 2019, the requirements generally do not apply to an immediate annuity contract purchased prior to that date if you have made an irrevocable election before that date as to the method and amount of the annuity.

If your beneficiary is not an individual, such as a charity, your estate, or a trust, any remaining interest after your death generally must be distributed under prior law in accordance with the 5-year rule or the at-least-as-rapidly rule, as applicable (but not the lifetime payout rule). However, if your beneficiary is a trust and all the beneficiaries of the trust are individuals, the RMD requirements can apply pursuant to special rules that treat the beneficiaries of the trust as designated beneficiaries, including special rules allowing a beneficiary of a trust who is disabled or chronically ill to stretch the distribution of their interest over their life or life expectancy in some cases. In addition, in limited situations an exception may apply for an applicable remainder multi-beneficiary trust naming a charity as beneficiary. You may wish to consult a professional tax advisor about the federal income tax consequences of your beneficiary designations.

In addition, the current post-death distribution requirements generally do not apply if the employee or IRA owner died prior to January 1, 2020. However, in such situation, if the designated beneficiary of the deceased employee or IRA owner dies after January 1, 2020, and the designated beneficiary had elected the lifetime payout rule or was under the least as rapidly rule, any remaining interest must be distributed within 10 years of the designated beneficiary’s death. Hence, this 10-year rule will apply to (1) a contract issued prior to 2020 which continues to be held by a designated beneficiary of an employee or IRA owner who died prior to 2020, and (2) an inherited IRA issued after 2019 to the designated beneficiary of an employee or IRA owner who died prior to 2020.

- *Spousal continuation.* If your beneficiary is your spouse, such surviving spouse can delay the application of the post-death distribution requirements until after their death by transferring the remaining interest tax-free to their own IRA, or by electing to treat your IRA as their own IRA. However, in certain circumstances the surviving spouse may have to take “hypothetical RMDs.” (i.e., catch up amounts required in accordance with the regulations).

The post-death distribution requirements are complex in numerous respects. Treasury has issued final and proposed regulations that may impact these required minimum distribution requirements. We reserve the right to make changes in order to comply with the final and proposed regulations, or any final regulations published in the future. Any such changes will apply uniformly to affected Owners or Beneficiaries and will be made with such notice to affected Owners or Beneficiaries as is feasible under the circumstances. In addition, the manner in which these requirements will apply will depend on your particular facts and circumstances. You may wish to consult a professional tax advisor for tax advice as to your particular situation.

Required Minimum Distributions Generally

Each Required Minimum Distribution will be taken from the allocation options you select. Your selection may be subject to any investment and/or withdrawal limitations applicable to any benefit or program in which you participate under the Annuity.

No contingent deferred sales charge (if applicable under your Annuity) is assessed against amounts withdrawn as part of a program designed to distribute Required Minimum Distributions over your life or life expectancy, but only to the extent of the Required Minimum Distribution required from your Annuity at the time it is taken. The contingent deferred sales charge (if applicable under your Annuity) may apply to additional amounts withdrawn to meet Required Minimum Distribution requirements in relation to other retirement programs you may maintain.

Amounts withdrawn as Required Minimum Distributions are considered to come first from the amounts available as a free withdrawal as of the date of the yearly calculation of the Required Minimum Distribution amount. Required Minimum Distributions over that amount to meet the requirements based on your Annuity are not deemed to be a liquidation of Purchase Payments.

If your sole Designated Beneficiary is your surviving Spouse, the Spouse may treat the Annuity as his or her own IRA provided the Spouse meets the requirements of the terms of the Annuity. Except as may be required by law, all provisions of the Annuity that do not specifically terminate upon your death will then be applied to the Spouse. Your surviving Spouse is deemed to have made this election if he or she makes a regular IRA contribution to the Annuity, makes a rollover to or from the Annuity, or fails to commence Minimum Distributions following your death.

Except where the Designated Beneficiary is a surviving Spouse that has elected to treat the Annuity as his or her own IRA, if the Annuity is an inherited IRA that has been transferred by a Designated Beneficiary from another annuity provider, distributions will be made to the Designated Beneficiary (or any successor Beneficiary if applicable upon the death of the Designated Beneficiary) in accordance with the rules governing Minimum Distributions on or after the owner's death. For this purpose, the original owner of the inherited IRA will be treated as the IRA owner in applying these provisions.

