

Contract Conditions

Prudential Onshore Portfolio Bond – PIAUKBRANCH/POPB/01/0721

› Contents

	Page
Part 1 Introduction	3
Part 2 Operating Your Bond	8
Part 3 Benefits from Your Bond	12
Part 4 Charges, Limits and other deductions You ask Us to make	15
Part 5 General Conditions	17

› Part 1: Introduction

1.1 Definitions

The words set out below and capitalised throughout this document, have the following meanings.

Where appropriate, words in the singular include the plural and words in the masculine gender includes the feminine or neuter gender and vice versa.

"Acceptable Instruction" means a clear and unambiguous instruction, given to Us from You or an Authorised Person (or where relevant) Your Personal Representative in writing, or in any other format We may allow from time to time.

"Ad hoc Adviser Charge" means a one-off Adviser Charge that You instruct Us to deduct from Your Bond and pay to Your Financial Adviser on Your behalf. See Part 4, Condition 4.4.

"Additional Investment" means the amount of any Additional Payment after any Set-up Adviser Charge is deducted. We will show the amount of an Additional Investment on the relevant Endorsement.

"Additional Payment" means any Payment other than the Initial Payment.

"Administration and Operation Charge" means a charge for administering and operating Your Bond, as described at Part 4, Condition 4.2.3.

"Administration Centre" means Our administration office at Prudential, Stirling, FK9 4UE.

"Adviser Charge" means any deduction We make from Your Bond on Your behalf and as instructed by You, to pay Your Financial Adviser for advice or related services that they provide to You.

"Agreement" means the agreement between You and Us that governs the Bond, as set out in these Contract Conditions and any other Policy Documents, as further described in Condition 1.4.

"Annual Management Charge" is the ongoing charge applied by an investment management organisation in respect of managing an Asset.

"Applicable Law or Regulation" means any laws, regulations, guidance, voluntary codes or statements that apply from time to time in relation to the activities performed by Us.

"Asset" means those investments (including cash) to which Your Bond may be linked, as specified by Us from time to time and shown on the Platform. These Assets are owned by Us and are held by Our custodian on Our behalf.

"Asset Charges" means the **"Yearly Total"** and the **"Initial Charge"** taken by the investment management organisation of each Asset sold in the form of units or shares. See Part 4, Conditions 4.1.1 and 4.1.2.

"Asset Account" means the total portfolio of all Assets to which Your Bond is linked. The Asset Account is allocated equally to all the Policies in the Bond.

"Asset Account Value" means the total of the Values of the Assets to which Your Bond is linked before taking into account any outstanding Bond Charges, Negative Balance and Adviser Charges.

"Authorised Person" means any person with whom You have authorised Us to deal on Your behalf in relation to the Bond. This includes, but is not limited to, Your Financial Adviser.

"Benefit" means the monies due to You from the Bond arising from either a claim for payment of the Death Benefit or Cash In Benefits.

"Bond" means Your Prudential Onshore Portfolio Bond.

"Bond Charges" means the Ongoing Product Charge, the Administration and Operation Charge, any Discretionary Fund Manager Charge, Our Expenses and any other charges in relation to the Bond, but excluding any Asset Charges and Adviser Charges.

"Cash Account" means an account which is used to hold Assets in the form of cash and which is part of the **"Asset Account"**. We deduct any and all charges and Withdrawals with the exception of the **"Asset Charges"** from Your Cash Account. We also pay any and all Benefits from the Cash Account. See Part 2, Condition 2.6.

"Cash In Benefits" means Benefit payments made available from the Policies by:

- (a) Partially Cashing In; or
- (b) Fully Cashing In.

"Cash In Value" means:

- a) in relation to the Bond, the Asset Account Value, adjusted for any Bond Charges, Negative Balance and Adviser Charges accrued but not yet deducted from the Cash Account as We describe in Part 2, Condition 2.6.2; or
- b) in relation to an individual Policy, the Value of the Assets allocated to that Policy, adjusted for any Bond Charges, Negative Balance and Adviser Charges accrued in relation to that Policy but not yet deducted from the Cash Account as We describe in Part 2, Condition 2.6.2.

"Central Bank of Ireland" means the Central Bank of Ireland and any successor or replacement organisations responsible for financial regulation in Ireland.

"Commencement Date" means the commencement date shown in the Contract Schedule.

"Company" and **"We"**, **"Our"** and **"Us"** means Prudential International Assurance plc, UK Branch, which markets under the name "Prudential International, UK Branch," in the UK. Prudential International, UK Branch, is authorised by the Central Bank of Ireland and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority.

"Contract Conditions" means this document.

"Contract Schedule" means the document We describe in Condition 1.4.

"Death Benefit" means the Benefit which is payable under this Bond when the relevant Life Assured dies.

"Discretionary Fund Manager" or **"DFM"** means an entity, regulated by the Financial Conduct Authority to provide discretionary investment management, which We appoint (on Your selection) to manage the Assets on a discretionary basis. For further information refer to the Platform Terms.

"Effective Date of Cover" means the date that the insurance cover under which the Death Benefit is payable comes into force. We show the Effective Date of Cover in Your Contract Schedule or Endorsement, as appropriate.

"Effective Date of Change" means the date that a change is made to the Bond as shown in a Related Document that We send You.

"Endorsement" or **"Special Provisions"** means a document issued by Us after the Bond has started, as described in Condition 1.4.

"Expenses" means any and all expenses, such as dealing costs associated with the purchase and sale of Assets, taxes We pay or expect to pay, duties, levies or charges incurred by Us in connection with the Assets, including (but not limited to) any tax in respect of investment income and/or capital gains arising in relation to the Assets.

"Financial Adviser" means an individual Financial Adviser or Financial Adviser firm who, according to Our records, is acting as Your agent to provide You with financial advice and such other services in relation to Your Bond as agreed between You and Your Financial Adviser. The Financial Adviser must have an agreement or terms of business with M&G plc and must, at all times, be appropriately authorised.

"Financial Conduct Authority" or **"FCA"** means the Financial Conduct Authority and any successor or replacement organisation responsible for the time being for the conduct regulation of the financial services and/or insurance industry in the United Kingdom.

"Financial Services Compensation Scheme" or **"FSCS"** means the United Kingdom financial services compensation scheme administered in accordance with the Financial Services and Markets Act 2000 and any successor or replacement scheme or organisation responsible for the time being for the compensation of customers of FCA regulated financial services firms operating in the United Kingdom.

"First Death Bond" has the meaning given in Part 3, Condition 3.5.1.

"Fully Cashing In", **"Fully Cash In"** and **"Full Cash In"** means the full cashing in of one or more Policies or all the Policies. See Part 3, Conditions 3.2(b) and 3.4.

"Index" means the general index of retail prices (for all items) published by the UK Government Executive Agency known as the Office for National Statistics, or if this Index is no longer published or if, in Our reasonable opinion, it becomes no longer suitable, such other appropriate index which measures inflation as We shall specify and notify to You.

"Initial Charge" means the initial charge applied by the investment management company on investment in an Asset as further described in Part 4, Condition 4.1.2.

