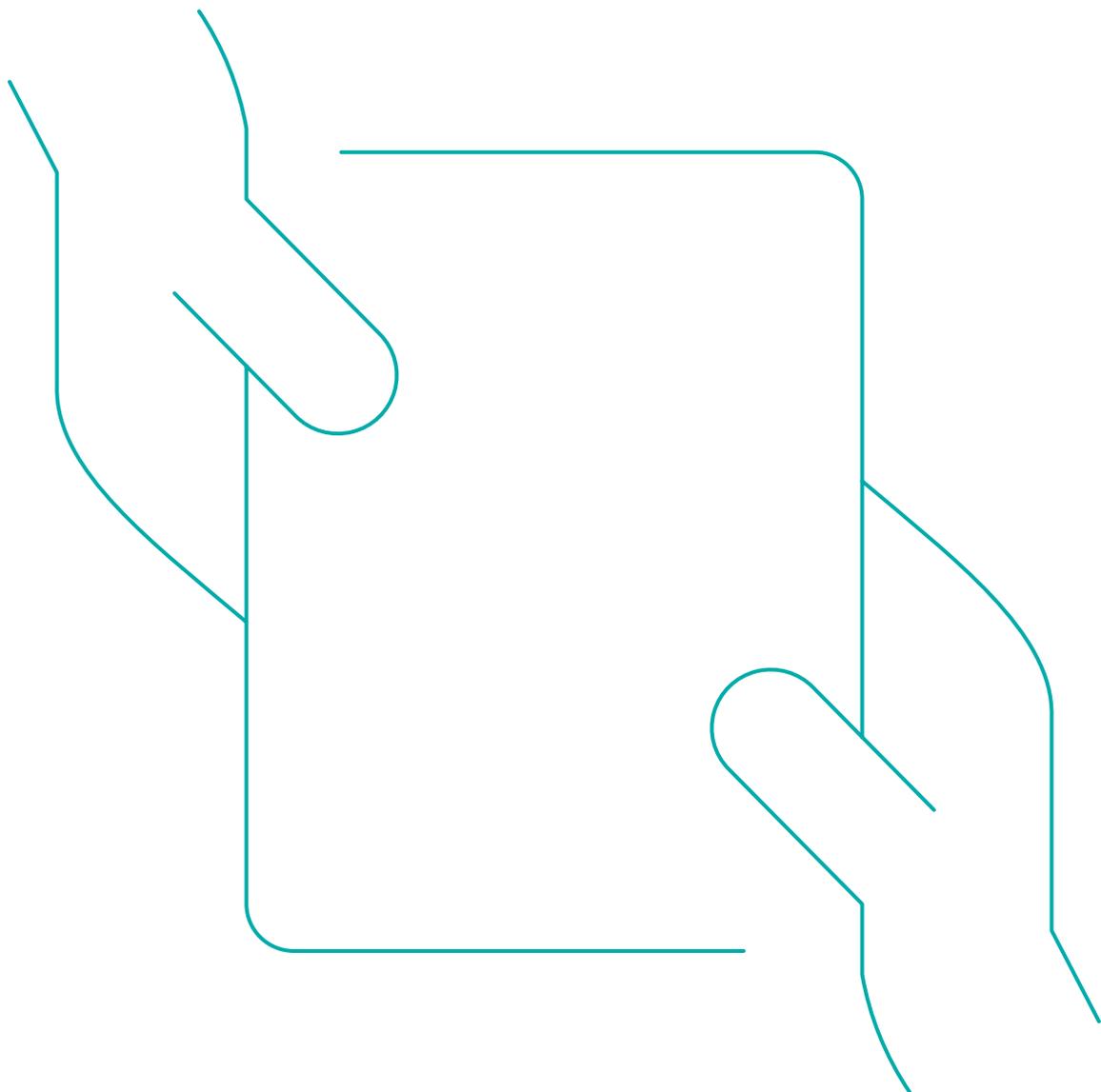


Key Features of the Flexible Investment Plan



Please read this document along with your personal illustration (if you have one) before you decide to buy this plan. It's important you understand how Flexible Investment Plan works, the benefits and associated risks.

