

Guide to Investment Adviser Charges

Purpose of this guide:

This guide is designed to help advisers understand the two ongoing charges available under the International Portfolio Bond (IPB), the Investment Adviser Charge and the Ongoing Adviser Charge.

Ongoing Adviser Charge

These are regular charges deducted from the bond and paid to the appointed Financial Adviser for general advice at the frequency requested (monthly, quarterly, half yearly or annually).

It can be requested as a monetary amount or as a percentage of the total bond value (at the time the charge is taken).

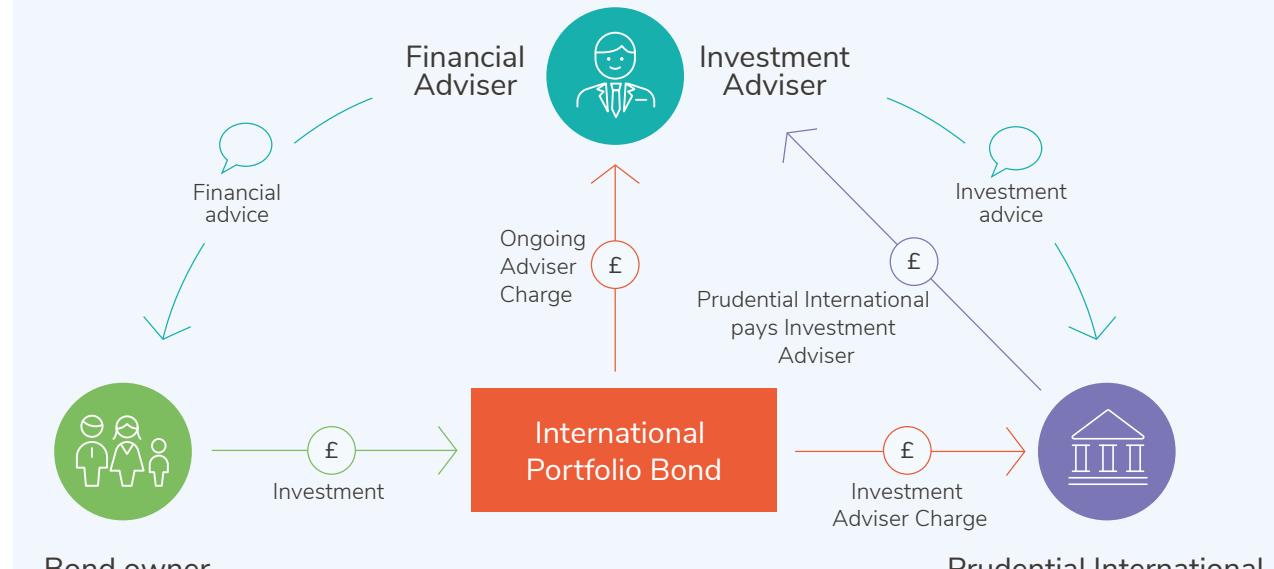
Investment Adviser Charge

This is a regular charge deducted from the bond at the frequency requested (monthly, quarterly, half-yearly or annually). The amount equals the charge paid by us for the cost of investment advice on the bond.

It can be requested as a monetary amount or as a percentage of the total bond value (at the time the charge is taken).

The Investment Adviser Charge must only be used to pay for specific investment advice, it should not be used to subsidise broader financial planning or services.

Diagram of Ongoing Adviser Charge and Investment Adviser Charge:



¹The Investment Adviser and the Financial Adviser must be the same individual.

Adviser Charging Limits

To ensure fair and consistent charging, Prudential International applies the following limits:

Ad hoc Adviser Charge

The maximum ad hoc adviser charge that can be facilitated is 2% of the bond's total value in a 12 month period.

Ongoing Adviser Charge:

Maximum of 1% per year of the bond's total value.

Investment Adviser Charge:

Maximum of 1% per year of the bond's total value.

Combined Ongoing Adviser Charge + Investment Adviser Charge:

Together, these charges must not exceed 1% per year of the bond's total value.

If any of these limits are exceeded, we may not be able to action your request. Please contact your account manager for more information.

