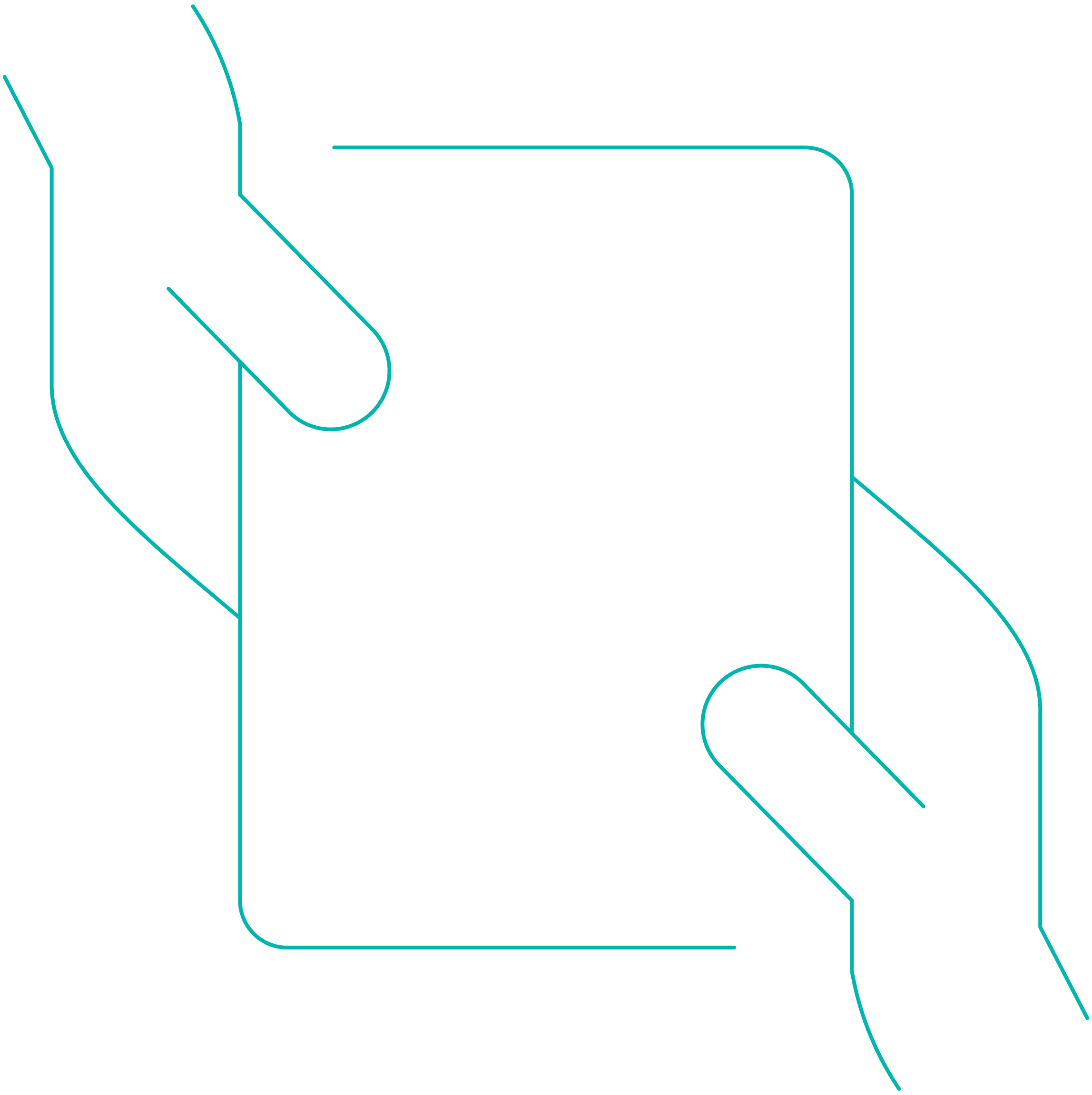
Key Features of the

Premier Stakeholder Transfer Plan



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

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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.

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

About the Premier Stakeholder Transfer Plan

The Premier Stakeholder Transfer Plan is designed for you to transfer funds from another pension arrangement. It provides access to a range of investments to help you save for retirement.

If you still have questions about our Premier Stakeholder Transfer Plan after reading this booklet, please look at the "Get in touch" section for our contact details. If you have a financial adviser, please contact them in the first instance.

Its aims

What this plan is designed to do

- To help you save for your retirement in a flexible and tax-efficient way.
- To give you access to a range of investments to match your attitude to risk and investment objectives.
- To allow you to transfer your existing pension pot into this plan.

Your commitment

What we ask you to do

- To make at least one transfer payment into this plan.
- To allow your pension pot to potentially grow until you take your pension benefits.
- To regularly review your investments to make sure you're on track for retirement.

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.
- There are different risks for different funds, please refer to your **Fund Guide** for more information.
- As the price of everyday goods and services goes up, your money won't stretch as far as the same amount would now. This is called inflation.
- If the total charges are more than any overall growth achieved, your plan will fall in value, possibly to even less than you have invested.
- There may be a delay in buying, selling or switching to or from certain funds.
- If you are transferring benefits in from a defined benefit or final salary pension scheme you will lose the guaranteed benefits that this type of scheme provides.

Other documents you should read

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

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

- **Technical Guide**
  Gives you detail on the terms and conditions of the contract.
- **Fund Guide**
  This explains your investment choices.