Contents

About the Flexible Investment Plan	4	When can I cash in my Flexible Investment Plan?	10
Its aims	4	How much will I get when I cash in my Flexible Investment Plan?	10
Your commitment	4	What are the charges and costs?	11
Risks	4	What's a Market Value Reduction?	12
Other documents you should read	5	Will I have to pay tax on my Flexible Investment Plan?	13
Questions & Answers	6	What happens to my Flexible Investment Plan if the person covered dies?	14
How much can I add to my Flexible Investment Plan?	6	Does the life cover pay out for terminal illness?	14
What happens if I move overseas?	6	How will I know how my Flexible Investment Plan is doing?	14
Where are my payments invested?	6	What if I want to cancel my additional investment to my Flexible Investment Plan?	15
Which Funds invest in Prudential's With-Profits Fund?	6	Other information	16
How much is invested in my Flexible Investment Plan?	7	Get in touch	18
How do you work out the value of my investment?	8		
Can I switch money between funds?	8		
Can I withdraw money from my Flexible Investment Plan?	9		

We would like everyone to find it easy to deal with us. Please let us know if you need information about our plans and services in a different format.

All our literature is available in audio, large print or braille versions. If you would like one of these please contact us using the details on the last page.

The Financial Conduct Authority is a financial services regulator. It requires us, Prudential, to give you this important information to help you decide whether our Flexible Investment Plan is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

About the Flexible Investment Plan

Our Flexible Investment Plan is a single premium investment bond that lets you invest your money in a range of different funds. You started your plan with a single premium. You can make additional premiums at any time. You can make regular and partial withdrawals, and you can cash in your plan at any time. Our Flexible Investment Plan also provides a small amount of life cover.

If you still have questions about making an additional investment into our Flexible Investment Plan after reading this booklet, your Financial Adviser should be able to help. Alternatively, you can call us on **0345 640 1000**.

Its aims

What this plan is designed to do

- To increase the value of your investment over the medium to long term, a 5-10 year period.
- Allow you to withdraw your money tax efficiently.

Your commitment

What we ask you to do

- You can make top-ups of at least £5,000 to your existing Flexible Investment Plan.
- Your plan is designed for investment over a medium to long term, a 5-10 year period. You can invest for as long as you like, but there may be an exit charge in the first five years.

Risks

What you need to be aware of

The value of your plan could change for a number of reasons, including:

- the funds you choose, any special features they have and how they perform,
- when you choose to cash in your plan,
- the charges and costs taken. If the total charges and costs are more than any overall growth achieved, your plan will fall in value, possibly to even less than you have invested,
- tax rules may change or,
- if you choose to cancel your plan.
- The value of your plan can go down as well as up and may even fall below the amount you invested – what you get back is not guaranteed.

Other documents you should read

This document gives you key information about the Flexible Investment Plan. If you want more detail on specific points, please read the following documents. We have highlighted when they are relevant throughout this document.

They are all available from your adviser or direct from us. Our contact details are on the last page.

- **Policy Provisions**

Gives you the full terms and conditions of the contract.

- **Fund Guide**

This explains your investment choices. There is a long and short version available.

- **Your With-Profits Plan – a Guide to how we manage the Fund**

This provides information on how our With-Profits Fund works, and our current approach to managing it.

- **A guide to tax on your UK investment bond**

This provides information on how your bond is taxed.

Questions & Answers

How much can I add to my Flexible Investment Plan?

You can make top-ups of at least £5,000. The maximum investment is £500,000 per bond. This maximum includes any top-ups.

In some circumstances, we may accept investments larger than £500,000. If you would like to invest more than £500,000, please speak to your Financial Adviser.

When you made your original investment, it was split into a number of segments. This has advantages when you are looking to take money from your bond.

What happens if I move overseas?

If you subsequently move abroad and are no longer a resident of the UK this will impact on your ability to make any further investment into this plan in the future. Prudential is not able to accept new monies from customers who are not physically resident in the UK.

Where are my payments invested?

You choose where to invest your money and your money buys units in the funds you choose.

Choosing funds

Different funds invest in different types of assets. For example, some only invest in property, others invest directly in the stockmarket, and others invest in a wide range of assets.

Each fund has its own level of risk and potential growth. Usually, funds with more potential for growth carry more risk.

You can invest in up to ten funds at any time. If you choose a Distribution Income Fund or a PruFund Fund each will count as two fund choices.

For a list of all the funds you can choose from, please read **Short Fund Guide**. Your Financial Adviser will give you our **Fund Guide: Flexible Investment Plan** which provides more information on the funds available. This includes the objective of each fund and its risk profile.

For any fund, we may delay the buying, selling or switching of units. These delays will only apply in exceptional circumstances and if this applies to you, we will let you know. For further information, please refer to your **Policy Provisions**.

How unit-linked funds invest

Some of the Prudential funds listed in your **Fund Guide** may invest in 'underlying' funds or other investment vehicles. Have a look at a fund's objective and that will tell you where it invests – including if that's in an underlying fund or funds.