"Initial Payment" means the first Payment.

"Initial Investment" means the amount of Your Initial Payment minus any Set-up Adviser Charge.

"Investment" means the Initial Investment or an Additional Investment, as appropriate.

"Investment Date" means the date the Initial Investment or any Additional Investment, as appropriate, was credited to the Policies.

"Key Features Document" means a document describing the key features of the Bond. You will receive a Key Features Document before You make Your Initial Payment.

"Last Death Bond" has the meaning given in Part 3, Condition 3.5.1.

"Life Assured" means an individual on whose death the Death Benefit may become payable if the Bond has not been Fully Cashed In before then. **"Lives Assured"** means all such persons.

"Limits" means the limits and any restrictions in relation to Withdrawals and the Minimum Value applying from time to time as set out in the Statement of Charges.

"Managed Portfolio" is the name given to a selection of Our Assets which You choose to have managed by a Discretionary Fund Manager – see Part 2, Condition 2.10.

"Minimum Value" means the figure shown as the "Minimum Value", as amended from time to time in the Statement of Charges – see Part 2, Condition 2.12.

"M&G plc" means any company and any subsidiary of them or their holding company which has M&G plc as its ultimate holding company, as such terms are defined in the UK Companies Act 2006, as amended.

"Negative Balance" is the amount by which any outstanding deductions due from Your Bond exceeds the amount in the Cash Account, as set out in Part 2, Condition 2.6.2.

"One-off Withdrawal" means a single Withdrawal as described in Part 3, Condition 3.2.

"Ongoing Adviser Charges" means Adviser Charge deductions We make from Your Bond at regular intervals on Your behalf and as instructed by You, to pay Your Financial Adviser for advice or related services that they provide to You on an ongoing basis. See Part 4, Condition 4.4.

"Ongoing Product Charge" means the regular charge We apply whilst Your Bond remains in force, as shown in Your Contract Schedule or Related Documents. See Part 4, Condition 4.2.4.

"Partially Cashing In" and **"Partially Cash In"** means cashing in an equal portion of each Policy as further described in Part 3, Condition 3.2(a).

"Payment" means a payment You make into the Bond.

"Permitted Investments" means Assets falling within provisions regarding Personal Portfolio Bonds within Part 4, Chapter 9 of the UK Income Tax (Trading and Other Income) Act 2005, as amended or replaced from time to time, so that the Bond is not a Personal Portfolio Bond for tax purposes. In addition such Assets must also be permitted under Irish tax and Irish Regulatory Requirements.

"Personal Illustration" means the illustration of potential projected Cash In Values payable from Your Policies provided to You by Your Financial Adviser.

"Personal Representatives" means the person (or persons) who have legal authority to deal with, administer and dispose of the property, rights and obligations of a deceased individual.

"Platform" means the online service You use to construct, view and manage the Asset Account in relation to the Bond in addition to any separate investment holdings You may have that are not part of the Bond.

"Platform Provider" means the provider of the Platform at the time You apply for the Bond.

"Platform Terms" means the agreement You have with the Platform Provider in relation to its provision to You of the Platform.

"Policy" or **"Policies"** means the policy or policies that make up Your Prudential Onshore Portfolio Bond.

"Policy Documents" means the documents described in Condition 1.4.

"Policyholder" means the applicant for, or the legal owner(s) of, the Bond, as appropriate.

"Process" or **"Processing"** means to put through the steps of a prescribed procedure.

"Prudential Regulation Authority" or **"PRA"** means the Prudential Regulation Authority and any successor or replacement organisation responsible for the time being for the prudential regulation of the insurance industry in the United Kingdom.

"Regular Withdrawals" means a series of Withdrawals made at regular intervals as described in Part 3, Condition 3.1.

"Related Document" means any document shown in the section headed "Related Documents" in the Contract Schedule and any Endorsement or Special Provisions or other document We issue regarding the Bond.

"Relevant Life" means:

- (a) in the case of a single Life Assured, that Life Assured;
- (b) in the case of a First Death Bond, the First Life Assured to die; or
- (c) in the case of a Last Death Bond, the last Life Assured to die.

"Set-up Adviser Charge" means any deduction We make from Your Payment(s) on Your behalf and as instructed by You, to pay Your Financial Adviser for advice or related services that they provide to You.

"Statement of Charges" means the document We describe in Condition 1.4.

"Trade" means any transaction carried out to link or to cease linking Assets to Your Bond.

"Value" means the monetary amount of any Asset at any given time before We deduct any Bond Charges or Negative Balance.

"Valuation Point", in relation to an Asset means the point at which the Value of that Asset is determined as set out in Condition 2.5.

"Withdrawals" means Benefit payments made available from the Bond by:

- (a) **"Partially Cashing In"** all the Policies; or
- (b) **"Fully Cashing In"** one or more of the Policies.

"Working Day" means any normal business day that the Company would be ordinarily open for business in the UK.

"Yearly Total" means the sum each year of:

- (i) the Annual Management Charge; and
- (ii) any further costs which may arise in respect of managing an Asset. See Condition 4.1.1.

"You" and **"Your"** also mean the Policyholder.

"Your Payment" means Your Additional Payment or Initial Payment, as appropriate.

1.2 General description

This Bond is issued by Prudential International Assurance plc, acting through its UK branch. Prudential International Assurance plc is authorised by the Central Bank of Ireland and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority. Details about the extent of Our regulation by the Financial Conduct Authority and Prudential Regulation Authority are available from Us on request.

The Bond is a non-qualifying whole of life assurance arrangement set up with an initial single Investment. It is designed to provide lifetime benefits as well as a Death Benefit if the relevant Life Assured dies if the Bond has not been Fully Cashed In.

Unless You request otherwise, We issue a Prudential Onshore Portfolio Bond as a group of identical linked whole of life Policies. The number of Policies in this group will be as requested or as determined by the amount invested into the Bond.

These Contract Conditions are worded on the basis that the Bond will consist of a group of Policies. However, if You have asked Us to issue the Bond as just one Policy, You should read the word "Policies" as if it said "Policy".

1.3 The Contract Conditions

These "Contract Conditions" together with any other Policy Documents, set out the agreement (the "Agreement") between You and Us that governs Your Prudential Onshore Portfolio Bond and the Policies that make up the Bond.

In order to be eligible for this Bond, You will need to be a client of a Platform through which We make the Bond available.

The Platform and Your relationship with the Platform Provider are subject to separate Platform Terms, which include the costs associated with the Platform and do not form part of this Agreement.

For details of how the Bond operates via the Platform and how We will deal with the Platform Provider, please refer to Part 2, Condition 2.3 and Your Platform Terms.