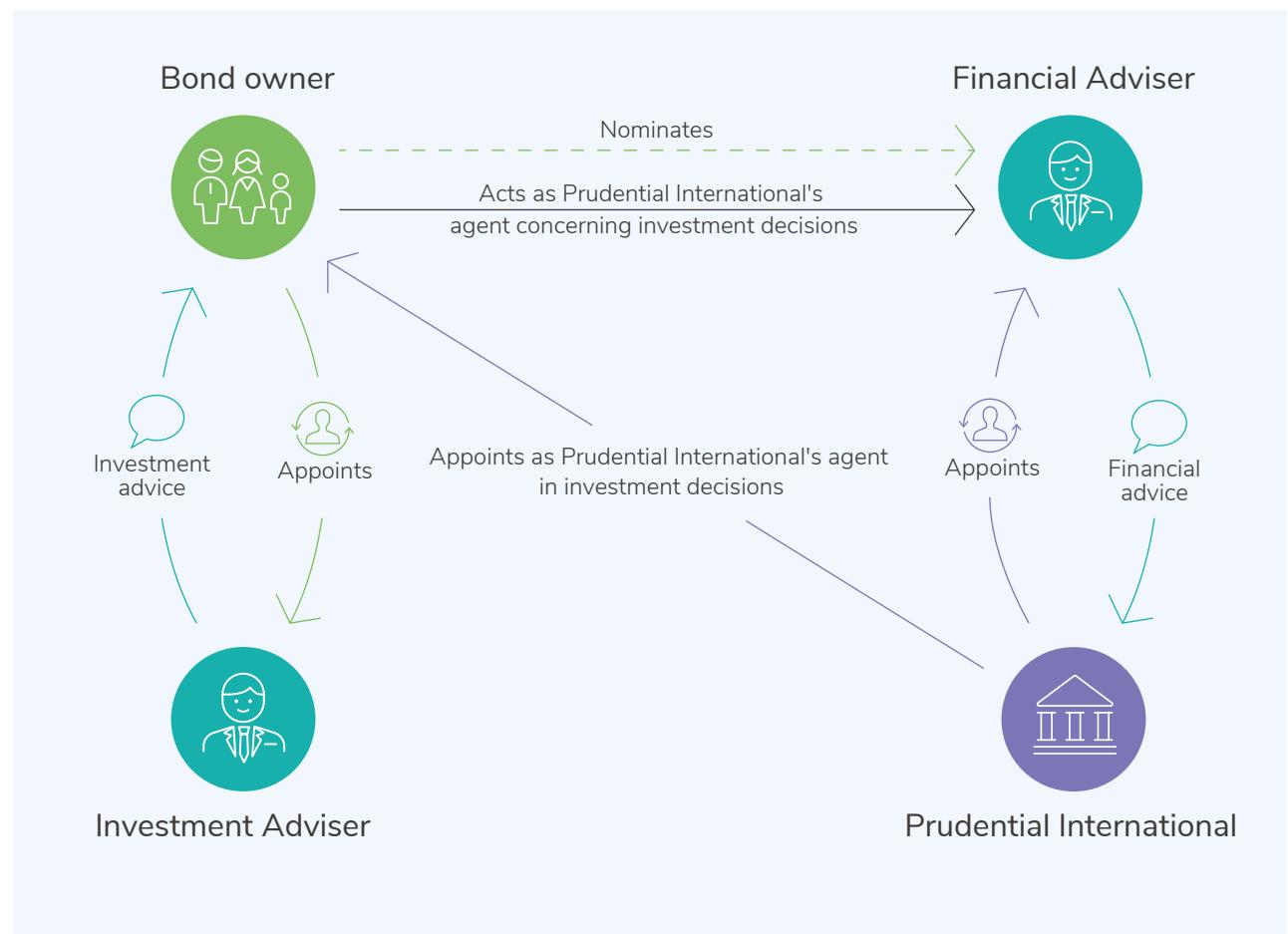
How Investment Adviser Charge Works

If the Policyholder chooses to nominate an Investment Adviser, Prudential International will review and approve the nomination.

If accepted, Prudential International appoints the Investment Adviser to the Bond.

The Policyholder is then appointed as Prudential International's agent, and as our agent, any investment objective, preferences or guidelines provided by the Policyholders to the Investment Adviser is regarded as those of Prudential International.

A regular charge is then deducted from the bond equals to the charge paid by Prudential International for the investment advice on the bond.



² There is no facility available for an ad-hoc Investment Adviser Charge on the International Portfolio Bond

Tax Treatment of Withdrawals

Ongoing Adviser Charge

- Is treated as a withdrawal on behalf of the Policyholder
- Counts toward the 5% tax-deferred allowance

Investment Adviser Charge

- Not treated as a withdrawal since the advice is received by Prudential International
- Does not count toward the 5% tax-deferred allowance

VAT Treatment

The VAT treatment of the charges reflects who receives the advice and who is liable for the cost.

Ongoing Adviser Charge

The Ongoing Adviser Charge is a service provided directly to the Policyholder by the Financial Adviser and may be subject to VAT, depending on the adviser's VAT status. The adviser is responsible for determining the correct VAT treatment.

Investment Adviser Charge

The Investment Adviser Charge reflects a service provided directly to the Policyholder by Prudential International. Prudential International receives independent investment advice for the bond which is treated as a business-to-business service. Prudential International has determined that under current Irish VAT legislation and Revenue guidance, these services are VAT exempt.

If tax rules change in the future, Prudential International may deduct VAT from the bond to cover any VAT due – but clients will be notified in advance.

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Summary Table

	Ongoing Adviser Charge	Investment Adviser Charge
Purpose	Broad Financial Advice	Investment Advice on Bond
Charge Deducted from Bond	Yes	Yes
Frequency Allowed	Monthly, Quarterly, Half-Yearly, Annually	Monthly, Quarterly, Half-Yearly, Annually
Paid to	Financial Adviser	Prudential International
Decency Limits	1% of Total Fund Value	1% of Total Fund Value
	Combined Ongoing Adviser Charge + Investment Adviser Charge must not exceed 1% per year of the bond's total value.	
VAT	May be subject to VAT	VAT Exempt
Tax treatment	Treated as a withdrawal, and so contributes to 5% withdrawal limit	Not treated as a withdrawal, and so does not contribute towards 5% withdrawal limit