Market Timing/Excessive Trading Notice

Q: What is market timing/excessive trading?
A: Market timing/excessive trading is the frequent trading of shares in an investment option, typically in response to short-term fluctuations in the market. Market timing/excessive trading in large amounts can result in temporary financial advantages to the market timer/excessive trader, however, it can also have a disruptive effect on the portfolio management of the investment option, resulting in increased costs and reduced returns to a plan as well as the participants invested in that investment option.

Q: How does this apply to me?
A: Your plan or program has a policy designed to protect the interests of the vast majority of participants who are long-term investors by identifying and stopping abusive or excessive trading. The policy defines market timing or excessive trading as follows: *One or more "round trip" trades within a thirty-day period, where each buy or sell in the transaction is greater than $25,000. (A "round trip" is defined as a transfer into and out of, or out of and into, the same fund offered as part of your plan or program.)*

The policy applies to all plans that you participate through your employer that are administered by Prudential.

Prudential Retirement® will continue to monitor trading activity and new regulatory requirements. If necessary, your plan or program will modify its criteria.

Q: Does this apply to all trading activity?
A: Certain trading activities such as automatic or system-driven transactions including contributions or loan repayments by payroll deduction, re-mapping transactions, hardship withdrawals, regularly scheduled or periodic distributions, or periodic rebalancing through a systematic rebalancing program that is not initiated by the plan do not constitute excessive trading under the policy.

Q: Does this apply to all investments?
A: Certain investments are not subject to the policy such as company stock (share-basis), stable value funds, money market funds, funds with fixed unit values, and outside Guaranteed Income Contracts.

Q: How is the policy described above enforced?
A: In the event you engage in market timing/excessive trading activities, you will first receive a "Warning Letter" mailed to your home. If these activities continue within a six-month period, you will be notified and placed on restriction for a three-month period. During the restriction period, you will be required to conduct investment-related transactions via U.S. Postal mail. If an investment-related transaction is received via the Internet, the Voice Response System, fax or "overnight" mail, it will not be honored. Should you have additional questions, please contact us at the toll-free number listed on this statement.

Q: Do market timing policies vary among the investment options?
A: In addition to the policy described above, certain investments (e.g., investments held in self-directed brokerage accounts, retail accounts, fund of funds, insurance company separate accounts and non-Prudential mutual funds) may have policies subject to the rules of the investment provider. Prudential Retirement® will take such action as directed to enforce those policies.

To obtain a complete copy of your plan or program's policy, please contact Prudential.

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