If the Prudential fund is investing in just one underlying fund then it's what's known as a 'mirror' fund, as the performance of the Prudential fund broadly aims to reflect the performance of the underlying fund it invests in. The performance of our Prudential fund, compared to what it's invested in won't be exactly the same. The differences between the underlying fund and our fund can be due to:

- additional charges,
- cash management (needed to help people to enter and leave our fund when they want),
- tax,
- timing of investments (this is known as a fund's dealing cycle, it varies between managers and can be several days).

Which Funds invest in Prudential's With-Profits Fund?

The following funds are invested in Prudential's With-Profits Fund:

- Prudential (Optimum Bonus) With-Profits Fund
- Prudential (Optimum Return) With-Profits Fund
- PruFund Risk Managed 1 Fund (not available if you took out your plan before 25 April 2005)
- PruFund Risk Managed 2 Fund (not available if you took out your plan before 25 April 2005)
- PruFund Risk Managed 3 Fund (not available if you took out your plan before 25 April 2005)
- PruFund Risk Managed 4 Fund (not available if you took out your plan before 25 April 2005)

- PruFund Growth Fund (not available if you took out your plan before 25 April 2005)
- PruFund Cautious Fund (not available if you took out your plan before 25 April 2005).
- PruFund Protected Growth Fund (available between 13 October 2008 and 7 August 2009, and from 13 June 2011)
- PruFund Protected Cautious Fund (not available if you took out your plan before 13 July 2009)

You can select the above funds for your additional investment except the PruFund Protected Cautious Fund and the PruFund Protected Growth Fund which were only available at the start of your Plan.

Although the funds that invest in Prudential's With-Profits Fund are invested in the same underlying fund, there are significant differences to; the way that returns are delivered, the asset mix that applies to each fund and the objectives of each fund. For more information please read the section "How do you work out the value of my investment?".

How much is invested in my Flexible Investment Plan?

We work out how much is invested in your plan by multiplying the amount of your investment by the allocation rate shown in the tables.

You would have chosen either the Initial Charge or the No Initial Charge Option when you started your plan. If you chose the Initial Charge Option, we then deduct the 5% Initial Charge.

If you chose the 3-year Cash-In Charge Option when you started your plan, the allocation rate for each additional investment you make will be reduced by 1%.

Allocation rate

Your allocation rate depends on:

- the total amount you have invested in your plan,
- whether you chose the Initial Charge Option or No Initial Charge Option, and
- the age of the people covered and when you chose for life cover to be paid.

The more you invest, the higher the allocation rate you will receive on your investment. For additional investments, the rate will be based on the total amount of the payments that remain invested in your plan plus the amount of the additional investment.

If you chose to cover two people and for the life cover to pay out when the first of the two people covered dies, the rate will be based on the age of the older person.

If you chose to cover two people and for the life cover to pay out when the second of the people covered dies, the rate will be based on the age of the younger person.

The following table shows the Allocation Rates for the **No Initial Charge Option:**

Amount of your payment	Age when plan was taken out			
	74 or under	75 to 79	80 to 84	85 to 89
£10,000 to £19,999	100%	98%	97%	96%
£20,000 to £49,999	100.25%	98.25%	97.25%	96.25%
£50,000 to £74,999	101%	99%	98%	97%
£75,000 or more	101.25%	99.25%	98.25%	97.25%

The following table shows the Allocation Rates for the **Initial Charge Option:**

Amount of your payment	Age when plan was taken out			
	74 or under	75 to 79	80 to 84	85 to 89
£10,000 to £19,999	102%	100%	99%	98%
£20,000 to £49,999	102.5%	100.5%	99.5%	98.5%
£50,000 to £74,999	103.5%	101.5%	100.5%	99.5%
£75,000 or more	103.75%	101.75%	100.75%	99.75%

The Allocation Rate you'll receive is shown in your top-up illustration.

How do you work out the value of my investment?

For most of the funds we offer, the value of your investment is determined by the fund performance:

- if the underlying investment fund value grows we increase the price of your units,
- equally, if the underlying investment fund value falls, we decrease the price of your units or,
- the price of your units can change if more money is going into or out of the fund.

Calculating the growth on other funds:

The Distribution Income Funds, the unit price is reduced in line with the distribution amounts.

The PruFund Funds, we use a smoothing process which aims to give you a more stable rate of growth than you would get if you were directly exposed to the daily changes in the funds' performance. The value of your investment can go down as well as up.

Also for the PruFund range of funds, we may decide to reset the unit price of a PruFund fund to the unsmoothed price on a particular day, to protect the With-Profits Fund. There may also be occasions where we have to suspend the smoothing process for one or more PruFund funds for a period of consecutive days, to protect our With-Profits Fund.

For more information about how the PruFund Funds work, please read **"Your With-Profits Plan – a Guide to how we manage the Fund"** and refer to the **Policy Provisions**.