1.4 Policy Documents

At the start of Your Bond, We will issue the following **"Policy Documents"** to confirm the Agreement, based on the information given to Us by You (or an Authorised Person on Your behalf) when applying for the Bond:

- (a) the **"Contract Conditions"** (this document);
- (b) a **"Contract Schedule"** which sets out the details of each Policy in the Bond; and
- (c) a **"Statement of Charges"** which sets out details of the charges, costs and the Limits in force at the Commencement Date of the Bond (see Conditions 2.11, 2.12, 3.3, 4.1, 4.2 and 4.3); and
- (d) **"Related Documents"**, which include:
 - any document(s) identified in the "Related Documents" section in the Contract Schedule;
 - any document(s) described as a "Related Document" in a subsequent confirmation letter, which will set out any non-standard Conditions, arrangements or supplementary information in relation to the Bond;
 - any **"Endorsement"** or **"Special Provisions"** document(s) We issue, which will provide details of any significant changes to the Bond after it has started.

We issue the Bond and provide cover in accordance with the Agreement on the basis of information provided by You. You must take reasonable care to ensure that the information You give Us is accurate. If You do not, this may limit Your entitlement to Benefits, or may entitle Us to make certain changes to, or terminate, Your Bond.

Although Your Financial Adviser should have explained this Agreement to You before the Commencement Date or an Additional Investment, as appropriate, if You are not comfortable with any terms and conditions of this Agreement You can exercise Your right to cancel Your Bond or an Additional Investment into Your Bond, as appropriate, within 30 days from the date You receive Your right to cancel notice (see Condition 1.5 for further details).

1.5 Cancellation

If You change Your mind You can cancel Your Bond within 30 days of receiving Your right to cancel notice.

You can also cancel an Additional Investment within 30 days of receiving Your right to cancel notice in relation to that Additional Investment.

To cancel, You must give notice to Us in writing at Our Administration Centre or by such other means as detailed in the Key Features Document from time to time.

On cancellation, We will repay to You the amount of the relevant Investment(s), reduced for:

- (a) downward market movements in the Asset Account Value;
- (b) any Withdrawals We have paid to You; and
- (c) any Adviser Charges We have deducted;

since that Investment was credited to the Bond.

We cannot repay You any Set-up Adviser Charge or Adviser Charge deducted from Your Bond as these will have already been paid on Your behalf to Your Financial Adviser. This means that You will need to claim these from Your Financial Adviser if You are entitled to do so.

1.6 Termination

If You tell Us You wish to terminate Your Bond after the 30 day period referred to at 1.5 above, the cancellation will be treated as a request to Fully Cash In the Bond (see Part 3, Condition 3.4 for further details).

We reserve the right to terminate the Bond if:

- the Asset Account Value, adjusted for any Negative Balance, is lower than Our Minimum Value (see Part 2, Condition 2.12);
- We are no longer able to continue providing the Bond due to a change in Applicable Law or Regulation.

If We terminate the Bond, We will pay You the Cash In Value that You would have received had You Fully Cashed In the Bond (see Part 3, Condition 3.4 for further details).

› Part 2: Operating Your Bond

2.1 The Initial Investment

We will allocate the Initial Investment between the Policies equally (allowing for any necessary rounding).

The Contract Schedule shows the amount of the Initial Investment allocated to each of the Policies and the relevant Investment Date(s).

2.2 Additional Investments

You may, so long as We agree, make an Additional Investment into Your Bond.

We may refuse an Additional Investment where it is reasonable for Us to do so, for example, if the costs We incur in maintaining this type of Bond have increased beyond Our expectations.

We will divide any Additional Investment between the Policies then in force equally (allowing for any necessary rounding).

We will issue an Endorsement in relation to any Additional Investment showing how much of the Additional Investment has been allocated to each Policy and the relevant Investment Date(s).

2.3 Interaction with Your Platform

This Bond is operated via Your chosen Platform. This means that except for instructions relating to:

- a) the payment of Benefits;
- b) changes of Bond ownership; and
- c) changes to Your personal details;

You or an Authorised Person must give instructions (in particular instructions relating to Trades) directly to the Platform. Instructions relating to Set-up Adviser Charges must be made to Us directly to

Our Administration Centre unless Your chosen Platform permits You to submit instructions relating to Set-up Adviser Charges via the Platform.

The Platform will process Your instructions on Our behalf and in accordance with Your Platform Terms and any relevant policies that the Platform has in place at the time. The Platform will provide relevant documents and information to You in relation to these instructions.

To make the instructions noted at (a) to (c) above, Acceptable Instructions must be made, or information provided, to Us at Our Administration Centre unless We tell You otherwise.

Where applicable, We will act on Acceptable Instructions from Your Financial Adviser until We are notified that You have ended their authority to act on Your behalf. If there is any discrepancy between instructions given by You and Your Financial Adviser, We will contact You to clarify the action to be taken.

Where You no longer have an agreement with Your Platform Provider We may request that You Fully Cash In Your Bond. Where You do not comply with this request within a reasonable time We reserve the right to cancel Your Bond and pay You the Cash In Value. See Condition 3.4.

If it is no longer possible or We have reason to believe that it will no longer be possible for Us to use the Platform to administer Your Bond, for example where the Platform ceases to trade or We become aware that the Platform is about to cease trading, We will endeavour to find a suitable alternative service to administer Your Bond (which may require that You enter into an agreement with a replacement platform provider).

If no suitable alternative is available within a reasonable time We may request that You Fully Cash In Your Bond. Where You do not comply with this request within a reasonable time We reserve the right to cancel Your Bond and pay You the Cash In Value. See Condition 3.4.

2.4 Your Asset Account

Your Bond is valued by reference to Your Asset Account. This Asset Account is not an actual portfolio of assets or cash, but a concept used to describe the total Assets used to give Your Bond its Value.

The Asset Account Value is the total Value of all the Assets from time to time. The Cash-In Value of Your Bond is equal to the Asset Account Value minus any Negative Balance, and any Bond Charges and Adviser Charges which have accrued but have not yet been deducted or included within the Negative Balance.

Subject to Condition 2.13, You may link Your Bond to any available Asset or to cash or both.

We will maintain a list of the available Assets from time to time which can be viewed on the Platform.

2.5 Assets linked to the Bond and the Asset Account

2.5.1

With the exception of the circumstances described in condition 2.5.2 the Value of an Asset will reflect the market price of the Asset at the most recent Valuation Point.

2.5.2

Where an Asset is held in the form of units or shares and the price of the relevant Asset is quoted by the investment management company that manages the relevant investment fund the Value of the Asset will reflect that price at the most recent Valuation Point. (Where the price of the Asset quoted by the investment management company has purchase and sale prices, the sale price will be used to Value the relevant Asset.)

2.6 The Cash Account

2.6.1 The Cash Account

You can decide to allocate as much or as little of Your Asset Account to the Cash Account as You choose.

Where You make an Investment into the Bond, this will be allocated to the Cash Account until We are told to purchase Assets.

Where We pay a Benefit, We may need to instruct the Platform to sell Assets and credit the proceeds into the Cash Account pending payment to You. See Part 3, Conditions 3.2, 3.4 and 3.5.

2.6.2 Deductions from the Cash Account

We will deduct the following from Your Cash Account:

- any Regular Withdrawals (see Part 3, Condition 3.1); and
- any One-off Withdrawals (see Part 3, Condition 3.2); and
- any Bond Charges (see Part 4, Condition 4.2); and
- any Adviser Charges (see Part 4, Condition 4.4).