Failure to take Required Minimum Distributions – Excise Tax

If distributions are less than the required Minimum Distribution for a year, you may have to pay a 25% excise tax on the amount not distributed as required. The excise tax on failure is further reduced from 25% to 10% if corrected in a timely manner as provided by tax law. Please note that required Minimum Distribution shortfalls prior to 2023 were subject to a 50% excise tax.

Taxation of Distributions

In general, distributions from a traditional IRA are taxable in the year you receive them. Exceptions to the general rule are rollovers, tax-free withdrawals of contributions, and the return of nondeductible contributions.

Distributions from traditional IRAs that you include in income are taxed as ordinary income. Distributions from your traditional IRA may be fully or partly taxable, depending on whether your IRA includes any nondeductible contributions. If only deductible contributions were made to your traditional IRA (or IRAs, if you have more than one), distributions are fully taxable. If you made nondeductible contributions to any of your traditional IRAs, you have a cost basis (investment in the contract) equal to the amount of those contributions and must report the contributions to the IRS on Form 8606. These nondeductible contributions are not taxed when they are distributed to you. Only the part of the distribution that represents nondeductible contributions (your cost basis) is tax-free. If your traditional IRA includes nondeductible contributions and you receive a distribution, each distribution is partly nontaxable and partly taxable until all of your basis has been distributed. You must use IRS Form 8606 to figure how much of your distribution is tax-free.

IRA Distributions for Charitable Purposes: The law permits IRA owners who are age 70 ½ or older and who make distributions from the IRA directly to certain charities to exclude the distribution from income. The income exclusion is available only to the extent that all charitable distributions of the IRA owner in a year do not exceed \$100,000 (indexed for inflation). For married individuals filing a joint return, the limit is \$100,000 per individual IRA

owner. The \$100,000 annual limit is reduced by the excess of the deductible IRA contributions made by an IRA owner for the year in which the owner attains age 70 ½ (and later years), over all prior reductions to the exclusion based on deductible IRA contributions. The distribution can be made from a traditional or Roth IRA or a “deemed” IRA in a qualified plan but not from an ongoing SEP or SIMPLE IRA. Charitable distributions can be made from an inherited IRA if the beneficiary has attained age 70 ½. Starting in 2023, SECURE 2.0 expanded the charitable distribution provision to allow an additional one-time \$50,000 (indexed for inflation) distribution to charities through charitable gift annuities, charitable remainder unitrusts, and charitable remainder annuity trusts. You should consult with your tax advisor about whether a one-time distribution up to \$50,000 that is made from your IRA can be excluded from your gross income. Under this provision of the law, we are required to report such distribution in the same manner as all other distributions to the IRA owner. The tax treatment afforded IRA distributions for Charitable Purposes would be reflected on the owner’s income tax return.

Inherited IRAs

The beneficiaries of a traditional IRA generally must include in their gross income any distributions they receive. If you inherit a traditional IRA from someone other than your spouse, you cannot treat it as your own IRA.

Prohibited Transactions

Generally, a prohibited transaction is any improper use of your traditional IRA by you, your Beneficiary, or any disqualified person. Disqualified persons include any fiduciary with respect to your traditional IRA and members of your family (spouse, ancestor, lineal descendant, and any spouse of a lineal descendant). The following are examples of prohibited transactions with a traditional IRA.

1. Borrowing money from it.
2. Selling property to it.
3. Receiving unreasonable compensation for managing it.
4. Using it as security for a loan.
5. Buying property for personal use with IRA funds.

Generally, if you or your Beneficiary engages in a prohibited transaction in connection with your traditional IRA Annuity at any time during the year, certain excise taxes may apply. In addition, if you borrow any money against your traditional IRA Annuity, the contract ceases to be an IRA Annuity for tax purposes and you must include in your gross income the fair market value of the Annuity as of the first day of your tax year. You also may have to pay the 10% additional tax on early distributions, discussed above.

Excess Contributions

Generally, an excess contribution is the amount contributed to your traditional IRAs that is more than the smaller of:

1. Your taxable compensation for the year, or
2. The maximum contribution limit (including any catch-up contributions, if eligible).