For the Prudential (Optimum Bonus) With-Profits Fund and the Prudential (Optimum Return) With-Profits Fund, the unit price will reflect the addition of Regular Bonus and cannot go down. But, the unit price does not show the effect of any Final Bonus or Market Value Reduction (MVR) that may apply.

For more information about how the With-Profits Funds work, please read **"Your With-Profits Plan – a Guide to how we manage the fund"** (Prudential unitised With-Profits Plans).

For more information, please speak to your Financial Adviser.

Can I switch money between funds?

You can switch your money between funds at any time. However, you can only invest in ten funds at a time.

We currently allow 12 free switches in a policy year. Any additional switches may be subject to a £25 charge. This may change in the future. If this changes we will let you know.

The minimum amount you can switch is £500. If you're not switching the full value of your investment from a particular fund, you must leave at least £500 in that fund.

You can switch from PruFund Protected Cautious Fund to PruFund Cautious Fund and from PruFund Protected Growth Fund to PruFund Growth fund at any time.

The switch will be processed on receipt of the request.

All other switches out of any of the PruFund Funds will be made 28 days after we receive the request and using the unit prices on the 28th day.

Only one switch can be made per quarter, where the quarter dates are 25 February, 25 May, 25 August and 25 November, or the next working day if the quarter date is a weekend or a public holiday.

This is in addition to any other switching restrictions outlined in the section "Where do you invest my money?".

For full details on switching rules and to request a switch, please read the "Fund Switching Form".

Once a request has been made it cannot be cancelled.

If you switch money out of the Prudential (Optimum Bonus) With-Profits Fund or the Prudential (Optimum Return) With-Profits Fund, we may apply a Market Value Reduction. For more information about Market Value Reductions, please read the section “What’s a Market Value Reduction?”.

For more information about switching money between funds, please read the **Policy Provisions** you received when you took out your plan. These are also available on request.

Can I withdraw money from my Flexible Investment Plan?

You can make partial and regular withdrawals from your plan at any time. The minimum amount of any withdrawal is £50. If you’re not withdrawing the full value of your investment from a particular fund, you must leave at least £500 in that fund.

Partial withdrawals

When you made your original investment, it was split into a number of segments. This means you can choose to request your partial withdrawal to be taken in equal proportions across all of these segments, or you can ask for one or more segments to be fully encashed.

The way you choose can affect the level of any tax you may need to pay. Discussing this with your Financial Adviser before making your decision would be advantageous.

You can make partial withdrawals at any time.

We may apply an Cash-In Charge for partial withdrawals. For more information, please read the section “What are the charges and costs?”.

If your partial withdrawal is from one of the PruFund Funds, we do reserve the right to pay your partial withdrawal 28 days after we receive the forms we require, using the unit price on the 28th day. This is in addition to any other restrictions outlined in “Where do you invest my money?”. Please read your **Policy Provisions** booklet for more information.

If you make a withdrawal from the Prudential (Optimum Bonus) With-Profits Fund or the Prudential (Optimum Return) With-Profits Fund, we may apply a Market Value Reduction. For more information, please read the section “What’s a Market Value Reduction?”.

Any withdrawals will reduce the value of your plan and may affect the level of regular withdrawals you can take.

Regular withdrawals

For regular withdrawals, you can take:

- a fixed amount,
- a percentage of your total investment (original plus any top-ups),
- a percentage of the full value of your plan.

We can pay these to you:

- monthly,
- every three months,
- every four months,
- every six months, or
- annually.

The maximum regular withdrawal you can take in any twelve-month period is the greater of:

- 7.5% of the full value of your plan, or
- 7.5% of the total amount you’ve invested in your plan.

For Prudential (Optimum Bonus) With-Profits Fund or the Prudential (Optimum Return) With-Profits Fund you can withdraw an amount equal to the Regular Bonus.

For Distribution Income Funds you can choose Natural Income or Natural Income capped at 5% – for the withdrawal options you can only choose one option to receive withdrawals monthly, every three months or every six months only.

If you choose the Natural Income capped at 5% option and the income exceeds the 5% limit, we will reinvest the additional income in your Distribution Income Funds, subject to a minimum of £20. Income amounts below £20 will remain in the Distribution Cash Fund until the next anniversary of your plan.

When can I cash in my Flexible Investment Plan?

You can cash in your plan whenever you like. However, please remember that it is designed to be a medium to long term, 5-10 years investment.

If you invest in the PruFund Funds we do reserve the right to pay out 28 days after we receive your request and the forms we require, using the unit price on the 28th day.

This is in addition to any other restrictions outlined in the section "Where do you invest my money?". The unit price will change between the date of your request and when the payment is made to you, so the actual value you receive may be higher or lower than the value at the time you asked to cash in your plan.