If the Cash Account Value is less than the total of the above listed deductions from Your Bond, the Cash Account will have a "Negative Balance" equal to the amount by which the deductions exceed the Cash Account Value.

If Your Cash Account Value falls into a Negative Balance, We will instruct the Platform to sell Assets and credit the proceeds to the Cash Account.

We will sell from the Asset with the highest Value that can be sold without notice and penalty. Where no Asset can be sold without notice or penalty We will sell from the Asset that gives rise to the lowest penalty and is of sufficient Value taking into account such a penalty.

The value of the Assets that We will sell is equal to:

- any Negative Balance; and
- up to 2% of the Asset Account Value less the Negative Balance; and
- if applicable the amount of the next three months' expected Regular Withdrawals You have instructed Us to make, (see Part 3, Condition 3.1).

2.6.3 Income from Assets

All investment income accruing from the Assets will be added to the Cash Account in accordance with Your Platform Terms.

2.7 Trades

We have authorised Your Platform to accept Your instructions (and those of Your Authorised Persons) regarding Trades. Where You, an Authorised Person or We instruct the Platform to carry out Trades in relation to the Bond these Trades will be carried out in line with the Platform Terms and will be subject to any relevant policies which the Platform has in place at the time.

When We are instructed to pay Benefits from the Bond We will instruct the Platform, if necessary, to sell the relevant Assets once We have received the Acceptable Instruction and all necessary supporting documentation.

The price or Value at which Assets are cancelled or allocated to Your Bond will be as shown in the confirmation that the Platform will send You on Our behalf.

2.8 Currencies under the Bond

2.8.1 Investment Currency

Each Investment into the Bond will be denominated in UK Sterling or such other currency that We may allow at the time.

2.8.2 Cash In Benefit Currency

We pay the Cash In Benefit from the Bond in UK Sterling or such other currency as We may allow at that time.

2.8.3 Death Benefit Currency

We pay the Death Benefit from the Bond in UK Sterling or such other currency as We may allow at that time.

2.8.4 Bond Asset Valuation Currency

We value the Assets in UK Sterling or such other currency as We may allow at that time.

We show the Bond Asset Valuation Currency, the Cash In Benefit Currency, the Death Benefit Currency, and the Investment Currency on the Contract Schedule or Endorsement, as appropriate.

2.9 Available Assets

Addition or removal of Assets

A list of available Assets will be provided to Your Platform Provider who may restrict, on Our behalf, the Assets that You may select to have linked to Your Bond.

We may add new Assets to the list of available Assets at any time, at Our discretion.

We may remove Assets from the list of available Assets (in respect of future Investments only) at any time, at Our discretion.

In certain circumstances, We may need to remove Assets from the list of available Assets in relation to both existing and future Investments. We will do this where:

- an Asset no longer meets Our definition of a Permitted Investment;
- We reasonably consider that such removal is necessary to comply with Applicable Law or Regulation;
- We reasonably consider that the Asset is no longer suitable, (for example where an investment management organisation changes its pricing policy in a way We believe is no longer suitable for the Prudential Onshore Portfolio Bond);

- We reasonably consider that it is necessary to do so to protect the best interests of Our policyholders.

If the Bond is linked to an Asset which We remove in respect of existing Investments:

- We will give You, Your Financial Adviser or, where appropriate, Your Discretionary Fund Manager 60 days' notice (or, where this is not possible, as much notice as We can in the circumstances) of the need to sell and/or replace the relevant Asset and request Your or their instruction. Where such instruction is not received by the relevant date specified in the notification We will sell the relevant Asset and credit the proceeds into Your Cash Account.

Changes to Assets

The Assets to which Your Bond may be linked are made available to Us and managed by third parties. As a result, changes may be made to the nature of the composition of those Assets from time to time which are outside Our control.

Where the Assets are units or shares in an investment fund, this may include a merger, demerger or a change in investment objectives in relation to the investment fund.

We (or the Platform acting on Our behalf) will give You as much notice as We can of any material changes to an Asset. If You are not happy with the change, You can give instructions to sell that Asset and purchase another Asset You wish to have linked to the Bond.

2.10 Discretionary Fund Manager

As outlined in Your Platform Terms, Your Platform may offer a service where You can choose to invest in a Managed Portfolio which is managed by a Discretionary Fund Manager. The Discretionary Fund Manager You select must also be acceptable to Us before being appointed by Us to manage the Assets. Should Your Discretionary Fund Manager cease to be acceptable to Us (for example where Your selected Discretionary Fund Manager ceases to be appropriately regulated) Your selected Managed Portfolio will no longer be available and You will be required to make alternative arrangements for the ongoing management of those Assets.

Your chosen Discretionary Fund Manager will manage those Assets of Ours that are attributable to Your Bond which You have selected to invest in a Managed Portfolio.

Where You have chosen to invest in a Managed Portfolio the Discretionary Fund Manager will be deemed to be an Authorised Person and will have full authority to give instructions to the Platform relating to Trades.

The Discretionary Fund Manager will be subject to the same restrictions as You in terms of available Assets and where We remove an Asset which is invested in a Managed Portfolio from the list of available Assets We will inform Your Discretionary Fund Manager of the need to sell and/or replace the Asset and request their instruction. See Condition 2.9 of this Part.

See Part 4, Condition 4.2.2 for details of how any charges relating to a Discretionary Fund Manager are applied.

2.11 Bond Valuations

We value the Bond with effect from each anniversary of the Commencement Date. We will send You a statement, as soon as possible after each anniversary date. There is currently no separate charge for providing these valuation statements.

If You request an additional valuation statement We will apply a charge for providing the statement. The charges for providing such valuation statements are shown in the Statement of Charges as amended from time to time. As explained in Part 4, Condition 4.3, the level of this charge may change each year.

2.12 Minimum Value

If the Asset Account Value, less any Negative Balance, falls below the Minimum Value in force at that time, We will write to You and ask You to make an Additional Investment. If You do not do so within one calendar month, We reserve the right to terminate the Bond and pay to You the Cash In Value (after deducting any relevant charges).

The Statement of Charges (as amended from time to time) shows Our minimum and maximum Limits, including Our Minimum Value, at the Commencement Date of Your Bond. As expressed in Part 4, Condition 4.3, the level of Limits expressed as monetary amounts may change each year. The current level of this Limit is available from Our Administration Centre on request.

2.13 Powers to delay Valuations, instructions or Trades

We may delay working out the Asset Account Value, or carrying out Your instructions or Trades if the Bond or relevant Assets are affected by any of the following:

- in respect of Assets which are shares or units in an investment fund, a delay imposed by the investment management organisation(s) of that investment fund;
- the closure or suspension of the main stock exchanges or markets or funds or when dealings on such exchanges or markets or funds are restricted or suspended;
- the sale or valuation of Assets being impractical or impossible without a significant reduction in the Value;
- a failure in communications that is usually relied on in calculating the Value of any Assets or in determining prices on any stock exchange or market;
- Our being unable to realise monies to make payments on the redemption of such Assets;
- where the transfer of monies involved in the realisation, or acquisition, of Assets cannot in Our opinion be effected at normal rates of exchange;
- situations outside Our control.

