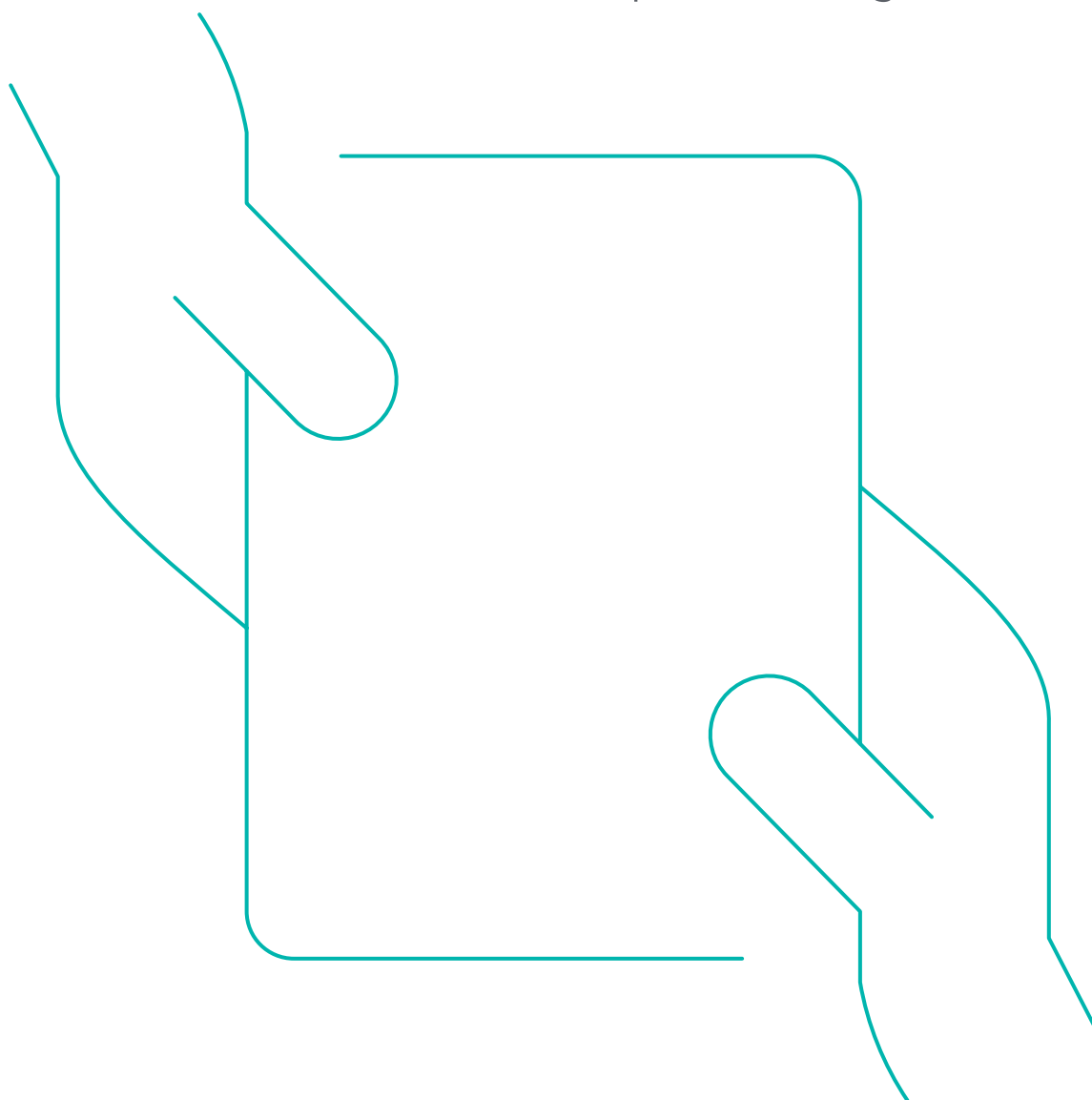


## Key Features of the

# International Prudence Bond (Capital Redemption Option – top-up payments)

Not for use in the UK, France, Spain or Belgium



It is important that you read our Key Information Document and relevant Investment Option Document(s).

