

Prudential Onshore Portfolio Bond – OWC Operational Support Guide for Financial Advisers

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Introduction

The Prudential Onshore Portfolio Bond – OWC is closed to new business. Additional Investments (top ups) can be accepted post this date.

This guide is an overview of the end to end process for submitting Additional Investments (top-ups).

Further forms and guidance is available in the 'Legacy Products' section on PruAdviser.

The purpose of this document is to guide you through the key post issue processes associated with the Prudential Onshore Portfolio Bond – OWC.

Servicing

This guide explains how the Cash Account within the bond works and details the processes followed when we encounter liquidity problems i.e. when there is insufficient cash available in the cash account to fund charges, withdrawals etc. It also details some key servicing processes.

Producing an Additional Investment (top up) illustration

All top up illustration requests can be made via your M&G account manager or alternatively by contacting the sales team.

Email your request to sales@prudential.co.uk or phone Freephone: **0808 234 0808** (8:30am-6pm, Monday – Friday)

Additional Investment (top up) applications

Top up application forms can be found on the Legacy Products section on the PruAdviser website.

Servicing

Investment Funds Direct Limited (IFDL)

IFDL is a wholly owned subsidiary of M&G plc.

IFDL provides the online trading account which enables you, the financial adviser, to manage your customers investments. The online trading account gives access to a wide range of assets and Discretionary Fund Managers (DFMs).

For further information on IFDL and the security of client cash and assets with IFDL, please refer to the following webpage: documents.platformservices.co.uk/Document/301

The Cash Account

Each bond must hold a minimum cash balance in order to fund Prudential charges, Adviser charges, DFM charges and other charges. You must manage the cash account to ensure that there is sufficient cash at all times to fund the various deductions. A minimum of 2% of the bond value should be held in cash (subject to a minimum of £100 and a maximum of £2000). Each month IFDL carry out a sweep of each bond and if the cash balance is less than 1% of the value, assets will be sold to restore the required levels of cash as per above. Notwithstanding this process there may still be occasions where we are unable to collect charges or withdrawal amounts and how Prudential manage such scenarios is dealt with below.

Insufficient cash in the clients account can lead to delays in payment of proceeds on Partial Cash-in request.

Monthly charges

- 1) At the end of each month Prudential calculate charges due. These charges include
 - Product charge
 - Expenses (including taxes, duties or levies)
 - Ongoing adviser charges
- 2) We apply for these charges via file feed to IFDL on 27th of each month
- 3) If we cannot collect the amount due because there is insufficient cash in the cash account we will send a letter to you (Financial Adviser) requesting a sell-down of assets to make sufficient cash available to allow us to collect the charges.
- 4) We will continue to try to collect the charges on a nightly basis.
- 5) After 14 calendar days of unsuccessful attempts to collect our charges Prudential will check the IFDL online facility to see if a sell-down of assets is in progress. If not we will sell assets to the combined total of
 - Outstanding charge amount
 - next 3 months of regular withdrawals
 - 2% of the value of the bond
- 6) We will continue to attempt to collect nightly until the funds are available

Regular Withdrawals

- 1) On the 15th of each month we generate regular withdrawal payment (where applicable) and send to customer's bank account.
- 2) That night we will send an instruction (via file feed to IFDL) to collect the withdrawal amount from the cash account.
- 3) If we cannot collect the withdrawal amount because there is insufficient cash in the cash account we will send a letter to you (Financial Adviser) requesting a sell-down of assets so that we can collect the withdrawal amount.
- 4) We will continue to try to collect the withdrawal amount on a nightly basis.
- 5) After 14 calendar days of unsuccessful attempts to collect the withdrawal amount Prudential will check the IFDL online facility to see if a sell-down of assets is in progress. If not we will sell assets to the combined total of
 - Outstanding withdrawal amount
 - next 3 months of regular withdrawals
 - 2% of the value of the bond
- 6) We will continue to attempt to collect nightly until the funds are available

Partial Cash-in

- 1) Prudential receive a written request from the bond owners for a partial cash-in.

Please ensure that sufficient cash is available to cover the partial cash-in amount.

- 2) Once we process the request on our system we will then try to collect the partial cash-in amount via nightly file feed.
- 3) If there is sufficient cash available we will collect it and pay out to customer
- 4) If there is insufficient cash available we will continue to attempt to collect every night. After four unsuccessful collection attempts we will write to you(Financial Adviser) and ask that you take action to sell-down assets so that we can collect and pay the partial cash-in to the client.