The taxable compensation limit applies whether your contributions are deductible or nondeductible.

In general, if the excess contribution for a year and any earnings on it are not withdrawn by the date your return for the year is due (including extensions), you are subject to a 6% tax. You must pay the 6% tax each year on excess amounts that remain in your traditional IRA at the end of your tax year. You will not have to pay the 6% tax if you withdraw an excess contribution made during a tax year and you also withdraw any interest or other income earned on the excess contribution. You can take into account any loss on the contribution while it was in the IRA when calculating the amount that must be withdrawn. You must complete your withdrawal by the date your tax return for that year is due, including extensions. Once the 6% tax has been imposed for a year, you can avoid an additional 6% tax for the following tax year if the excess contribution is (1) withdrawn before the end of the following tax year, or (2) treated as a current IRA contribution for the following year. Distributions of excess contributions must be reported on IRS Form 5329.

Restriction on Investments

No portion of your IRA may be invested in life insurance contracts. In addition, you may not invest the assets of your IRA in collectibles within the meaning of Code Section 409(m)). If you invest in collectibles, the amount invested is considered distributed to you in the year invested and may be subject to the 10% additional tax discussed above.

Estate and Gift Taxes

Any amount held in your IRA upon your death may be subject to estate taxes. Transfers of your IRA assets to a Beneficiary during your life may be subject to gift taxes. If you transfer your IRA assets a person two or more generations younger than you (or designate such a younger person as a beneficiary), there may be Generation Skipping Transfer tax consequences.

Internal Revenue Service Approval

Your Annuity contract or one substantially the same in form and certain riders, endorsements, amendments or schedules made a part of it have been submitted to the Internal Revenue Service for approval as to form for use as an individual retirement annuity. The Internal Revenue Service approval is a determination as to form only and does not represent a determination of the merits of this Annuity. Approval of the Annuity by the IRS has either been received or is pending. Please contact the Company with any questions regarding IRS approval.

PRUCO LIFE INSURANCE COMPANY (PRUCO)

ROTH INDIVIDUAL RETIREMENT ANNUITY (ROTH IRA) DISCLOSURE STATEMENT

This Disclosure Statement, the accompanying Financial Disclosure, and your Roth IRA Endorsement contain important information about your Roth IRA. Please read these documents carefully. For additional information please consult Internal Revenue Service (IRS) Publications 590-A and 590-B, your Annuity Contract, Prospectus, the Roth IRA Endorsement attached to your Annuity Contract or any district office of the IRS. In addition, the recently enacted Consolidated Appropriations Act, 2023 (which includes SECURE 2.0 of 2022 ("SECURE 2.0") and the further Consolidated Appropriations Act, 2020 (which includes the Setting Every Community Up for Retirement Enhancement Act ("SECURE 1.0")) provide numerous tax law changes impacting IRAs that are summarized, in part, within this Disclosure Statement.

Except where otherwise indicated or required by law, references to "you" or "your" in this Disclosure Statement shall be understood to mean the Roth IRA owner or a surviving Spouse that elects to treat the Annuity as his or her own Roth IRA.

RIGHT TO CANCEL

You (the Roth IRA owner or a Designated Beneficiary under an inherited Roth IRA that has transferred the Roth IRA from another annuity provider) may revoke your Pruco Roth IRA for a refund within seven (7) days (or such other period as may be required by applicable law) after you receive it by mailing or delivering a written notice of cancellation to:

Pruco Life Insurance Company
Annuity Service Center
P.O. Box 7960
Philadelphia, PA 19176

For Overnight delivery:

Pruco Life Insurance Company
1600 Malone Street
Millville, NJ 08332

The notice of cancellation shall be deemed mailed on the date of the postmark (or if sent by certified or registered mail, the date of certification or registration) if it is deposited in the mail in the United States in an envelope, or other appropriate wrapper, first class postage prepaid, properly addressed.

The amount of the refund will equal the greater of (1) a full refund of the Purchase Payment (without regard to sales commissions (if any), administrative expenses or fluctuations in market value) and (2) the current Account Value of the Annuity as of the Valuation Day the refund request is received at our Office (without regard to sales commissions (if any) or administrative expenses).