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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.

It's important for you to decide whether this product is right for you and what funds to choose.

You should read our Key Information Document and relevant Investment Option Document(s). These include important information which may help you make up your mind.

You should receive them with your application form. Please keep these documents safe for future reference or go to our website at **prudential-international.com** for the most up to date version.

# About the International Prudence Bond (Capital Redemption Option – top-up payments)

Not for use in the UK, France, Spain or Belgium

The International Prudence Bond is an investment bond which allows you to invest in a range of investments with the potential for growth. It allows you to take tax-efficient withdrawals.

## Its aims

### What this plan is designed to do

- To grow the value of your bond over the medium to long term, so 5 to 10 years or more.
- To allow you to take tax-efficient withdrawals.
- To help reduce your Inheritance Tax liability if you choose to place your bond in trust.
- Gives you access to a wide range of unit-linked investments to match your investment objectives and attitude to investment risk.

## Your commitment

### What we ask you to do

- To make a top up payment of at least £15,000, €20,000 or \$25,000.
- Together with your financial adviser, choose funds to suit your needs and attitude to risk, and keep them under regular review to make sure they are still right for you.
- Allow your bond to potentially grow for at least 5 to 10 years or more.

## Risks

### What you need to be aware of

- The value of your investment can go down as well as up so you might get back less than you put in.
- If the total charges and costs are more than any overall growth achieved, your bond will fall in value, possibly to even less than you have invested.
- If you cancel your bond or top-up within 30 days you may get back less money than you paid in. We explain this in the section “What if I want to cancel my top-up investment?”.
- The level of risk and return is different depending on the funds you choose. Please refer to your **The Fund Guide for the International Investment Bond and International Prudence Bond for more information**.
- There may be exceptional circumstances that delay the buying, switching and selling of units in any fund. Please read your **Contract Conditions** for more information.
- Inflation will reduce what you could buy in the future.
- Fluctuations in exchange rates could affect the value of your investment or withdrawals.

## Other documents you should read

It is important that you read your Key Information Document and relevant Investment Option Document(s). If you want more information please read the following documents. We have highlighted when they are relevant throughout this document.

They're all available from your adviser, or direct from us. Details on how to get in touch are on the last page.

- **Contract Conditions**  
Gives you the full terms and conditions of the contract.
- **Statement of Charges**  
Gives details on charges applicable to your plan.
- **Fund Guide for the Prudential International Investment Bond and International Prudence Bond**  
This explains your investment choices.
- **Your guide to investing in the PruFund Range of Funds**  
This outlines the basic features of the PruFund Range of Funds.
- **The PruFund Range of Funds: Guarantee Options**  
This shows the guarantee options associated with the PruFund Range of Funds.

# Questions & Answers

## Is the International Prudence Bond right for me?

The International Prudence Bond is designed for you to invest in a tax-efficient way either on your own or jointly with someone else. It provides access to a wide range of investments.

You need to understand and accept the risks of investing. You shouldn't invest in our bond if you can't invest for at least five years or don't feel you understand the risks associated with investing. Remember that the level of risk you take depends on the fund options you choose.

If you are not sure whether the International Prudence Bond is right for you, please speak to your financial adviser.

## How flexible is it?

You can choose where to invest your money, switch your investment or cash in this bond at any time.

Your bond is set up as a group of identical policies. The standard number is 20, although you can choose to have more or fewer. You can cash in each policy separately.

This bond allows regular and partial withdrawals. Please refer to "How do I take money out of my bond?" for more information.

## How much can I pay into my bond?

You'll need to make a top-up payment of at least £15,000, €20,000 or \$25,000.

There are limits on how much you can invest across the PAC With-Profits Range of Funds and the PruFund Range of Funds. The maximum you can invest across these funds (in one or more bonds) is £1,000,000, €1,500,000 or \$1,500,000.

If you own the bond jointly with someone else, you will each be treated as having invested the full amount. So if you jointly invest £1,000,000 into these funds, it will count as the maximum for both of you. This limit includes any top-up investments into these funds.

