

# Guaranteed Interest Account

A Stable Value Fund

First Quarter 2021 Fund Fact Sheet

Key Facts	
Issuer	Prudential Insurance Company of America
Investment Advisor	PGIM, Inc.
Asset Class	Stable Value
Inception Date	01/01/1982
<b>U.S. Treasury Rate</b>	<b>As of 03/31/2021</b>



There is no applicable benchmark for the product as it utilizes various asset classes to support its guarantees and liability dynamics in order to produce desirable balance between interest crediting rate responsiveness and stability. However, it is common to benchmark the product against various indices, which include 3 or 5 year Treasury, Money Markets and other fixed income indices (i.e. Bloomberg Barclays U.S. Intermediate Aggregate Bond Index).

## Description / Objective

The Guaranteed Interest Account (GIA) is a stable value insurance product designed to provide safety of principal, liquidity and a stable rate of return. The GIA offers crediting rate stability, guaranteed protection of principal and accumulated interest from market volatility and returns similar to intermediate-term fixed income investments. The GIA is backed by the strength of The Prudential Insurance Company of America (PICA), which makes the GIA a relatively less risky product for accumulating and protecting retirement assets than funds that invest in bonds or common stocks. GIA invests in a broadly diversified, fixed income portfolio within PICA's General Account. The portfolio is primarily invested in public bonds, commercial mortgages and private placement bonds. When establishing interest crediting rates, Prudential considers many factors, including current economic and market conditions, the general interest rate environment and both the expected and actual experience of a segment within its PICA general account. Interest crediting rates are established without the use of a specific formula. The GIA's annual effective interest crediting rates are announced in advance and can never be less than the minimum rate. The guaranteed period and minimum rate are specified in the group annuity contract funding the GIA.

### Other/Risks

Generally, plan participants may withdraw all or a portion of their GIA balance without any fees or restrictions for "benefit responsive events" (e.g., termination of employment, retirement, disability, death, etc.). Participant directed transactions which are not the result of "benefit responsive events" may be subject to restrictions and/or charges as provided for in the GIA contract. Please contact Prudential or your Plan Administrator for details regarding transaction restrictions.

**Transaction Restriction Language:** Generally, plan participants may withdraw all or a portion of their GIA balance without any fees or restrictions for "benefit responsive events" (e.g. termination of employment, retirement, disability, death, etc.). Participant directed transactions which are not the result of "benefit responsive events" may be subject to restrictions, on the amount of money that can be transferred or where you can transfer it to, and/or charges as provided for in the GIA contract. The Customer Service Center can answer questions regarding these provisions applicable to a Plan.

**Plan-Level Termination Language:** When your Plan's group annuity contract terminates, payments from the Guaranteed Interest Account may be reduced, increased, or delayed depending on the terms of the group annuity contract (which may result in a delay in payments by the Plan or a reduction in participant account value). In certain contracts, participant consent may be required to make the payments. The total payout will generally be (1) the lesser of book or market value paid either immediately or in five quarterly installments; or (2) five book value payments over four years. The Customer Service Center can answer questions regarding these provisions applicable to a Plan.

## Recent Quarterly New Money Rates

Quarter	New Money Rate	Rate Expiration Date
2Q 2021	3.00%	12/31/2022
1Q 2021	3.00%	12/31/2022
4Q 2020	3.00%	12/31/2021
3Q 2020	3.00%	12/31/2021

### Quarterly Guaranteed Rate For New Contributions:

A New Money Rate is declared at the start of each calendar quarter. Contributions made during the quarter are credited with interest daily at the New Money Rate in effect for that quarter. This rate continues to be applied to all contributions made during that quarter until the end of the following calendar year. New Money Rates for any quarter can be higher or lower than New Money Rates for any previous quarter. Upon expiration of each New Money Rate and at the start of each calendar year thereafter, Renewal Rates are declared and credited to those contributions. The accompanying table shows New Money Rates in effect during recent quarters and their date of expiration. Renewal Rates in effect during a calendar year are shown on your statement.

Portfolio Allocation	As of 03/31/2021	Characteristics	As of 03/31/2021
	Public Corporate Bonds	29.00%	Guarantee Quality
	Private Securities	24.00%	Average Duration
	Commercial Mortgage Loans	21.00%	
	ABS	10.00%	
	Cash and Cash Equivalents	4.00%	
	CMBS	4.00%	
	US Treasury & Agencies	4.00%	
	Other	3.00%	
			Fund
			AA-
		3.3	

Commercial Mortgage Loans may include agriculture loans, transfer employee mortgages and residential mortgages

Other may include equity, real estate and derivatives used to hedge various risks

CMBS = Commercial Mortgage Backed Securities, ABS = Asset Backed Securities, RMBS = Residential Mortgage Backed Securities, CMO = Collateralize Mortgage Obligation Securities. Guarantee Quality represents the Standard & Poor's claims-paying rating of the issuing company. Claims-paying ratings represent the opinions of rating agencies regarding the financial ability of an insurance company to meet its obligations under its insurance policies. According to Standard & Poor's publications, an insurer rated 'AA-' (4th category of 21) has very strong financial security characteristics, differing only slightly from those rated higher. An insurer rated "AAA" has extremely strong financial security characteristics. "AAA" is the highest Insurer Financial Strength Rating assigned by Standard & Poor's.

All guarantees are based on the claims-paying ability of the issuing company. Duration is a time measure (in years) of a fixed income security's interest-rate sensitivity. Average duration is a weighted average of the duration of the underlying fixed-income securities within the portfolio.

PGIM, Inc. is a Prudential Financial company. PGIM, Inc. is a registered investment adviser. The Guaranteed Interest Account (GIA) is a group annuity product issued by The Prudential Insurance Company of America (PICA), Newark, NJ 07102. Amounts contributed to the contract are deposited in PICA's general account. Payment obligations and the fulfillment of any guarantees specified in the group annuity contract are insurance claims supported by the full faith and credit of PICA. PICA periodically resets the interest rate credited on contract balances, subject to a minimum rate specified in the group annuity contract. Past interest rates are not indicative of future rates. This product is neither a mutual fund nor a bank product. The obligations of PICA are not insured by the FDIC or any other federal governmental agency. Contract form # DC-401-95 or state variation thereof.

Prudential Retirement is compensated in connection with this product when general account investment returns exceed the interest credited on contract balances. Other than such compensation, there are no additional charges imposed that reduce the interest rate credited. Due to the absence of additional charges, there is not an expense ratio associated with this product. For some plans, Prudential Retirement uses a portion of its aggregate compensation to satisfy the plan's request for allowances and for payments to defray plan expenses. If Prudential Retirement's aggregate compensation from this product and from other plan investment products exceeds the costs of servicing your plan, Prudential Retirement earns a profit; otherwise we incur a loss.

Frequent exchanging between plan investment options may harm long-term investors. Your plan or the plan's investment funds may have provisions to deter exchanges that may be abusive. These policies may require us to modify, restrict or suspend purchase or exchange privileges and/or impose redemption fees.

Data presented is as of the period specified for this report, unless otherwise specified within a table heading. Data and expense ratios presented are the most current made available at the time of production. For mutual funds, the fund company may have more recent data available on its website. Price corrections that impact performance data may occur after production of this material.

**This material is intended to provide information only. This material is not intended as advice or recommendation about investing or managing your retirement savings. By sharing this information, Prudential Retirement® is not acting as your fiduciary as defined by the**

**Department of Labor or otherwise. If you need investment advice, please consult with a qualified professional.**

**Portfolio Allocation** The pie chart illustrates how investment holdings breakdown into primary investment types.