We will only delay valuations or carrying out Your instructions or Trades in relation to Your Bond for as long as reasonably required.

In the event of a delay in carrying out Your instruction in relation to Your Bond, We will notify You as soon as it is practicable to do so.

Where the valuation, Trade or instruction only relates to some Assets and not all Assets, We will carry out any part of the valuation, instruction or Trade which is unaffected by the delay in accordance with these Contract Conditions. This does not apply to instructions or Trades carried out in order to Fully Cash In Your Bond as We will wait until all Assets have been sold and We have received all sale proceeds.

If payment of some or all of a Benefit is delayed, the payment of any delayed proceeds will be regarded as the completion of the Benefit payment.

We will not be liable for any losses incurred as a result of any delay in carrying out Your instructions in relation to dealings where the delay is as a result of reasons beyond Our control.

2.14 Ownership

You own the Policies which are linked to the Bond. The value of those Policies is determined by the Asset Account Value.

You (or any other person entitled to the Policies or an interest in the Policies) do not have any legal or beneficial interest in or rights to the Assets.

› Part 3: Benefits from Your Bond

Before We will pay Benefits from Your Bond, We require an Acceptable Instruction at Our Administration Centre specifying the type of Benefit required. This may be made by way of a signed written instruction sent to Our Administration Centre or any other means acceptable to Us. If required, specific cash in forms are available on request from Our Administration Centre.

3.1 Regular Withdrawal

Administration

You may choose to have an amount paid every:

- › month;
- › 2 months;
- › 3 months;
- › 4 months;
- › 6 months; or
- › 12 months.

Each Regular Withdrawal will be made by an equal deduction from each Policy. We take the amount of each Regular Withdrawal from the Cash Account. Please see Part 2, Condition 2.6.2 about what happens if there is an insufficient amount of cash in Your Cash Account to make a Regular Withdrawal. The Cash In Value of each Policy will be reduced by an equal amount (allowing for any necessary rounding) every time a Regular Withdrawal is paid.

Regular Withdrawals are not allowed to start within the first two weeks of the Commencement Date.

Subject to this rule, the first Regular Withdrawal will be made on the 15th of the month, as appropriate to the selected payment frequency, following the Commencement Date or the subsequent receipt of an Acceptable Instruction.

Where the 15th of a month is not a Working Day, the Regular Withdrawal will be made on the following Working Day.

We will only make a Regular Withdrawal payment if the rules in Condition 3.3 are met.

3.2 One-off Withdrawals

You may ask to make a One-off Withdrawal as a specific amount.

When You request a One-off Withdrawal, You must specify whether You would like it to be made by:

- (a) Partially Cashing In all the Policies (on this basis the Cash In Value of each Policy will be reduced by a similar or identical amount allowing for any necessary rounding);
- or
- (b) Fully Cashing In one or more of the Policies (this will result in the number of Policies in the Bond being reduced);
- or
- (c) a combination of (a) and (b) above.

If You do not tell Us which of the above methods to use, We will seek and await further clarification from You before We carry out Your Acceptable Instruction. This may result in a delay in the processing of Your instruction.

When We receive an Acceptable Instruction for a One-off Withdrawal, at Our Administration Centre, We instruct the

Platform to pay Us the relevant amount from Your Cash Account. The effective date of the One-off Withdrawal will be the day We request payment from the Platform.

We will only allow a One-off Withdrawal if there is a sufficient amount of cash in Your Cash Account to meet the payment and the rules in Condition 3.3 are met. You can ensure this by instructing the Platform to sell some of the Assets and credit the proceeds to Your Cash Account before You ask for the One-off Withdrawal.

Any Policy which is Fully Cashed In by means of a One-off Withdrawal will end on the date the One-off Withdrawal becomes effective, as described above (and no other Benefits or Adviser Charges will be payable under that Policy).

3.3 Limits for withdrawals

The amount of each Regular Withdrawal and any One-off Withdrawal must not be less than Our minimum Limits for Withdrawals in force at that time.

The sum of all Regular Withdrawals taken within any 12 month period must not exceed the maximum Limit for Regular Withdrawals over a 12 month period in force at that time.

We show the Limits for Withdrawals, as amended from time to time, on each Statement of Charges.

The current Limits for Withdrawals are also available on request from Our Administration Centre.

We will only allow a Withdrawal to be taken from the Bond if the Asset Account Value less the Negative Balance remaining in the Bond after such a Withdrawal is above Our Minimum Value. See Condition 2.12 for further details.

As explained in Part 4, Condition 4.3, the level of Limits expressed as monetary amounts may change every year.

3.4 Fully Cashing In the Bond

3.4.1 General

On Fully Cashing In all of the Policies:

- › The life cover provided by the Policies will cease; and
- › We will pay out the Cash In Value of the Bond; and
- › No other Benefits will then be payable under the Bond; and
- › We will close the Bond.

If You wish to Fully Cash In Your Bond, You may wish to complete Our partial or full cash in form which is available from Our Administration Centre.

3.4.2 Cash In Value

3.4.2.1 General

Our obligation to pay Benefits under the Bond ceases when the Full Cash In transaction becomes effective as set out below.

3.4.2.2 When You hold Assets in cash only

When We receive Your Acceptable Instruction to Fully Cash In the Bond, at Our Administration Centre, We will instruct the Platform to send Us the cash that has been allocated to Your Cash Account.

The Full Cash In transaction will become effective on the day that We request the cash from the Platform. The Cash In Value of the Bond will be the value of this payment, adjusted for any Negative Balance and the amount of any Bond Charges and Adviser Charges which have accrued in relation to Your Bond but have not yet been deducted as of the date We requested the payment from the Platform.

3.4.2.3 When You Hold any non-cash Asset

When We receive an Acceptable Instruction to Fully Cash In the Bond, at Our Administration Centre, We will instruct the Platform to sell all non-cash Assets in relation to the Bond with effect from the next available dealing day.

On the day We receive confirmation from the Platform that the Cash Account has been credited with the sale proceeds of all non-cash Assets, We will instruct the Platform to pay Us all of the cash that is allocated to Your Cash Account. The effective date of the Full Cash In transaction will be the day We request this payment from the Platform.

Where the sale of any non-cash Asset is delayed We will not pay out the Cash In Value of the Bond until the final non-cash Asset has been sold and We request the payment from the Platform described above.

The Cash In Value of the Bond will be the value of this payment, adjusted for any Negative Balance and the amount of any Bond Charges and Adviser Charges which have accrued in relation to Your Bond but have not yet been deducted up to the date We requested payment from the Platform.

3.4.2.4 Additional Payments

The Cash In Value We pay out will also take into account an amount We retain which should be at least sufficient to cover any Bond Charges and Adviser Charges that have accrued but not yet been deducted up to the date We request payment from the Platform.

However, within 12 weeks of the payment, or such other period which We shall notify You of from time to time, We will pay You a further amount if either or both of the following applies:

- › if the amount that We have retained as described above is more than the amount of any outstanding Bond Charges and Adviser Charges, We will refund You the difference; and/or
- › if We receive any residual income that had accrued but not yet been received in respect of the Assets up to the date We requested payment from the Platform.