You are unable to top-up a PruFund Protected Fund.

## Where are my payments invested?

You and your financial adviser can choose which funds you would like from a specified range. You can invest in up to ten funds at any one time. There are three types of fund available:

- the PAC With-Profits Range of Funds.
- the PruFund Range of Funds – you can find more information on these in **Your guide to investing in the PruFund Range of Funds**;
- other unit-linked funds.

For more information about all the funds you can choose from, please read our Fund Guide for the **Prudential International Investment Bond and International Prudence Bond**.

### Important Information

Access to the Prudential PAC Sterling, PAC Euro and PAC US Dollar With-Profits Funds is no longer available to new customers investing in International Prudence Bond (IPB) on or after 11/09/2017.

However, if you are an existing customer pre 11/09/2017, you will still be able to top up or switch into the Prudential With-Profits PAC Sterling, PAC Euro and PAC US Dollar Funds.

It is important to note we are not closing the Prudential With-Profits Fund. The underlying fund and ongoing management of the fund will remain the same and access will continue to be available to the With-Profits Fund through the PruFund range of funds.

If you are in any doubt about this product please speak to your financial adviser.

## Unit-linked funds

Payments into unit-linked funds will buy units in the chosen funds. The price of each unit depends on the value of the investment in the fund and also whether more money is going into or out of the fund. We work out the value of your plan based on the total number of units you have in each fund. So, if the unit prices rise or fall, so will your plan value.

For more information on this please read your **Contract Conditions** or speak to your financial adviser.

## How unit-linked funds invest

Some of the Prudential International 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 International fund is investing in just one underlying fund then it's what's known as a 'mirror' fund, as the performance of the Prudential International fund broadly aims to reflect the performance of the underlying fund it invests in. The performance of our Prudential International 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).

## Information relating to sustainability risks and how they could impact returns

We make a range of funds available through this product. In determining this range, no specific criteria relating to sustainability risks are taken into account. However, the funds themselves may be constructed and managed taking into account sustainability risks.

The following types of sustainability risks are likely to impact on fund returns:

- Environmental risk examples include; climate change, increasing water scarcity and waste management challenges.
- Social risk examples include; product safety, supply chain management and labour standards, health and safety and human rights, employee welfare, data and privacy concerns and increasing technological regulation.
- Governance risk examples include; board structures and effectiveness, management incentives and management quality.

These could, for example, impact on asset types in the following ways:

Asset type	Potential impact of sustainability risks
Equities and property	Some markets and sectors will have greater exposure to sustainability risks. For example, climate change can damage property which the fund owns, thereby impacting the cash flow and capital value of the fund.  Sustainability risks may also impact market prospects in which a fund operates, thereby affecting the market valuation of the fund.
Fixed interest	Sustainability risks can affect the borrowers' cash flows and therefore the ability for people to meet their debt obligations.

Details on each fund's strategy, asset objectives and asset mix is provided in fund documentation made available by the fund's manager, including how they take into account sustainability risk where applicable.

At this time, due to a lack of available data related to the underlying investments, it cannot be confirmed whether this product takes into account the EU Sustainable Finance Taxonomy criteria for environmentally sustainable economic activities.

### **What's a Market Value Reduction (MVR)?**

If you take money out of the With-Profits Funds, we may reduce the value of your fund if the value of the underlying assets is less than the value of your bond including all bonuses.

This reduction 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 payments have been invested.

We apply the MVR to your bond's value including regular and final bonuses. A MVR will reduce the amount payable on full, partial or regular withdrawals and if investment returns have been very poor, you may get back less than you have invested in your bond.

We guarantee not to apply a MVR on any payments made due to death.

### **Our current practice on applying an MVR**

We may apply a Market Value Reduction to withdrawals, including switches on all investments.

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 bonds and any new bonds or top-ups.

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.

## **Can I change my investments?**

Yes. However, you can't invest in more than ten funds at any one time.

The minimum amount you can switch is £500, €750 or \$750. If you're not switching the full value of your investment from a particular fund, you need to leave at least £500, €750 or \$750 in that fund.