If you invest in the Prudential (Optimum Bonus) With-Profits Fund or the Prudential (Optimum Return) With-Profits Fund, we may apply a Market Value Reduction. For more information, please read the section "What's a Market Value Reduction?"

For more information about cashing in your plan, please read the **Policy Provisions** you received when you took out your plan. These are also available on request.

How much will I get when I cash in my Flexible Investment Plan?

The value of your plan when you cash it in will depend on:

- how much you've invested,
- how long you've invested for,
- any withdrawals you've made,
- the funds you've chosen,
- how those funds have performed or,
- any charges that we take from your investment.

You can find more information about how much you might get in your personal illustration.

We may apply an Cash-In Charge when you cash in your plan. For more information, please read the section "What are the charges and costs?"

With-Profits Funds

If you choose to invest in the Prudential (Optimum Bonus) With-Profits Fund or the Prudential (Optimum Return) With-Profits Fund, the value of your investment will depend on the bonuses we've added to your plan. We may apply a Market Value Reduction when you cash in your plan.

For more information about bonuses and Market Value Reductions, please read "**Your With-Profits Plan – a Guide to how we manage the fund**".

Annual Growth Reward

If you have not made any withdrawals or made a switch into a non eligible fund in the previous 12 months, we will pay an Annual Growth Reward on the anniversary of your investment. This will start on the 2nd anniversary of your investment and then each year thereafter.

For investments in With-Profits Funds and PruFund Funds, we will add 0.35% of the value of your investment in those funds each year. For all other investments, we will add 0.25% of the value of your investment in those funds each year.

Investments in Managed Distribution and High-Yield Managed Distribution Funds are not eligible for the Reward.

Loyalty Bonus

If you chose the Initial Charge Option when you started your plan, we may also give you a Loyalty Bonus. We do this if you haven't made any withdrawals, or moved money out of the eligible funds.

The bonus is 1% of the value of your plan. We add the bonus at the fifth year and the tenth year of your plan.

The funds that aren't eligible for the Loyalty Bonus are:

- With-Profits Funds,
- PruFund Funds,
- Managed Distribution Fund, and
- High-Yield Managed Distribution Fund.

For more information about the Initial Charge Option, please read the section "What are the charges and costs?"

What are the charges and costs?

We charge you for looking after your plan. This is to cover things like:

- administration and marketing or,
- investment management.

How the charges and costs affect your plan is shown in your illustration.

Initial charge

If you chose the Initial Charge Option when you started your plan, we will take a one-off charge of 5% from your additional payment.

Annual Management Charge for Unit Linked Funds

We take an Annual Management Charge from each of the funds you invest in.

The funds have different Annual Management Charges which are already taken into account when we work out the value of your plan. You can find information about how much we charge for each fund in our **Fund Guide: Flexible Investment Plan**.

Within the funds, additional expenses may be incurred in relation to trading and holding assets and on any underlying Unit Trust or OEIC holdings. For further information on the level of these charges for each fund, please refer to our **Short Fund Guide**.

Annual Management Charge for PruFund Funds

We take the Annual Management Charge for **PruFund Funds** by deducting a percentage of the units in them every month. You can find information about how much we charge for each fund in our **Fund Guide: Flexible Investment Plan**.

Annual charge for Prudential (Optimum Bonus) With-Profits Fund and the Prudential (Optimum Return) With-Profits Fund

The management charge for the With-Profits Funds depends on the performance of the With-Profits Fund, in particular the investment return and our expenses. If, for example, over time investment returns are higher, then we would expect to increase the charges and if returns

are lower, we would expect to reduce the charges. We currently expect this charge to be approximately 1.35% a year for the Initial Charge Option and 1.65% for the No Initial Charge Option, based on the assumption that future investment returns from the With-Profits Fund will be 4.5% a year after tax is deducted. This charge is already taken into account when we calculate the bonus rates for the With-Profits Funds.

Further costs incurred by the funds

In addition to our charges, there may be further costs incurred, which can vary over time. Where these are applicable, they are paid for by the relevant fund and will impact on its overall performance.

For more information on these further costs, please look at the current **Fund Guide** for this product.

Cash-In Charge

This is a charge we take from your plan if you make a withdrawal or cash in your plan within the first five years. It may apply on death in certain circumstances, please read "What happens to my plan if the person covered dies?". This charge does not apply to regular withdrawals.

How much we charge you depends on whether you have chosen the Initial Charge or No Initial Charge Option, and when you withdraw. This charge also applies to each of your top ups separately. This means that the charge period for each top-up starts from the date you invest it – not the date when your plan started.