3.5 Death Benefit

The Death Benefit from Your Bond will be payable on the death of the Relevant Life, in accordance with the procedures set out in Condition 3.5.2 below.

3.5.1 The Life Assured

At the Effective Date of Cover:

- › there must be at least one person named as a Life Assured; and
- › there must be no more than ten Lives Assured; and
- › where there is more than one Life Assured You may choose to have the Bond end on the death of the first to die of the Lives Assured (in which case Your Bond is a "First Death Bond" and the first Life Assured to die is the "Relevant Life") or on the death of the last surviving Life Assured (in which case Your Bond is a "Last Death Bond" and the last surviving Life Assured is the "Relevant Life"); and
- › each Life Assured must be at least 3 months old; and
- › where the Bond is a First Death Bond or there is a single Life Assured, each Life Assured must be under 90 years of age; and
- › where the Bond is a Last Death Bond, at least one Life Assured must be under 90 years of age.

You cannot change the Relevant Life once Your Bond has started.

The Death Benefit is payable on the death of the Relevant Life. The Bond will terminate on payment of the Death Benefit.

3.5.2 Procedures for the Death Benefit

We must be told in writing that the Relevant Life has died and this must be received at Our Administration Centre.

The Death Benefit is 100.1% of the Cash In Value (see Condition 3.4.2) on the date We request payment of the proceeds from the Platform as described below.

Where You hold Assets in cash only, We will instruct the Platform to send Us the cash that has been allocated to Your Cash Account. The Death Benefit will be equal to 100.1% of the payment that We request from the Platform after it has been adjusted for any Negative Balance and the amount of any Bond Charges and Adviser Charges that have accrued in relation to Your Bond up to the date We request the payment from the Platform, but that have not yet been deducted or included within the Negative Balance.

Where You hold non-cash Assets only, We will instruct the Platform to sell them. The Death Benefit will be equal to 100.1% of the total of all sale proceeds We have requested from the Platform as at the date that all Assets have been sold after the total has been adjusted for any Negative Balance and the amount of any Bond Charges and Adviser Charges that have accrued in relation to Your Bond up to the date We request the payment from the Platform, but that have not yet been deducted or included within the Negative Balance.

Where You hold both cash and non-cash Assets, We will instruct the Platform to sell all non-cash Assets. The Death Benefit will be equal to 100.1% of the payment that We request from the Platform in respect of:

- › the cash allocated to Your Cash Account; and
- › the sale proceeds We have requested from the Platform as at the date that all Assets have been sold;

after the total has been adjusted for any Negative Balance and the amount of any Bond Charges and Adviser Charges that have accrued in relation to Your Bond up to the date We request the payment from the Platform, but that have not yet been deducted or included within the Negative Balance.

We will only pay the Death Benefit after:

- › We receive satisfactory proof of death (this is evidence establishing that the Relevant Life has died); and
- › We have received satisfactory documentary proof of the identity of the person(s) with the legal right to claim the Death Benefit.

Where proof of death and the legal right to the Death Benefit is proved within 12 weeks of the payment We request from the Platform We will pay the Death Benefit to You on the Working Day after We request the payment. The amount We pay out will take into account an amount We retain which should be at least sufficient to cover Bond Charges and Adviser Charges that have accrued but that have not yet been deducted up to the date We requested the payment from the Platform.

However, if We pay the Death Benefit within 12 weeks of Our requesting the payment from the Platform We will pay You a further amount if either or both of the following applies:

- › if the amount that We have retained as described above is more than the amount of any outstanding Bond Charges and Adviser Charges, We will refund You the difference; and/or
- › any residual income that had accrued but not yet been received in respect of the Assets up to the date We requested payment from the Platform.

Where proof of death and the legal right to the Death Benefit is proved on or after 12 weeks of the payment We request from the Platform, We will pay the Death Benefit to You on the following Working Day. We will not retain any amount.

Where the sale of any Asset is delayed We will make a payment based on the Cash In Value of the Assets sold and for which We have credited the proceeds to Your Cash Account.

Our obligation to pay Benefits under the Bond ceases when We have paid You the Death Benefit set out above.

3.6 Paying Benefits from The Bond

We will pay all Benefits in cash only. We will not pay a Benefit, or part of a Benefit, by transferring any Asset to You.

› Part 4: Charges, Limits and other deductions You ask Us to make

4.1 Asset Charges

4.1.1 Yearly Total

Each Asset held in the form of units or shares in an investment fund may have its own Yearly Total, which will be deducted from the value of that Asset. Where further costs are applicable, they are paid for by the relevant fund and will impact on the fund's overall performance. These further costs may vary over time. For more information on these further costs, please look at the current Statement of Charges for this product.

4.1.2 Initial Charge

Where an Asset has different buying and selling prices, this is reflected in the Value at which the Asset is linked to or cancelled from Your Bond, as appropriate. This is referred to as an Initial Charge.

Your Personal Illustration will show the initial level of charges for each Asset linked to Your Bond. Where applicable, this will consist of the Annual Management Charge and further costs, with their Yearly Total, together with the Initial Charge. These figures are based on the most up to date information available to Us at that time.

Please refer to the terms and conditions of the Asset which should be provided to You by Your Financial Adviser prior to investing in any Asset.

4.2 Bond Charges

4.2.1 Expenses

We will deduct an amount from Your Bond to cover Our expenses, taxes We pay or expect to pay, duties, levies or charges incurred by Us in connection with the Assets, including (but not limited to) any tax in respect of investment income and/or capital gains arising in relation to the Assets.

We calculate this amount monthly and also when We carry out Trades, based on the Value of Assets. This deduction is applied to the Cash Account as described in Condition 2.6.2 on a monthly basis.

4.2.2 Discretionary Fund Manager Charge

Where a Discretionary Fund Manager has been appointed by Us in respect of Your Bond at Your request (including where that request is to use a model portfolio managed by a Discretionary Fund Manager), We will deduct an amount from Your Bond to cover the fees (inclusive of any applicable VAT) that We pay to the Discretionary Fund Manager in respect of Your Bond. The amount and frequency of the Discretionary Fund Manager Charge will be as set out in Your Platform Terms.

The Discretionary Fund Manager Charge will be deducted from the Cash Account as described in Condition 2.6.2.

4.2.3 Administration and Operation Charge

In order to provide the Bond to You via the Platform, We rely on custody, administration and operational services which are provided to Us by the Platform. This charge reflects the cost to Us of procuring those services.

The amount and frequency of this charge in relation to Your Bond will be at the same level as the platform charges You have agreed with the Platform Provider.

4.2.4 Ongoing Product Charge

We will apply an Ongoing Product Charge for providing the Bond to You.

(a) How long We apply the Ongoing Product Charge for

We apply the Ongoing Product Charge for each Investment throughout the lifetime of the Bond.

(b) When We apply the Ongoing Product Charge

The Ongoing Product Charge accrues daily. We will calculate the Ongoing Product Charge each Working Day and deduct for it each month. We take the first Ongoing Product Charge with an effective date of the 25th day of the month following the Investment Date. We may amend the day of the month on which We take the Ongoing Product Charge in the future and will notify You in advance if We do so.