You can switch up to 20 times in any 12-month period without charge. After that, we will charge you. For more details on this charge, please read the **Statement of Charges**.

For most funds, you can switch money whenever you like. However, the PAC With-Profits Range of Funds and the PruFund Range of Funds have some restrictions.

### **PAC With-Profits Range of Funds**

If you switch money out of the PAC With-Profits Range of Funds, we may apply a Market Value Reduction (MVR). For more information about the MVR, please see the section "Where are my payments invested?" You cannot switch between funds within the PAC With-Profits Range of Funds.

### **The PruFund Range of Funds**

There are restrictions on when you can move money into, out of or between the PruFund Range of Funds. Also, if you are invested in one of the PruFund Protected Funds and switch money out of the fund, your Guaranteed Minimum Fund will be reduced proportionately.

For more information on switching terms, please read your personal illustration and **Your guide to investing in the PruFund Range of Funds**.

## **What are the charges and costs?**

Charges and costs are deducted for managing your bond and the underlying investments. The amount we charge depends on the funds you invest in.

Charges and costs may vary in future and may be higher than they are now. All monetary charges may increase annually in line with the Irish Consumer Price Index and movements in relevant exchange rates. You can find more information in your **Contract Conditions**.

If you have a personal illustration, it will show how the charges and costs affect your bond, based on example growth rates and your chosen investment, and will also show details of how much we will pay your financial adviser.

### **With-Profits charges for guarantees**

There is a charge to pay for all the guarantees the With-Profits Funds support. We guarantee not to apply a Market Value Reduction (MVR) when payments are made because of maturity. Our current MVR practice, which is not guaranteed, may include additional circumstances when an MVR is not applied. For more information, please read "What's a Market Value Reduction?" on this page.

The total deduction for guarantee charges over the lifetime of your bond is not currently over 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.

### **Establishment charge**

For each top-up investment you make into the bond, we will take an Establishment Charge for the first five years following the investment. In each case, this is 0.3% taken quarterly in advance and based on the value of the relevant investment at the time we take each charge.

### **Fund charges and costs**

All of the funds have an Annual Management Charge. 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.

The Annual Management Charges and the current expected level of these further costs are set out in the current Statement of Charges for this product but they may vary over time.

### **Capital Redemption Charge**

For top-ups to contracts where the original contract was issued on or after the 22 May 2015 we may take a Capital Redemption Charge of 0.50% a year for capital redemption bonds. This is deducted quarterly in arrears via cancellation of units.

### **Switch charge**

You can switch money between funds without charge up to 20 times in any 12-month period. After that, we will charge you. For more details on this charge, please read the **Statement of Charges**.

### **Early Cash-In Charge**

If you cash in all or part of your bond within five years of making a top-up we will deduct an Early Cash-In Charge as follows.

1st year	10%
2nd year	8%
3rd year	6%
4th year	4%
5th year	2%

The percentage is based on the current value of the relevant investment.

### **PruFund Protected Funds – Guarantee Charge**

The PruFund Protected Funds have an additional annual charge for the guarantee. We take this charge monthly in arrears by cancelling units.

For more information on this charge, please read **The PruFund Range of Funds: Guarantee options**.



## What might I get back?

The amount will depend on:

- how much you've invested,
- how long you've invested for,
- any withdrawals you've made,
- how your investments have performed,
- whether we've added any Annual Growth Reward,
- the charges that have been taken from your investment.

If you have a personal illustration, it will show how much you could get, based on example growth rates and your chosen investment.

If you don't cash in the bond before the maturity date (99 years from your original investment), we will pay out the greater of:

- the bond value at the maturity date and,
- the Guaranteed Maturity Value (GMV).

When the bond starts, the GMV is 101% of your initial investment. It will increase by 101% of any additional investments you make into your bond and, similarly, decrease by 101% of the value of units that are cancelled to provide any withdrawals you make.

We provide a guarantee that, as long as the bond is in force on the maturity date, the maturity benefit will not be less than £100, €150 or \$150.