After seven (7) days, the terms of your right to cancel will revert to the terms of the Right to Cancel provision of your Annuity. Please refer to the Right to Cancel provision of your Annuity for additional information.

What is a Roth IRA?

A Roth IRA is an individual retirement plan that provides certain tax advantages. For instance, earnings within a Roth IRA are not subject to tax and Qualified Distributions (as defined below) from Roth IRAs are tax-free. Unlike a traditional IRA, you cannot deduct contributions to a Roth IRA. Also, you can leave amounts in your Roth IRA as long as you live since there are no Required Minimum Distributions during your lifetime. Like a traditional IRA, your interest in your Roth IRA (and that of any Beneficiary following your death) is nonforfeitable and nontransferable to any person other than the issuer.

Eligibility

Generally, you can contribute to a Roth IRA for 2026 if you have taxable Compensation (as defined below) and your Modified AGI (as defined below) is less than:

- \$252,000 for married filing jointly or qualifying widow(er),
- \$10,000 for married filing separately and you lived with your spouse at any time during the year, and
- \$168,000 for single, head of household, or married filing separately and you did not live with your spouse at any time during the year.

Qualified employees of certain bankrupt airline carriers may contribute certain funds received to a Roth IRA within 180 days of receipt.

Compensation – Compensation includes wages, salaries, tips, professional fees, bonuses, and other amounts received for professional services. It also includes commissions, self-employment income, and taxable alimony and separate maintenance payments. This includes any military differential pay you receive from your employer while you are serving on active duty for a period of more than 30 days. Compensation also includes any taxable amounts paid to you to aid in the pursuit of graduate or postdoctoral study. Compensation does not include earnings or profits from property (such as rental income, interest income, and dividend income), pension or annuity income, deferred compensation received, income from a partnership for which you do not provide services that are a material income producing factor, and any amounts you exclude from income, such as foreign earned income and housing costs.

Modified AGI – Your Modified AGI for Roth IRA purposes is your adjusted gross income (AGI) as shown on your income tax return, less any income resulting from the conversion of an IRA (other than a Roth IRA) to a Roth IRA plus traditional IRA deductions, student loan interest deductions, deductions for qualified tuition and related expenses, foreign earned income exclusions, foreign housing exclusions or deductions, exclusions of qualified bond interest shown on IRS Form 8815 and exclusions of employer-paid adoption expenses shown on IRS Form 8839.

Contribution limit reduced – If your modified AGI is above a certain limit, your contribution limit is gradually reduced. If you are married filing jointly, this limit is \$242,000. If you are single, head of household, qualifying widow(er) or married filing separately and you did not live with your spouse at any time during the year this limit is \$153,000. These income limits are for 2026 and are indexed for inflation. If you are married filing separately, your allowable Roth IRA contribution will be phased out between zero dollars and \$10,000 of modified AGI.

If contributions are made to both Roth IRAs and traditional IRAs, your contribution limit for Roth IRAs generally is the same as your limit would be if contributions were made only to Roth IRAs, but then reduced by all contributions (other than employer contributions under a SEP or SIMPLE IRA plan) for the year to all IRAs other than Roth IRAs.

Roth IRA for your Spouse – You can contribute to a Roth IRA for your spouse provided the contributions to a Roth IRA for your spouse satisfy the Spousal IRA limit (discussed in the section titled “Contribution Limits”) and your modified AGI is less than the limits discussed above.

Age limit for contributions – There is no age limit for contributions.

Contribution Limits

The maximum amount that may generally be contributed to your Roth IRA is as follows:

Roth IRA Contribution Limit	
Year	Limit
2026	\$7,500

Individuals age 50 and older may make additional “catch-up” contributions to their Roth IRA. These “catch-up” contributions are in addition to the contribution limits listed above. The maximum “catch-up” contribution amounts are as follows:

Roth IRA “Catch-up” Contribution Limit	
Year	Limit
2026	\$1,100

Types of contributions accepted – Contributions to your Roth IRA will only be accepted if made in cash (i.e., a check).

Due date of contributions – You can make contributions to your Roth IRA for a year at any time during the year or by the due date of your income tax return for that year (not including extensions).