When the Bond ends the final Ongoing Product Charge is based on the number of days the Bond is in force between the effective date of the most recent Ongoing Product Charge and the date the Bond ends:

- › when it is Fully Cashed In; or
- › when the Death Benefit becomes payable; or
- › when it is cancelled under Condition 1.6 or 2.3.

If the 25th of a month is a non-Working Day the effective date will be the next Working Day.

We calculate the Ongoing Product Charge each Working Day by multiplying the portion of the yearly percentage charge shown on Your Contract Schedule or Related Documents that is applicable to the number of days for which the Ongoing Product Charge is being calculated, by an amount equal to the Asset Account Value on that Working Day.

4.2.5 Percentage charges

When applying any charge expressed as a percentage, We will round the result to the nearest penny or Currency equivalent, where applicable.

4.3 Changes to charges and Limits

From time to time We may change the Limits and the valuation statement charge described in Condition 2.11 and shown in the Statement of Charges. In particular We may change the valuation statement charge and Limits in January each year.

We may also introduce new Bond Charges as a result of any levy or other charge imposed on the Company and We will give You reasonable advance notice in writing if We do.

We will pass on any charge that is imposed on Us under the Financial Services Compensation Scheme (or any other investor compensation scheme) as described in Part 5, Condition 5.11.

Changes to the valuation statement charge and Limits may be necessary to take account of:

- (a) the percentage change in the Index over a period of 12 months ending in the preceding August; and
- (b) other factors which affect the running of Our business.

Any increase in the valuation statement charge or the level of any new Bond Charges will be imposed in a way that is proportionate to Our reasonable costs for operating the Prudential Onshore Portfolio Bond. For example, We may impose an increase:

- If We experience an increase in the general administration costs We incur in operating the Bond.

- If there is a change to the basis upon which any company from within M&G plc is taxed.
- to pay any levy or other charge on the Company, such as a levy under any legislation introduced for the purposes of raising levies for funds to be held for the protection of the interests of policyholders, such as the Financial Services Compensation Scheme or its successors.

In some years, We may not increase the valuation statement charge or a Limit. When it is next increased, We may set the valuation statement charge or Limit at an amount which takes account of inflation and other factors since the amount of the Limit or charge was previously set.

We may increase the valuation statement charge or a Limit further if Our costs have increased by more than the Index since the amount of that Limit or charge was previously set. We will limit such an increase to the valuation statement charge or Limit to be no greater than the difference between the percentage increase in Our costs and the increase in the Index since the amount of Limit or charge was last set.

We do not issue new Contract Schedules, Statement of Charges or Endorsements when a change to the valuation statement charge and/or Limits happens.

The current levels of the Limits and Our valuation statement charge are available from Our Administration Centre on request.

If You are unhappy with any changes You should contact Us. Our contact details are given in Part 5, Condition 5.10.

4.4 Adviser Charges

There are three types of Adviser Charge that You can ask Us to deduct in relation to Your Bond:

- Set-up Adviser Charges;
- Ongoing Adviser Charges; and
- Ad hoc Adviser Charges.

We will only deduct an amount in respect of a Set-up Adviser Charge from Your Payment where We have received an Acceptable Instruction from You to do so as described in Part 2, Condition 2.3. We will only deduct an amount in respect of Ongoing Adviser Charges and Ad hoc Adviser Charges from the Bond where We have received an instruction via the Platform as part of either:

- the Platform application form; or
- a subsequent Adviser Charge instruction given via the Platform.

We will treat the Platform as Your Authorised Person for these purposes and will rely on such instructions passed to Us on Your behalf.

We will deduct the amount of any Set-up Adviser Charge from the relevant Payment when it is received, before We allocate this to Your Bond. The remaining amount is Your Investment.

We will make any Ad hoc Adviser Charge or Ongoing Adviser Charge deductions from Your Bond in accordance with instructions from the Platform and as set out in the Platform Terms. Ad hoc Adviser Charge and Ongoing Adviser Charge deductions will be taken from Your Cash Account as described at Condition 2.6.2.

› Part 5: General Conditions

5.1 Entitlement – ownership – the Policyholder

5.1.1 Joint ownership – death of a Policyholder

Where a Policy belongs to two or more Policyholders, We act on the basis that, if one of them dies, the Policy then belongs to the surviving Policyholder(s).

5.1.2 One Policyholder – the deceased Policyholder's Personal Representatives

If a Policy belongs to just one Policyholder and that Policyholder dies, We act on the basis that the Policy then vests in the deceased Policyholder's Personal Representatives and that the Personal Representatives are then the Policyholders.

We will require satisfactory documentary proof that the persons claiming to be Personal Representatives have authority to deal with the deceased Policyholder's estate.

5.2 The Policies

Unless We issue the Bond as just one Policy, the Bond will consist of a group of Policies at the start of the Bond and all the Policies will be identical (allowing for any necessary rounding).

Usually, all of the Policies in the Bond will belong to all the Policyholder(s) jointly.

5.2.1 Split Ownership – Special Provisions

"Split Ownership" here means a situation where the Policies do not all belong to the same Policyholder(s).

One Policyholder may assign his rights in one or more Policies to an existing or new Policyholder. Split ownership or assignment may be effected by completion of a formal deed of assignment or as a result of a court order.

We will only allow any transfer of ownership to take place once We have received all necessary instructions at Our Administration Centre. Where this occurs, We have the right to apply the following rules, for administrative purposes only:

- (a) We will re-number each group of Policies assigned into new ownership(s), so that each ownership will have a separately numbered group of Policies. We will administer each group of Policies separately in all respects.

Any Regular Withdrawals or Adviser Charge deductions will be stopped in respect of any Policy assigned into new ownership(s). The new owner(s) may complete new Acceptable Instructions for Regular Withdrawals or Adviser Charge deductions.

- (b) We will establish a separate Bond for each new group of Policies.

The charges, Limits and other deductions, referred to in Part 4, will apply separately to each group of Policies. Please refer to Your Policy Documents, Related Documentation or Platform Terms for details.

5.3 Change of ownership

Any change of ownership should be made by a deed of assignment. You may need to obtain this from Your legal adviser or Financial Adviser. The original deed of assignment must be fully completed and signed by the current Policyholder(s) and the new Policyholder(s) and should be sent to Us at Our Administration Centre. In order for Us to record the change of ownership in Our records, the new Policyholder(s) must be clients of the Platform. Where they have not entered into an agreement with the Platform Provider within a reasonable time, We reserve the right to cancel the Bond in accordance with Part 2, Condition 2.3.

We will return the deed once We have registered the change of ownership in Our records.

If We only receive notice of assignment (instead of the actual deed of assignment) We will need to see the deed of assignment before We:

- › pay any Benefit; or
- › formally register the current change of ownership or any further change of ownership.

We will stop any Regular Withdrawals or Adviser Charge deductions if all of the Policies are assigned into new ownership(s). The new owner(s) may provide new Acceptable Instructions for Regular Withdrawals or Adviser Charge deductions.