When you made your original investment, it was split into a number of segments. Any top-ups will be split equally across these same segments. When you take money from your plan, it will also be taken proportionately across all segments, meaning that you could be charged a cash-in charge for the part of the withdrawal that comes from your top up, if you topped up within the previous five years. However, if your plan started before 25 April 2005, the charges apply from the date when your plan started.

Cash-In Charge		
Year	No Initial Charge Option	Initial Charge Option
1	9%	6%
2	7%	4%
3	5%	3%
4	3%	2%
5	1%	1%
6+	nil	nil

If you chose the 3-year Cash-In Option when you started your plan this will also apply to your additional investments.

These percentages apply to the amount you withdraw or the full value of your investment if you cash in your plan.

You can cash in your plan without having to pay an Cash-In Charge when a person covered by the life cover has to stay in a nursing home or hospital for 90 consecutive days or more. You need to have taken out your plan at least 90 days before this stay begins. If your plan covers two people, this benefit can be taken for either person.

Charges for guarantees – Prudential (Optimum Bonus) With-Profits Fund and the Prudential (Optimum Return) With-Profits Fund

There is a charge to pay for all the guarantees the With-Profits Fund supports. We guarantee not to apply a Market Value Reduction (MVR) when payments are made because of death and certain regular withdrawals. Our current MVR practice, which is not guaranteed, may include additional circumstances when an MVR is not applied. Please see “What’s a Market Value Reduction?” for more details.

The total deduction for guarantee charges over the lifetime of your plan is not currently more than 2% of any payment made from the fund. Our charges may vary in the future and may be higher than they are now. Charges may vary if, for example, the long term mix or type of assets held within the With-Profits Fund is changed.

You won’t see this charge on your annual statement because we take it by making a small adjustment to regular and final bonuses.

Guaranteed Minimum Death Benefit – Return of Premium Option Charge

If you selected this option when you took out your plan this will also apply to your additional investments. We will only take this charge when the guaranteed minimum death benefit is more than the basic death benefit. We will monitor the two amounts every month and apply the charge if necessary.

Our charges may vary in the future and may be higher than they are now. Further details can be found in the **Policy Provisions**.

What’s a Market Value Reduction?

If you take money out of the Prudential (Optimum Bonus) With-Profits Fund or the Prudential (Optimum Return) With-Profits Fund, we may adjust the value of your fund if the value of the underlying assets is less than the value of your plan including all bonuses. This adjustment is known as a Market Value Reduction (MVR). It is designed to protect investors who are not taking their money out and its application means that you get a return based on the earnings of the With-Profits Fund over the period your premiums have been invested.

We apply the MVR to your plan’s value including regular and final bonuses. Please read “**Your With-Profits Plan – a Guide to how we manage the fund**” for more information on bonuses. An MVR will reduce the amount payable on full or partial withdrawals and if investment returns have been very poor, you may get back less than you have invested in your plan.

We guarantee not to apply an MVR on any payments made due to death and certain regular withdrawals.

Our current practice on applying an MVR

We may apply a Market Value Reduction to full or partial withdrawals, including switches, on all investments that have been running for less than five years.

For investments in the same With-Profits Fund that have been running for longer periods, we would consider applying an MVR when a withdrawal results in the total amount paid out, including any other payments in the previous 12 months, exceeding £25,000. We would only apply an MVR to the withdrawal amount in excess of £25,000 in these circumstances.

We would also consider applying an MVR on regular withdrawals that are more than 5% each year of the current value of your With-Profits Fund investment, at the time the withdrawals instruction is set up, or when the withdrawal arrangement is altered.

We reserve the right to change our current practice on Market Value Reductions at any time, without prior notice, and this would apply to existing plans and any new plans or top-ups.

If we were to reduce the regular withdrawal limit, the new limit would apply only to regular withdrawals starting after the date the change was made, or to existing withdrawals when the amount or frequency is changed.

Examples of reasons for a change would include significant changes in the investment market or because the number of people moving out of the fund increases substantially.

Will I have to pay tax on my Flexible Investment Plan?

This section gives a general summary based on our understanding of current taxation, legislation and HM Revenue and Customs Practice. All of these may change without notice. The impact of taxation and any tax relief depends on individual circumstances.

Your plan was set up as 20 identical policies. You can cash in or transfer the ownership of each policy separately. This can help you withdraw money from your plan in a tax-efficient way.

Corporation tax

We'll pay tax on the funds you invest in. This tax is not reclaimable.

Capital gains tax

We'll pay tax on the capital gains in our funds.

Income tax

You can currently withdraw up to 5% each year of your investment for up to 20 years without any immediate tax liability. This allowance rolls over to the following year if it's not used.