Refund of contributions – Any refund of contributions must be applied before the close of the calendar year following the year of the refund toward the payment of future contributions, paid-up annuity additions, or the purchase of additional benefits.

State income tax issues – Some states have not conformed their laws to the new federal tax laws. These states may have laws that conflict with the limits discussed above. You should consult a tax advisor in your state to ensure that your state has approved these contribution limit increases.

Conversions

You can convert a traditional IRA to a Roth IRA. The conversion is treated as a rollover, regardless of the conversion method used. You will owe taxes on the portion of the conversion which represents earnings and other amounts that were not previously taxed. You can convert amounts from a traditional IRA to a Roth IRA in any of the following three ways:

1. Rollover – You can receive a distribution from a traditional IRA and roll it over (contribute it) to a Roth IRA within 60 days after the distribution.
2. Trustee to trustee transfer – You can direct the trustee of the traditional IRA to transfer an amount from the traditional IRA to the trustee of the Roth IRA.
3. Same trustee transfer – If the trustee of the traditional IRA also maintains the Roth IRA, you can direct the trustee to transfer an amount from the traditional IRA to the Roth IRA.

The 10% additional tax shall not apply to rollovers or conversions from a traditional IRA to a Roth IRA, regardless of whether you qualify for any exceptions to the 10% additional tax. A traditional IRA to Roth IRA Rollover does not count towards the one rollover per 12 months rule described under Internal Revenue Code (Code) Section 408(d)(3).

Recharacterizations

Recharacterizations are not allowed for Roth conversions. You may be able to treat a contribution made to one type of IRA as having been made to a different type of IRA. This is called recharacterizing the contribution and is still permitted under the tax law. To recharacterize a contribution, you generally must have the contribution transferred from the first IRA (the one to which it was made) to the second IRA in a trustee-to-trustee transfer. If the transfer is made by the due date (including extensions) for your tax return for the year during which the contribution was made, you can elect to treat the contribution as having been originally made to the second IRA instead of the first IRA. The contribution will not be treated as having been made to the second IRA unless the transfer includes any net income allocable to the contribution, you report the recharacterization on your tax return for the year during which the contribution was made, and you treat the contribution as having been made to the second IRA on the date that it was actually made to the first IRA. No deduction is allowed for the contribution to the first IRA and any net income transferred with the recharacterized contribution is treated as earned in the second IRA.

Rollovers/Transfers

Funds distributed from your Roth IRA may be rolled over to another Roth IRA of yours if the requirements of Code Section 408(d)(3) are met. A proper Roth IRA to Roth IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after you receive the distribution. You can make only one IRA to another (or the same) IRA in any 1-year period regardless of the number of IRAs you own. Roth IRA assets may not be rolled over to other types of IRAs (e.g., traditional IRAs). The IRS may waive the 60-day requirements where the failure to do so would be against equity or good conscience, such as in the event of a casualty, disaster or other event beyond your reasonable control. The IRS, in Rev. Proc. 2020-46 (or subsequent guidance), allows for a self-certification procedure (which is subject to verification on audit) in order for you to claim eligibility for a waiver of the 60-day requirement with respect to a rollover into an IRA. Plan administrators and IRA trustees, custodians, or issuers may rely on such certification in accepting and reporting receipt of a rollover contribution. As indicated in this IRS guidance, we, as a financial institution, are not required to accept your self-certification for waiver of the 60-day deadline. Furthermore, the IRS may grant you a waiver of the 60-day requirement, with respect to a rollover into an IRA, upon examination of your income tax return.

Rollovers from Employer Plans – Distributions from qualified retirement plans, governmental 457(b) plans, and Section 403(b) may be rolled over directly from the plan to a Roth IRA. The amount rolled over is includible in income as if it had been withdrawn from the plan, but the 10% additional tax does not apply.

In addition, SECURE 2.0 amends the Code to allow rollovers from 529 accounts to Roth IRAs, under certain conditions. Starting in 2024, beneficiaries of 529 college savings accounts would be permitted to roll over up to \$35,000 over the course of their lifetime from any 529 account in their name to their Roth IRA. These rollovers are also subject to Roth IRA annual contribution limits, and the 529 account must have been open for at least 15 years, among other requirements.

