

# **Prudential Annuities Distributors, Inc.**

## **A Summary of Our Business Continuity Plan**

### **Preparation is Essential**

It is now more important than ever that companies take steps to prepare for unexpected and potentially debilitating events such as natural disasters, terrorist attacks, power and/or network outages and fires. Prudential Annuities Distributors, Inc. ("PAD") wants its customers and business partners to know that it has developed comprehensive business continuity plans designed to mitigate the risks of significant business disruptions that might result from such incidents. PAD considers this preparation a serious and critical part of its business and has taken extensive time to plan and document the appropriate measures to address these events.

### **Our Business**

PAD's primary function is to serve as distributor of variable annuities and life insurance products sold through third-party broker-dealers ("BDs") and issued by its affiliated companies Pruco Life Insurance Company and Pruco Life Insurance Company of New Jersey. As the distributing BD, PAD does not hold customer accounts, nor does it process customer trades. Customer transactions are generally sent directly to the insurance company affiliate where they are processed. The insurance company will set up the appropriate contracts and their administrative systems will house all relevant information on the underlying transactions.

Beginning in June 2006, PAD was a wholesale distributor of annuity products issued by Allstate Life Insurance Company, Allstate Life Insurance Company of New York and Allstate Distributors, LLC ("Allstate"). Allstate ceased issuing its own variable annuity products, but existing Allstate-issued contracts remain, and existing contract holders may make additional deposits. Allstate Life Insurance Company has since sold their block of business to Everlake and Wilton Re.

In February 2013, PAD became the underwriter of the AST Investment Services, Inc., portfolios sold within the variable annuity products distributed by PAD. AST Investment Services is the investment manager of the AST Trust. AST Investment Services, Inc. and PGIM Investments, LLC, both indirect wholly owned subsidiaries of Prudential Financial, Inc., serve as overall investment managers of certain portfolios within variable annuity products distributed by PAD.

PAD operated a retail RIA desk from July 2020 to December 2023. As a result of the closure of the RIA desk, there are a number of accounts that remain with PAD. PAD continues to service these accounts.

### **Access to Extensive Resources**

PAD, as part of Prudential Financial, Inc., has access to extensive resources, including alternate physical locations from which to conduct business should a disruption occur, as well as systems resources to provide state-of-the-art disaster recovery planning. Because PAD conducts its business activities from multiple locations, it has the ability to seamlessly continue operations from mission critical processes using a variety of solutions. For example, in the event of:

## **A Disruption to a Single PAD Office**

Impacted functions which are deemed critical can be handled at multiple locations simultaneously while associates from impacted sites are directed to their designated recovery locations.

## **A Disruption to a City or Region**

Prudential business and its systems support are geographically disbursed to effectively provide capabilities supporting disruptions of these types. Locations impacted can rely on operations in alternate Prudential sites to handle critical functions without disruption. Certain designated backup sites may be located within the same business district or city as a primary work location. In the event one or more backup sites are unavailable, impacted associates would utilize an alternate site outside the business district or city. For example, associates from PAD's office in New Jersey may be directed to one of several other proprietary or third-party locations in New Jersey or other states, depending on availability. The associates in the PAD office in Connecticut may be redirected to other alternate sites.

## **A Disruption to an Entire Region**

As discussed above, multiple backup locations are typically available to PAD associates in the event of a disruptive event. In the event no designated site is available due to a large-scale disruptive event that affects an entire region, it may be necessary for PAD to suspend operations until alternate arrangements can be made. As discussed in PAD's Business Continuation Plan, PAD will maintain communications with and assist its customers and business partners to the best of its ability under such circumstances.

## **Market Closing**

Certain PAD businesses may be dependent on the availability of U.S. markets and trading facilities. For example, PAD may be unable to complete Annuities transactions if the New York Stock Exchange is not operational.

## **Regulatory Reporting**

In the event of a business disruption, PAD will implement alternative work arrangements to enable submission of regulatory reporting and other submissions to FINRA, or other regulators, as applicable.

## **Systems Recovery**

PAD utilizes a network of systems and data that is supported by Prudential's Global Technology ("GT") and various Information Technology teams throughout Prudential. Applications are backed-up frequently, and critical transactions are replicated in real time at an alternate data center. In addition, backup and recovery procedures are documented in comprehensive written plans that are updated and tested on a regular basis.

It is important to PAD that all necessary customer information be maintained and communicated as anticipated, regardless of unexpected events, including the issuance and/or continuation of automatic statements and customer communications.

### **Our Commitment**

PAD is committed to meeting its obligations to customers and business partners. Its business continuity plans may change from time to time. PAD will post important information regarding its business continuation plans on the Prudential website ([www.prudential.com](http://www.prudential.com)). In addition, you may obtain a written copy of this notice by writing to Prudential Financial, ATTN: PAD Chief Compliance Officer at One Corporate Drive, Shelton, CT 06484.