There may be income tax to pay when:

- your plan ends on death,
- you cash in all or part of your plan,
- you withdraw more than the 5% a year tax deferred allowance from your plan or,
- you transfer the ownership of the plan.

Gains from your plan may mean that you lose some or all of your entitlement to personal allowances and certain tax credits.

For more details about tax and how it affects you, please speak to your Financial Adviser. Further information is also available in our **"A guide to tax on your UK investment bond"** leaflet, which you can request by calling **0345 640 1000** or visiting **pru.co.uk/tax**.

Inheritance tax

Inheritance tax may be payable if you still have the plan when you die.

Special tax considerations are given to plans written under trust. Please ask your Financial Adviser for more information.

What happens to my Flexible Investment Plan if the person covered dies?

We'll pay out:

- 101% of the plan value – if the person covered was 74 or under when you took out the plan or,
- 100.1% of the plan value less any Cash-In Charge – if the person covered was 75 or over when you took out the plan.

If you chose to cover two people and for the life cover to pay out when the first of the two people covered dies, the plan value paid out applies to the older person covered.

If you chose to cover two people and for the life cover to pay out when the second of the people covered dies, the plan value paid out applies to the younger person covered.

Your plan ends when the death benefit is paid.

Guaranteed Minimum Death Benefit

If you selected this option when you took out your plan this will also apply to your additional investment.

This option guarantees that the minimum amount we'll pay out as life cover is the same as the total amount you've invested, minus any withdrawals. However, the person or people covered must be 74 or under when you took out your plan. The Guaranteed Minimum Death Benefit can be cancelled at any time, although once cancelled it cannot be restarted.

For more information, please read the section "What are the charges and costs?".

Does the life cover pay out for terminal illness?

You can make a claim for an amount equivalent to the life cover to be paid to you if a person covered is diagnosed with a terminal illness and they're expected to die within 12 months.

If there is more than one person covered and the plan was set up to end on the first death, a claim can be made if either person covered is diagnosed with a terminal illness.

If there is more than one person covered and the plan was set up to end on the death of the survivor, a claim can be made in respect of either (a) the survivor only, or (b) where both persons covered have a terminal illness.

How will I know how my Flexible Investment Plan is doing?

We will send you a statement every year. You can also call us on **0345 640 1000** for an up-to-date valuation of your plan.

What if I want to cancel my additional investment to my Flexible Investment Plan?

You have 30 days from the date you first receive your top-up plan documents to cancel it. We will send you a Cancellation Notice for each of your additional premiums.

To cancel your additional investment, please complete and return the Cancellation Notice, or write to us at:

Prudential
Investment Plans New Business
Lancing
BN15 8GB

Please include your plan reference number.

If more than one person owns the plan, we will accept cancellation by any of the owners, within the 30 day limit, whether they're acting alone or jointly.

If you cancel your additional investment within 30 days, and you have money invested in our With-Profits or PruFund Funds, we'll give you all of that money back. If you have invested in any of our other funds, you won't get all of your money back if the value of the additional investment you have made in those funds has gone down.

If you cancel after the 30-day cancellation period has ended, you may not get all of the additional investment you have made. The amount you get back may be reduced if the value of your additional investment has dropped.

Other information

Client category

We classify you as a 'retail client' under Financial Conduct Authority (FCA) rules. This means you'll receive the highest level of protection for complaints and compensation and receive information in a straightforward way.

Compensation

The products Prudential Assurance Company Limited (PACL) offer are covered by the Financial Services Compensation Scheme (FSCS). If we get into financial difficulties, you may be able to make a claim. The FSCS is an independent body set up by Government to provide compensation for people where their authorised financial services provider gets into financial difficulties and becomes unable, or unlikely to be able, to pay claims against it. This circumstance is referred to as being 'in default'.

Losses, which may result from poor investment performance, are not covered by the FSCS.

Where does FSCS protection apply?

There is full FSCS coverage if PACL is 'in default'.

- Your bond is protected up to 100% of the value of your claim.
- Any funds you choose to hold in your bond will be included in the value of your claim in the event that PACL is declared 'in default'.
- If you hold the Prudential With-Profits funds or PruFund funds in your bond, they are protected 100% in the event of the default of PACL.

All the other funds we offer, apart from those mentioned above, are unit-linked, and invest in other funds managed by non-PACL fund managers. FSCS cover does not apply if the non-PACL fund manager were to be 'in default'.

- There is no FSCS cover for unit-linked funds investing with non-PACL fund managers if that manager were to be 'in default'.
- See 'How unit-linked invest' for further information on these types of fund (often called 'mirror' funds).

You can find out more information on the FSCS at pru.co.uk/fscs, or you can call us.

Information is also available from the Financial Services Compensation Scheme.