Distributions

You do not include in your gross income Qualified Distributions (defined below) or distributions that are a return of your regular contributions from your Roth IRA. You also do not include distributions from your Roth IRA that you roll over tax-free to another Roth IRA. You may have to include part of other distributions in your income.

Qualified Distributions— A Qualified Distribution is any payment or other distribution from your Roth IRA that meets the following requirements:

1. It is made after the 5-taxable-year period beginning with the first taxable year for which a contribution was made to a Roth IRA set up for your benefit, and
2. The payment or distribution is:
 1. Made on or after the date you reach age 59½,
 2. Made because you are disabled,
 3. Made to a Beneficiary or to your estate after your death, or
 4. Used to buy, build, or rebuild a first home (subject to a \$10,000 lifetime limit).

Nonqualified Distributions – If you do not meet the requirements for a Qualified Distribution, any earnings you withdraw from your Roth IRA will be included in your gross income and you are under 59½, your distribution will be subject to a 10% additional tax unless you meet one of several exceptions discussed below in the section entitled “Additional tax for early distribution.” However, when you take a nonqualified distribution, your basis (the contributions you deposited to the account) will generally be removed first. Therefore, your nonqualified distributions will not be taxable to you until your withdrawals exceed the amount of your contributions. Special rules may apply to the distribution of conversion amounts.

Beneficiary Payments

Upon your death, any remaining interest in your Roth IRA must be distributed in accordance with federal income tax requirements. For Owner and Beneficiary deaths prior to 2020, please consult your tax advisor regarding the applicable post-death distribution requirements.

The post- death distribution requirements were amended, applicable generally with respect to deaths occurring after 2019, by SECURE 1.0.

- If you die after 2019 and you have a designated beneficiary, any remaining interest must be distributed within 10 years after your death, unless the designated beneficiary is an “eligible designated beneficiary” (“EDB”), or some other exception applies. A designated beneficiary is any individual designated as a beneficiary by the employee or Roth IRA owner. An EDB is any designated beneficiary who is (1) your surviving spouse, (2) your minor child, (3) disabled, (4) chronically ill, or (5) an individual not more than 10 years younger than you. An individual’s status as an EDB is generally determined on the date of your death. An EDB (other than a minor child) can generally stretch distributions over their life or life expectancy if payments begin by the end of the calendar year following the year of your death and continuing over the EDB’s remaining life expectancy after the EDB’s death. However, all amounts must be fully distributed by the end of the year containing the 10th anniversary of the EDB’s death. Special rules apply to minors and Beneficiaries that are not individuals. Additional special rules apply to surviving spouses, see “Spousal Continuation” below. Annuity Payments:
- It is important to note that under prior law, annuity payments that commenced under a method that satisfied the distribution requirements while the Roth IRA owner was alive could continue to be made under that method after the death of the Roth IRA owner. However, under the current law, if you commence taking distributions in the form of an annuity that can continue after your death, such as in the form of a joint and survivor annuity or an annuity with a guaranteed period of more than 10 years, any distributions after your death that are scheduled to be made beyond the applicable distribution period imposed under the current law might need to be commuted at the end of that period (or otherwise modified after your death if permitted under federal tax law and by us) in order to comply with the post-death distribution requirements.
- Other rules: The post-death distribution requirements do not apply if the employee or Roth IRA owner elected annuity payments that comply with prior law commenced prior to December 20, 2019. Also, even if annuity payments have not commenced prior to December 20, 2019, the requirements generally do not apply to an immediate annuity contract purchased prior to that date if you have made an irrevocable election before that date as to the method and amount of the annuity.

If your beneficiary is not an individual, such as a charity, your estate, or a trust, any remaining interest after your death generally must be distributed under prior law in accordance with the 5-year rule (but not the lifetime payout rule). However, if your beneficiary is a trust and all the beneficiaries of the trust are individuals, the new law can apply pursuant to special rules that treat the beneficiaries of the trust as designated beneficiaries, including special rules allowing a beneficiary of a trust who is disabled or chronically ill to stretch the distribution of their interest over their life or life expectancy in some cases. In addition, in limited situations an exception may apply for an applicable remainder multi-beneficiary trust naming a charity as beneficiary. You may wish to consult a professional tax advisor about the federal income tax consequences of your beneficiary designations.