### Annual Growth Award

For further details on the Annual Growth Award charge, please read the **Statement of Charges**.

### PAC With-Profits Range of Funds

If you've invested in any of the funds within the PAC With-Profits Range of Funds, the value of your investment will depend on the bonuses we've added to it and whether any MVR applies. For more information, please read **Your guide to investing in With-Profits**.

### The PruFund Range of Funds

The PruFund Protected Funds include a guarantee which takes effect on a selected anniversary of your bond. This may affect the amount you get back. For more information, please read **Your guide to investing in the PruFund Range of Funds**.

## How do I take money out of my bond?

You can make one-off and regular withdrawals from your bond. The minimum amount of any withdrawal is £75, €112.50 or \$112.50.

If you're not withdrawing the full value of your investment from a particular fund, you must leave at least £500, €750 or \$750 in that fund.

If you ask us to pay you in any way other than by cheque, we may charge you for any costs incurred.

### One-off withdrawals

You can make one-off withdrawals at any time. If you make a one-off withdrawal within the first five years of your bond, or within five years of a top-up, we will apply an Early Cash-in Charge. For more information, please read the section "What are the charges and costs?".

### Regular withdrawals

We can pay regular withdrawals to you at these intervals:

- every month,
- every three months,
- every six months, or
- every 12 months.

You can take:

- a fixed amount – which needs to be at least the minimum listed above,
- a percentage of the total amount you have invested in your bond, or
- a percentage of the full value of your bond.

The maximum regular withdrawal you can take in any 12-month period can be found in the **Statement of Charges**.

Regular withdrawals are taken evenly across all the policies in your bond. For one-off withdrawals, you can alternatively choose to cash in individual policies.

## Withdrawals and top-ups

If you've topped up your bond and you make a withdrawal, we take your withdrawal from each investment proportionately.

## PAC With-Profits Range of Funds

If you withdraw money from the PAC With-Profits Range of Funds, we may apply a Market Value Reduction (MVR).

If you cancel a regular withdrawal request, we reserve the right not to allow you to restart regular withdrawals subsequently if you have elected to take them wholly or partly from a fund within the PAC With-Profits Range of Funds.

For example, we may exercise this right if, at the time you ask to re-start regular withdrawals, an MVR is in force for withdrawals from any of the PAC With-Profits Range of Funds. However, this rule does not effect withdrawals from unit-linked funds. You would also still be able to make partial withdrawals at any time.

Similarly, we reserve the right not to allow you to change your selected fund(s) for regular withdrawals to a fund within the PAC With-Profits Range of Funds. Again, we may exercise this right if, at that time, an MVR is in force. This is to help with our overall management of the PAC With-Profits Fund and to help ensure all policyholders are treated fairly.

For more information on MVRs, please read the section "Where are my payments invested?"

## The PruFund Range of Funds

There are restrictions on when you can move money out of the PruFund Range of Funds. If you're invested in one of the PruFund Protected Funds and take money out of the fund, your Guaranteed Minimum Fund will be reduced proportionately.

For more information, please read your personal illustration (if you have one) and **Your guide to investing in the PruFund Range of Funds**.

## What about tax?

This section gives brief information about tax. For specific advice, please speak to your financial adviser or tax adviser.

Prudential International are not permitted to give tax advice.

### Irish Exit Tax

If you become resident in Ireland, we'll deduct Irish Exit Tax from your bond:

- every eight years;
- when any benefits are paid out; or
- when the owners of the bond change.

We pay this tax to the Irish tax authorities. If you're not resident in Ireland, you don't have to pay Irish Exit Tax provided you complete the "Declaration of residence outside Ireland" which is contained within the application form.

### Tax rules for trusts

If your bond is written under trust, special tax rules apply. For more information, please speak to your financial adviser.

Tax rules can change and the impact of taxation (and any tax relief) may depend on your specific circumstances.

Before you make a decision you should speak to a financial adviser who can help you understand any tax impact.

## How will I know how my International Prudence Bond is doing?

We'll send you an annual statement. If you want to know the value of your bond at any time, please call us on **0808 234 2200** (UK freephone) or **+353 1 476 5000** (if outside the UK).