Visit their website: fscs.org.uk

Or write to:

The Financial Services Compensation Scheme
PO Box 300
Mitcheldean
GL17 1DY

Or call the FSCS: **Telephone: 0800 678 1100**

Where FSCS coverage does not apply, then other factors can come in

As explained in the 'Where does FSCS protection apply?' section, the FSCS doesn't cover every situation. For example unit-linked funds that invest in the funds of non-PACL fund managers (often called 'mirror' funds).

But, where FSCS protection does not apply, there are other factors that could help if the worst happened and a provider was 'in default'. For example, the use of custodians or depositories to provide protection for fund assets, where there is separate legal ownership of assets and legal entities that aren't liable for any losses of a fund manager. In so doing, the intention is that the underlying fund will not be liable for any losses the underlying fund management company incurs.

PACL would aim to recover any money invested in an underlying fund where the fund manager has been declared 'in default', but PACL would not be liable for any loss incurred from the default of the non-PACL fund manager.

Financial Strength

Prudential meets regulatory standards for meeting its financial obligations. You can read our solvency and financial conditions reports at pru.co.uk/about_us, or if you contact us we can post some information to you.

Conflict of Interest

We want to make sure that we uphold our reputation for conducting business with integrity. If we become aware that our interests may conflict with yours, we will take all reasonable steps to manage it in an appropriate manner.

We have drawn up a policy to deal with any conflicts of interest. If you would like to know the full details of our Conflict of Interest Policy, please contact our Customer Service Team on the contact details on the back page.

Law

The Law of England and Wales applies to your Flexible Investment Plan.

You can find full details of your contract with us in the **Policy Provisions**.

For plans in joint ownership, on the death of one owner, their half-share in the plan will immediately and automatically pass to the surviving owner – unless the plan is written under trust or there has been a change in ownership since the plan was issued e.g. by assignment or trust arrangement.

Our regulators

We are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. The Prudential Assurance Company Limited is entered on the Financial Conduct Authority (FCA) Register, FCA Reference Number 139793. The FCA Register is a public record of all the organisations that the FCA regulates.

You can contact the FCA at:

The Financial Conduct Authority
12 Endeavour Square
London
E20 1JN

Email: consumer.queries@fca.org.uk

Prudential Regulation Authority details:

The Prudential Regulation Authority
Bank of England
Threadneedle St
London
EC2R 8AH

Email: enquiries@bankofengland.co.uk

Communicating with you

Our plan documents and terms and conditions are in English and all our other communications with you will be in English.

How to make a complaint

If you have a complaint, please get in touch with us and we will do everything we can to resolve it. You can also ask us for details of our complaints handling process. Our contact details are in the 'Get in touch' section at the back of this document.

If you're not satisfied with our response, you can take your complaint to the Financial Ombudsman Service who help settle individual disputes between consumers and businesses providing financial services:

Financial Ombudsman Service
Exchange Tower
London
E14 9SR

Telephone: **0800 023 4567** or **0300 123 9123**

Or visit the website: financial-ombudsman.org.uk

Help is also available from The Pensions Ombudsman who deals with complaints and disputes about the administration and management of occupational and personal pension schemes.

The Pensions Ombudsman
10 South Colonnade
Canary Wharf
London
E14 4PU

Telephone: 0800 917 4487

Email: enquiries@pensions-ombudsman.org.uk

Website: pensions-ombudsman.org.uk

You can also submit a complaint form online:
pensions-ombudsman.org.uk/making-complaint

These services are free and using them won't affect your legal rights.

Terms and Conditions

The details of the legally binding contract between you and Prudential are contained in the **Policy Provisions** sent you when you took out your plan. These are also available on request.

Get in touch

If you want to contact us before you invest, you can contact us in the following ways:



Post: **Prudential Lancing BN15 8GB UK**



Telephone: **0345 640 1000** Monday to Friday 8am to 6pm (we are not open on public holidays). We may record or monitor calls to improve our service. An answer phone is in operation outside office hours.



If you're a Deaf customer, who is also a British Sign Language (BSL) user, you can contact us using a Video Relay service. The service, provided by SignVideo, connects customers to fully qualified, registered NRCPD interpreters who will relay your conversation with a member of our customer service team.

pru.co.uk/contact-us/signvideo

There is no cost for using this service to call Prudential and we're available to help you Monday to Friday, 8am to 6pm.

Keep in touch

It's important that we keep in touch so, if you change your address or any of your contact details, please let us know.

pru.co.uk

"Prudential" is a trading name of The Prudential Assurance Company Limited which is registered in England and Wales. Registered Office at 10 Fenchurch Avenue, London EC3M 5AG. Registered number 15454. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.