In addition, the post-death distribution requirements generally do not apply if the employee or Roth IRA owner died prior to January 1, 2020. However, if the designated beneficiary of the deceased employee or Roth IRA owner dies after January 1, 2020, any remaining interest must be distributed within 10 years of the designated beneficiary's death. Hence, this 10-year rule will apply to (1) a contract issued prior to 2020 which continues to be held by a designated beneficiary of an employee or Roth IRA owner who died prior to 2020, and (2) an inherited Roth IRA issued after 2019 to the designated beneficiary of an employee or Roth IRA owner who died prior to 2020.

- *Spousal continuation.* If your beneficiary is your spouse, such surviving spouse can delay the application of the post-death distribution requirements until after their death by transferring the remaining interest tax-free to their own IRA, or by electing to treat your IRA as their own IRA. However, in certain circumstances the surviving spouse may have to take "hypothetical RMDs" (i.e., catch up amounts required in accordance with the regulations).

The post-death distribution requirements are complex in numerous respects. Treasury has issued final and proposed regulations that may impact these required minimum distribution requirements. We reserve the right to make changes in order to comply with the final and proposed regulations, or any final regulations published in the future. Any such changes will apply uniformly to affected Owners or Beneficiaries and will be made with such notice to affected Owners or Beneficiaries as is feasible under the circumstances. In addition, the manner in which these requirements will apply will depend on your particular facts and circumstances. You may wish to consult a professional tax adviser for tax advice as to your particular situation.

No contingent deferred sales charge (if applicable under your Annuity) is assessed against amounts withdrawn as part of a program designed to distribute Minimum Distributions over your life or life expectancy, but only to the extent of the Minimum Distribution required from your Annuity at the time it is taken. The contingent deferred sales charge (if applicable under your Annuity) may apply to additional amounts withdrawn to meet Minimum Distribution requirements in relation to other retirement programs you may maintain.

Amounts withdrawn as Minimum Distributions are considered to come first from the amounts available as a free withdrawal as of the date of the yearly calculation of the Minimum Distribution amount. Minimum Distributions over that amount to meet the requirements based on your Annuity are not deemed to be a liquidation of Purchase Payments.

Federal Excise and Additional Taxes

Additional tax for early distribution – If you are under age 59 ½ and receive a nonqualified Roth IRA distribution, an additional tax of 10% will apply to the amount includible in income, unless one of the exception situations discussed later in this section applies.

The 10% additional tax also applies (subject to the same exceptions) if you take a distribution from your Roth IRA within the 5-year period starting with the first day of your tax year in which you convert an amount from a traditional IRA to a Roth IRA. In this case, the 10% additional tax is paid on any amount attributable to the amount converted that you had to include in income at the time of the conversion. A separate 5-year period applies to each conversion and is not necessarily the same as the 5-year period used to determine whether a distribution is Qualified Distribution. (Qualified Distributions are discussed above, in the section entitled "Qualified Distributions").

You may not have to pay the 10% additional tax discussed in this section in the following situations:

- You have unreimbursed medical expenses that are deductible (without regard to whether you itemized deductions).
- The distributions are not more than the cost of your medical insurance if you are unemployed and certain requirements are met.
- You are disabled within the meaning of Code Section 72(m)(7).
- You are the Beneficiary of a deceased IRA owner or plan participant.
- You are receiving distributions that are part of a series of substantially equal periodic payments.
- The distributions are not more than your qualified higher education expenses for yourself or other qualified individual.
- You use the distributions to buy, build, or rebuild a first home (subject to a \$10,000 lifetime limit).
- The distribution is due to an IRS levy of the qualified plan.
- The distribution is a qualified reservist distribution.
- You receive a qualified birth or adoption distribution as defined in Code section 72(t)(2)(H).
- The distribution is a qualified disaster distribution or qualified disaster recovery distribution within the meaning of Code Sections 72(t)(2)(M) and 72(t)(11).
- The distribution is made to you for emergency personal expenses (one distribution per calendar year for personal or family emergency expenses, up to the lesser of \$1,000 or vested account balance over \$1,000 (made after 12/31/2023) within the meaning of Code Section 72(t)(2)(I).
- The distribution is made to you as a victim of domestic abuse (subject to a \$10,000 limit indexed for inflation) within the meaning of Code Section 72(t)(2)(K).