## What if the International Prudence Bond isn't right for me?

You have 30 days from when you first receive your bond documents to cancel. You also have 30 days to cancel any top ups.

If you decide to cancel a top up it won't affect any existing investment you have in place.

We'll send you a cancellation notice with your bond documents and if you decide to cancel, you can return the notice or write to us with your bond reference number at:

**Operations Department**  
**Prudential International**  
**PO Box 13395**  
**Chelmsford**  
**CM99 2GH**

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

If you decide to cancel and you've invested in our PAC With-Profits Range of Funds or PruFund Range of Funds, you'll get back all the money you invested in those funds. If you've invested in any of our other funds, we'll give you your money back less any fall in value and less any adviser charges we've already taken, so you may not get back the full amount you paid in.

You can also cancel before you receive your bond documents by calling us or your adviser.

After 30 days your bond becomes binding and you can't cancel it. But if you decide it's not right for you later, you can cash it in. However you might not get all your money back if the value of it has fallen.

# Other information

## Compensation

Prudential International exceeds its capital requirements and is financially strong. However, in the unlikely event that Prudential International, the fund manager, Prudential in the UK or the custodian of fund assets should fail to meet their financial obligations, You may face financial loss.

Prudential International products will not be covered by a government-backed financial guarantee scheme, including the FSCS in the UK.

For further information on policyholder protection please read our leaflet which can be found here:

[pru.co.uk/policyprotection](http://pru.co.uk/policyprotection)

## 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](http://pru.co.uk/about_us), or if you contact us using the details on the last page, we can post some information to you.

## Terms and Conditions

This Key Features Document gives a summary of your plan. Full details are set out in our **Contract Conditions** which is available on request using our contact information on the last page, and will also be sent to you when your plan starts.

## 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 using the contact details on the back page.

## Law

The law of England and Wales applies to this contract.

## Our regulators

The address of the regulator in Ireland which authorises Prudential International is:

**Central Bank of Ireland**  
**New Wapping Street**  
**North Wall Quay**  
**Dublin 1**  
**D01 F7X3**

## Communicating with you

Our plan documents and **Contract Conditions** 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 "How to contact us" section at the back of this document.

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

**The Financial Services & Pensions Ombudsman**  
**Lincoln House**  
**Lincoln Place**  
**Dublin 2**  
**D02 VH29**  
**Ireland**

Telephone: + 353 1 567 7000

[fspo.ie](http://fspo.ie)

Making a complaint to the Financial Services & Pensions Ombudsman won't affect your legal rights.

## How we use your personal information

In the Application Form for your bond we set out, within the Privacy Fair Collection 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 Fair Collection Notice, please visit [mandg.com/pru/prudential-international-hub/en-gb/privacy-fair-collection-notice](https://mandg.com/pru/prudential-international-hub/en-gb/privacy-fair-collection-notice)

To access this website, all characters must be typed in lowercase format.

If you require further information You can: write to the Data Protection Officer at:

**Prudential International**  
**PO Box 13395**  
**Chelmsford**  
**CM99 2GH**

Call us on: **0808 234 2200** (UK freephone) or  
**+353 1 476 5000** (if outside the UK)

# Get in touch

If you want to contact us before you top-up you can write or phone us:



Write to: **Operations Department, Prudential International, PO Box 13395, Chelmsford CM99 2GH**



Phone: **0808 234 2200** (UK freephone) or **+353 1 476 5000** (if outside the UK) Monday to Friday 9am – 5pm GMT (we are not open on public holidays). We might record your call to make sure our service is up to standard.



If you are 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](https://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.



For more information please visit **[prudential-international.com](https://prudential-international.com)**

## 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.



[prudential-international.com](https://prudential-international.com)

The registered office of Prudential International is in Ireland at Fitzwilliam Court, Leeson CI, Dublin 2, D02 TC95. Prudential International is a marketing name of Prudential International Assurance plc, a life assurance company operating from Ireland. Registration No. 209956. Prudential International Assurance plc is authorised and regulated by the Central Bank of Ireland. 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.