5.4 Proof of ownership

Where We are paying Regular Withdrawals We can ask for proof of ownership from time to time. This is to ensure that the person receiving the Regular Withdrawals is lawfully entitled to receive them. We have the right to suspend Regular Withdrawals until We receive proof of ownership.

5.5 Death or Fully Cashing In Policies – Contract Schedule and Related Documents required

The Contract Schedule and any Related Documents must be returned to Us before We will pay a Death Benefit or on Fully Cashing In one or more Policies.

5.6 Changes to the Bond – Our right to set aside or change rules

We can set aside or change terms in the Agreement without notice or Your consent in the following circumstances:

- ▶ if it becomes impossible or unreasonable to follow them because of a change of legislation or regulations; or
- ▶ if the basis on which We are taxed changes but then We can only make changes to the Bond to the extent that in Our opinion maintains the balance between You and Us as it was before the change; or
- ▶ if We are required to pay a valid claim for tax regarding the Policies and/or the Bond provided that such payment does not arise as a result of the Company's failure to comply with any applicable tax law or regulation; or
- ▶ if a levy or financial restriction or penalty is imposed on the Bond and/or the Asset Account by a tax authority, government or supervisory body or other similar national or international body; or
- ▶ if the effect of continuing to apply the rules would be unfair to the Policyholder or to Our policyholders generally.

Except where it is impracticable to give advance notice of any changes or is prohibited by Applicable Law or Regulation, We will write to You as soon as is reasonably practicable to provide notice of any changes We have made under this Condition. If You are unhappy with any changes You should contact Us in accordance with Condition 5.10.

5.7 Law of the Policies – England and Wales

The Policies and this Agreement will be governed and interpreted in accordance with the law of England and Wales unless otherwise stated. The Courts of England will have exclusive jurisdiction to hear any disputes which result from or are about the Agreement.

5.8 Currency conversion

Any currency conversion We make will be at the prevailing market rate at the time. Market rate means the currency exchange rates We use each day and are "mid-market" rates.

5.9 Communications

You must send any written enquiry, correspondence and/or information that We require under these Contract Conditions to Our Administration Centre at Prudential, Stirling, FK9 4UE.

You may telephone Our Administration Centre on 0800 000 000 for assistance with Your enquiry.

Forms for requesting servicing transactions such as Regular Withdrawals, Fully and Partially Cashing In or Additional Investments and others are available from Our Administration Centre upon request.

5.10 How to make a complaint

You should raise any complaint as soon as possible. In the first instance please contact Your Financial Adviser, as they may be able to resolve it quickly for You.

To make a complaint, You can write to Us at:

**Customer Services Manager
Operations Department
Prudential International Contact Centre
Stirling FK9 4UE**

Telephone: 0800 000 000

In the unlikely event that We are unable to resolve any problem, You can contact the Financial Ombudsman Service (FOS).

The address is:

**Financial Ombudsman Service
Exchange Tower
London E14 9SR**

Telephone: 0800 0 234 567

**Website address:
www.financial-ombudsman.org.uk**

Your legal rights will not be affected if You make a complaint.

To ensure that We can constantly improve Our service to customers We may record or monitor telephone conversations with You for staff training purposes.

5.11 Compensation (UK residents only)

Policyholders who are UK resident at the time the Bond starts may be protected by the FSCS against the insolvency of Prudential International, UK Branch. The FSCS is an independent body set up by the UK 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?

If Prudential International was deemed to be 'in default', FSCS cover would apply for eligible policyholders habitually resident in the UK for policies taken out on or after 1 December 2001. Policyholders holding a UK policy, issued before 2001, may be eligible to make a claim before the FSCS, however, since

such a policy would have been taken out before the FSCS commenced, they should check their eligibility directly with the FSCS.

By investing in a Prudential International contract, Prudential International invests Your money in funds that are provided by third party fund managers (i.e. non-M&G plc fund managers and fund managers within M&G plc, including the Prudential Assurance Company Limited). In such circumstances, You would not be protected by FSCS should these funds or the related fund management companies be deemed to be in default.

However, if Prudential International is in default, the value of any investment held in these funds would still form part of a claim under the FSCS for an eligible policyholder habitually resident in the UK.

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

Telephone: +353 1 476 5000

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. 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.

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

5.12 Rights of a third party

Other persons entitled to Benefits under the Bond have directly enforceable rights against Us in respect of those Benefits. Subject to this, nothing in this Agreement confers or purports to confer on any third party any Benefits or any right to enforce any provision of the Bond pursuant to the Contracts (Rights of Third Parties) Act 1999.

5.13 Our rights and remedies

Our failure to exercise, or a delay in exercising, any right or remedy provided to Us by the Contract Conditions in this Agreement does not constitute a waiver of the right or remedy or a waiver of other rights or remedies.

5.14 Severability

If any provision of this Agreement is held by any competent authority or Court to be invalid or unenforceable in whole or part, the validity of the other provisions and the remainder of the provision in question shall not be affected thereby.

5.15 How We use Your personal information

In the application form for Your Bond We set out, within the Privacy Notice:

- › details regarding how and why We use Your personal information (including sensitive personal information); and
- › who We may share it with; and
- › Your rights around personal information.

For a copy of Our latest Privacy Notice, please visit www.pru.co.uk/mydata/ and select the link for Prudential International Assurance (onshore) customers. Alternatively, please see www.pru.co.uk/pdf/GENM888101.pdf To access this website, all characters must be typed in lowercase format.

Please note that We collect personal information from You that is necessary for Us to either provide You with the product or service You have requested or to comply with statutory or contractual requirements. Unfortunately if You don't provide all of the information We require this may mean We are unable to provide Our products and services to You.

If You require further information You can:

Write to Us at: Customer Service Centre
Prudential
Lancing
BN15 8GB

Call Us on: 0800 000 000

Or visit: www.pru.co.uk

5.16 Contract of long-term insurance

The benefits arising under the Prudential Onshore Portfolio Bond relate to a 'contract of long-term insurance' within the meaning of The Financial Services and Markets Act 2000 (Regulated Activities) Order 2001.



www.pru.co.uk

Prudential International is a marketing name of Prudential International Assurance plc. Prudential International Assurance plc, UK Branch is registered in the UK as a branch of Prudential International Assurance plc and its registered address is 3 Sheldon Square, Paddington, London W2 6PR. Registration No. BR017106. Prudential International Assurance plc is authorised and regulated by the Central Bank of Ireland, deemed authorised by the Prudential Regulation Authority and subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details of the Temporary Permissions Regime, which allows EEA-based firms to operate in the UK for a limited period while seeking full authorisation, are available on the Financial Conduct Authority's website. Prudential International is part of the same corporate group as The Prudential Assurance Company Limited. Both The Prudential Assurance Company Limited and Prudential International are direct and indirect subsidiaries respectively of M&G plc, a company incorporated in the United Kingdom. The Prudential Assurance Company Limited is not affiliated in any manner with Prudential Financial, Inc, a company whose principal place of business is in the United States of America or Prudential plc, an international group incorporated in the United Kingdom.