

By applying for Prudential Group Insurance coverage, do you intend to replace, discontinue, or change an existing individual life insurance policy or annuity contract you currently own?

If your answer is "No" Please read section A below. You do not need to complete or return this form, but you should maintain a copy for your records.

If your answer is "Yes" Please read section B below, then complete the Important Notice: Replacement of Life Insurance or Annuities Form. Sign and return it to Prudential in this self-mailing form, keeping a copy, including the Replacement Considerations on the reverse, for your records. Nothing else should be included with this form. Simply fold and seal with tape before mailing.

A NOTICE REGARDING REPLACEMENT REPLACING YOUR LIFE INSURANCE POLICY OR ANNUITY

Are you thinking about buying a new life insurance policy or annuity and discontinuing or changing an existing one? If you are, your decision could be a good one—or a mistake. You will not know for sure unless you make a careful comparison of your existing benefits and the proposed policy or contract's benefits.

Make sure you understand the facts. You should ask the company or agent that sold you your existing policy or contract to give you information about it.

Hear both sides before you decide. This way you can be sure you are making a decision that is in your best interest.

B IMPORTANT NOTICE: REPLACEMENT OF LIFE INSURANCE OR ANNUITIES

You are contemplating the purchase of a group life insurance policy. In some cases this purchase may involve discontinuing or changing an existing individual life insurance policy or contract. If so, a replacement is occurring. Financed purchases are also considered replacements.

You should carefully consider whether a replacement is in your best interests. You will pay acquisition costs and there may be surrender costs deducted from your policy or contract. You may be able to make changes to your existing policy or contract to meet your insurance needs at less cost. A financed purchase will reduce the value of your existing policy and may reduce the amount paid upon the death of the insured.

A replacement occurs when a new policy or contract is purchased and, in connection with the sale, you discontinue making premium payments on the existing policy or contract, or an existing policy or contract is surrendered, forfeited, assigned to the replacing insurer, or otherwise terminated or used in a financed purchase.

We want you to understand the effects of replacements before you make your purchase decision and ask that you answer the following questions and consider the questions on the back of this form.

A financed purchase occurs when the purchase of a new life insurance policy involves the use of funds obtained by the withdrawal or surrender of or by borrowing some or all of the policy values, including accumulated dividends, of an existing policy to pay all or part of any premium or payment due on the new policy. A financed purchase is a replacement.

When you've completed the document, please return it directly to The Prudential Insurance Company of America. You should keep a copy for your records. If you are replacing coverage, you also have the right to return the certificate within thirty (30) days of delivery and receive an unconditional refund of all premiums paid.

IF YOU ANSWER "YES" TO ANY OF THE FOLLOWING QUESTIONS, PLEASE RETURN THIS SELF-MAILING FORM TO PRUDENTIAL OR MAIL IT TO: Prudential-GUL/GVUL-REPL Regulation, PO Box 8129, Philadelphia, PA 19176-9922

- 1. Are you considering discontinuing making premium payments, surrendering, forfeiting, assigning to the insurer, or otherwise terminating your existing policy or contract?** Yes No
- 2. Are you considering using funds from your existing policies or contracts to pay premiums due on the new policy or contract?** Yes No

If you answered "Yes" to either of the above questions, list each existing policy or contract you are contemplating replacing (include the name of the insurer, the insured or annuitant and the policy or contract number if available) and whether each policy will be replaced or used as a source of financing:

| | Name of Insurance Company | Contract or Policy # | Name of Insured Person or Annuitant | Replaced (R) or Financing Source (S) |
|---|---------------------------|----------------------|-------------------------------------|--------------------------------------|
| 1 | | | | |
| 2 | | | | |
| 3 | | | | |

Make sure you know the facts. Contact your existing company or its agent for information about the old policy or contract. If you request one, an in force illustration, policy summary or available disclosure documents must be sent to you by the existing insurer. Ask for and retain all sales material used by the agent in the sales presentation. Be sure that you are making an informed decision.

The existing policy or contract is being replaced because:

I certify that the responses herein are, to the best of my knowledge, accurate:

First Name MI Last Name Last 4 Digits of Social Security Number

Street Apt. City State

ZIP Code - Date (MM DD YYYY)

X _____
Signature

THIS SECTION TO BE COMPLETED BY PRUDENTIAL

Prudential Group
Contract Holder Control # 3 4 3 7 1

Group Contract
Holder Name National Automobile Dealers Insurance Trust

REPLACEMENT CONSIDERATIONS—

A replacement may not be in your best interest, or your decision could be a good one. You should make a careful comparison of the costs and benefits of your existing policy or contract and the proposed policy or contract. One way to do this is to ask the company or agent that sold you your existing policy or contract to provide you with information concerning your existing policy or contract. This may include an illustration of how your existing policy or contract is working now and how it would perform in the future based on certain assumptions. Illustrations should not, however, be used as a sole basis to compare policies or contracts. You should discuss the following with your agent to determine whether replacement or financing your purchase makes sense:

PREMIUMS:

- Are they affordable? Could they change?
- If you're older—are premiums higher for the proposed new policy?
- How long will you have to pay premiums on the new policy? On the old policy?

POLICY VALUES:

- New policies usually take longer to build cash values and to pay dividends. Acquisition costs for the old policy may have been paid, you will incur costs for the new one. What surrender charges do the policies have?
- What expense and sales charges will you pay on the new policy?
- Does the new policy provide more insurance coverage?

INSURABILITY:

- If your health has changed since you bought your old policy, the new one could cost you more, or you could be turned down. You may need a medical exam for a new policy. Claims on most new policies for up to the first two years can be denied based on inaccurate statements. Suicide limitations may begin anew on the new coverage.

IF YOU ARE KEEPING THE OLD POLICY AS WELL AS THE NEW POLICY:

- How are premiums for both policies being paid?
- How will the premiums on your existing policy be affected?
- Will a loan be deducted from death benefits?
- What values from the old policy are being used to pay premiums?

IF YOU ARE SURRENDERING AN ANNUITY OR INTEREST-SENSITIVE LIFE PRODUCT:

- Will you pay surrender charges on your old contract?
- What are the interest rate guarantees for the new contract?
- Have you compared the contract charges or other policy expenses?

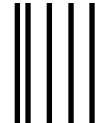
OTHER ISSUES TO CONSIDER FOR ALL TRANSACTIONS:

- What are the tax consequences of buying the new policy?
- Is this a tax-free exchange? (See your tax advisor.)
- Is there a benefit from favorable "grandfathered" treatment of the old policy under the federal tax code?
- Will the existing insurer be willing to modify the old policy?
- How does the quality and financial stability of the new company compare with your existing company?

GL.2005.065 Ed. 1/2008

AICPA 51826 web

REPLACEMENT FORM



NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES

BUSINESS REPLY MAIL
FIRST-CLASS MAIL PERMIT NO.87 FORT WASHINGTON PA

POSTAGE WILL BE PAID BY ADDRESSEE

PRUDENTIAL
PO BOX 8129
PHILADELPHIA, PA 19176-9922