In certain instances, such as qualified birth or adoption distributions, qualified disaster distribution, emergency personal expenses, domestic abuse, or distribution on account of terminal illness, you may generally re-contribute the distribution amount within 3 years beginning on the date you received the distribution, subject to certain limitations.

Excess contribution excise tax – An excise tax of 6% is imposed upon any excess contribution you make to your Roth IRA. This tax will apply each year in which an excess remains in your Roth IRA. An excess contribution is any contribution amount which exceeds your contribution limit, excluding amounts properly and timely rolled over from a Roth IRA or properly converted from a traditional IRA. Contribution limits are discussed above, in the section entitled “Contribution Limits.”

Failure to take Required Minimum Distribution – Excise Tax - One of the requirements listed above is your designated Beneficiary(ies) must take certain required minimum distributions after your death.

If the beneficiary’s distributions are less than the required Minimum Distribution for a year, the beneficiary may have to pay a 25% excise tax on the amount not distributed as required. The excise tax on failure is further reduced from 25% to 10% if corrected in a timely manner as provided by tax law. Please note that required Minimum Distribution shortfalls prior to 2023 were subject to a 50% excise tax.

Penalty reporting – You must file Form 5329 with the Internal Revenue Service to report and remit any additional or excise taxes.

Miscellaneous

Commingling Assets – The assets of your Roth IRA cannot be commingled with other property except in a common trust fund or common investment fund.

Life Insurance – No portion of your Roth IRA may be invested in life insurance contracts.

Collectibles – You may not invest the assets of your Roth IRA in collectibles (within the meaning of Code Section 409(m)). A collectible is defined as any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage, or other tangible personal property specified by the Internal Revenue Service. However, specially minted United States gold and silver bullion coins and certain gold, silver, platinum, or palladium bullion (as described in Code Section 408(m)(3)) are also permitted as Roth IRA investments.

No required minimum distributions – As the owner of your Roth IRA, you are not required to take required minimum distributions from the Roth IRA during your lifetime (as is required for traditional IRAs).

Estate and gift taxes – Any amount held in your Roth IRA upon your death may be subject to estate taxes. Transfers of your Roth IRA assets to a Beneficiary during your life may be subject to gift taxes. If you transfer your Roth IRA assets a person two or more generations younger than you (or designate such a younger person as a beneficiary), there may be Generation Skipping Transfer tax consequences.

Special tax treatment – Capital gains treatment and the favorable ten year forward averaging tax authorized in certain circumstances by IRC Section 402 do not apply to Roth IRA distributions.

Prohibited Transactions –

Generally, a prohibited transaction is any improper use of your Roth IRA by you, your Beneficiary, or any disqualified person. Disqualified persons include any fiduciary with respect to your Roth IRA and members of your family (spouse, ancestor, lineal descendant, and any spouse of a lineal descendant). The following are examples of prohibited transactions with a Roth IRA.

1. Borrowing money from it.
2. Selling property to it.
3. Receiving unreasonable compensation for managing it.
4. Using it as security for a loan.
5. Buying property for personal use with IRA funds.

Generally, if you or your Beneficiary engages in a prohibited transaction in connection with your Roth IRA Annuity at any time during the year, certain excise taxes may apply. In addition, if you borrow any money against your Roth IRA Annuity, the contract ceases to be an IRA Annuity for tax purposes and you must include in your gross income the fair market value of the Annuity as of the first day of your tax year. You also may have to pay the 10% additional tax on early distributions, discussed above.

IRS Approval

Your Annuity contract or one substantially the same in form and certain riders, endorsements, amendments or schedules made a part of it have been submitted to the Internal Revenue Service for approval as to form for use as a Roth IRA. The Internal Revenue Service approval is a determination as to form only and does not represent a determination of the merits of this Annuity. Approval of the Annuity by the IRS has either been received or is pending. Please contact the Company with any questions regarding IRS approval. This Disclosure Statement and the Roth IRA Endorsement do not constitute a prototype, master plan or other document approved as to form or otherwise by the IRS.