NB If you do not sell down the assets we will be unable to process the partial cash-in.

Full Cash-In

- 1) Prudential receive a written request from the bond owners to fully cash-in the bond.

Please ensure that all assets are sold down to cash. If not this will delay the full surrender request.

- 2) Prudential will check the IFDL online facility to see if a sell-down of assets is in progress. If not we will sell the assets.
- 3) As soon as we are notified via file feed that the bond is 100% in cash we will collect that cash from the cash account and send payment to the client.
- 4) After 12 weeks we will send a request to IFDL to collect any residual dividends/ income which may have come in after we sold the assets. If there is residual income we send this to the customer.

Adviser Charging

- 1) Set-up Adviser Charges are paid by Prudential. The agreed charge is indicated on the **Prudential Onshore Portfolio Bond Additional Investment Application Form** and deducted from the payment by Prudential and the bond is issued net of this charge. The fee is paid to you as with any other fee payments.
- 2) Ad-hoc Adviser Charges are paid by Prudential. The applicant(s) instruct the ad-hoc charge via the **Adviser Charge Instruction Form**. Prudential deducts the charge from the Cash Account and pays directly to you as with any other fee payments.

Discretionary Fund Manager DFM process

If you recommend a strategy which involves the use of a DFM the applicant(s) needs to authorise this via the **Discretionary Fund Manager Selection Form**. As part of this form the DFM fee is authorised. This fee is deducted from the Cash Account when due and paid directly to the DFM.

General Support

Query	Team/Person to contact	Contact details
Pruadviser		
I don't have my agency login Unit	Regional Sales	Your usual Prudential contact
Response times are very slow (Pruadviser)	Pruadviser Helpdesk	Tel: 0808 234 5200 Email: pruadviser.helpdesk@prudential.co.uk
IFDL System		
I cannot access the IFDL system	IFDL	Tel 0345 600 5361 Email customerservices@ifdl-uk.co.uk
I have lost my log in details for IFDL system	IFDL	Tel 0345 600 5361 Email customerservices@ifdl-uk.co.uk
Response times are very slow (IFDL system)	IFDL	Tel 0345 600 5361 Email customerservices@ifdl-uk.co.uk
I have a query on a pending trade	IFDL	Tel 0345 600 5361 Email customerservices@ifdl-uk.co.uk
I cannot find a fund	IFDL	Tel 0345 600 5361 Email customerservices@ifdl-uk.co.uk
I cannot find a model portfolio	IFDL	Tel 0345 600 5361 Email customerservices@ifdl-uk.co.uk
I cannot allocate a DAM model to a client	IFDL	Tel 0345 600 5361 Email customerservices@ifdl-uk.co.uk
How do I set up a model portfolio	IFDL	Tel 0345 600 5361 Email customerservices@ifdl-uk.co.uk
How do I get a new fund approved	IFDL	Tel 0345 600 5361 Email customerservices@ifdl-uk.co.uk
How can I get a new DAM added	IFDL	Tel 0345 600 5361 Email customerservices@ifdl-uk.co.uk
General support		
Who can I call for guidance on Corporate cases	Regional Sales Unit	Your usual Prudential contact
Who can I call for guidance on trust cases	Regional Sales Unit	Your usual Prudential contact
Who can I call to check progress on an application	Adviser Centre	08082 342 200
Who can I call to query charges which Prudential have taken from clients bond	Adviser Centre	08082 342 200
Who can I call to check progress on a partial cash-in or full surrender	Adviser Centre	08082 342 200
Who can I call for a valuation	Obtained directly from clients IFDL online account	
Who do I call if I have an enquiry on an issued bond	Adviser Centre	08082 342 200
Who do I call if I have a general product query	Regional Sales Unit	Your usual Prudential contact
Who do I call if I want to request literature	Regional Sales Unit	Your usual Prudential contact
Who do I call for help in operating the Tax Calculator	Regional Sales Unit	Your usual Prudential contact
Who do I call for exception/concession requests	Regional Sales Unit	Your usual Prudential contact
Who can I call to confirm funds have been received	Adviser Centre	08082 342 200

pruadviser.co.uk

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