Questions & Answers

Is the Premier Stakeholder Transfer Plan right for me?

The Premier Stakeholder Transfer Plan might be right for you if you're looking to transfer the value of your existing pensions pots to Prudential. You should speak to a financial adviser before making a decision. If you don't have one, you can find an adviser at **pru.co.uk/find-an-adviser**

How flexible is it?

This plan can only accept transfers from other pensions you may have.

How much can I pay into my plan?

There's no limit to the amount that can be transferred into your plan but there will be no new tax relief available. You're not able to make regular or one off payments to it.

Can I transfer money in?

Yes, if you have a pension plan with another provider, you may be able to transfer the value of it to this plan.

Your existing plan might have valuable guarantees you'd lose if you transfer your pension pot. You should speak to a financial adviser before you make a decision.

Where is my transfer value invested?

Different funds invest in different types of assets for example, some only invest in property, others invest directly in the stock market and others invest in a wide range of assets. Each fund has its own level of risk and potential for growth. Usually, funds with more potential for growth carry more risk. Remember, the performance of the funds isn't guaranteed. The value of your investment can go down as well as up so you may get back less than you put in.

You can invest in more than one fund at a time, up to a maximum of 20 and we use your money to buy units in those funds.

We may delay the buying, selling and switching to or from certain funds. These delays will only apply in certain circumstances and if this applies to you, we'll let you know. For more information, please read your **Fund Guide**.

If no fund selection is made, the plan will invest in the default investment strategy – the Lifetime Investment Profile targeting **retirement options**. This fund doesn't represent a recommendation on behalf of Prudential and you should consider and choose funds to suit your needs.

Your financial adviser, if you have one, can give you details about the funds, before you choose where to invest. You can also refer to our **Fund Guide**.

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. Money in the various funds is invested in a wide range of shares, corporate bonds, government stocks and commercial property in the UK and abroad.

How unit-linked funds invest

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

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

- additional charges,
- cash management (needed to help people to enter and leave our fund when they want),

- tax,
- timing of investments (this is known as a fund's dealing cycle, it varies between managers and can be several days).

Can I change my investments?

Yes, you can switch your money between funds at any time. We don't currently charge you for this but if this changes in the future we'll let you know.

Can I transfer money out?

You can transfer your pension pot to another registered pension scheme at any time. We do not charge you for transferring to a new arrangement.

To find more information on this subject, you should speak to a financial adviser.

What are the charges and costs?

Charges and costs are deducted for managing your plan 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. You can find more information in your Fund Guide.

Annual Management Charge (AMC)

For unit-linked funds, we deduct an Annual Management Charge from the funds and this charge is already reflected in the price of the units. The amount of charge we deduct depends on the funds you choose to invest in and the amount of your original investment. For more information, please read your **Fund Guide**.

The government currently caps charges for stakeholder pensions at 1.5% of your fund value, for the first 10 years then 1% thereafter. Our current maximum charge is 1%.

This charge is taken as a percentage of the fund value and this varies according to the funds chosen, currently up to a maximum of 1% a year.

For example, if your fund is valued at £500 throughout the year, this means that we will deduct up to £5 that year. If your fund is valued at £7,500 throughout the year, we will deduct up to £75 that year.

Further costs

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

What might I get back?

The size of your pension pot will depend upon many factors such as:

- the amount that has been paid into the plan
- how long the payments have been invested
- the performance of the fund(s) you have invested in
- the age you choose to take your benefits
- the amount of charges you've paid.

This is explained further in your illustration you received when going through the application process.

When can I take my benefits?

You can start taking your benefits from the age of 55, even if you're still working. You might be able to take your benefits earlier than that if you're in ill health.

Regardless of your age, if you have a life expectancy of less than one year due to ill health, you may be able to take your pension pot tax-free.

For more information, please contact us using the details on the last page.

The minimum age from which you can access your personal or occupational pension will increase from 55 to 57 on 6 April 2028, unless you have a protected pension age. State Pension age will increase from age 66 to age 67 for males and females between 6 April 2026 and 5 April 2028. These ages may change in future.

What choices will I have when I want to take my benefits?

You've got different options to choose from when it comes to taking your benefits. We'll contact you as you approach retirement to let you know which of these options we may be able to offer you.

Depending on your choices, you might need to move your pot to another pension arrangement/provider to access some of these options or to access them when you prefer.

Flexible cash or income (also known as drawdown)

You can take out up to 25% of the money moved into your flexible cash or income plan, in cash, tax-free. You'll need to do this at the start. You can then dip into the rest as and when you like. You can also set up a regular income with this option. Any money you take after the first 25% may be subject to income tax.

A guaranteed income for life (also known as an annuity)

You can use your plan to buy an income for life. It pays you an income (a bit like a salary) and is guaranteed for life. These payments may be subject to income tax. In most cases you can take up to 25% of the money you move into your guaranteed income for life, in cash, tax-free. You'll need to do this at the start and you need to take the rest as an income.

Cash in your plan all at once

You can take your whole plan in one go, as a lump sum. Normally the first 25% is tax-free, but on the remainder, you could lose 20%, 40% or even 45% to income tax, if it pushes you into a higher tax bracket (especially if you're still earning). You'll need to plan how you provide an income for the rest of your life.

Take cash in stages

You can leave your money in your plan and take out cash lump sums whenever you need to – until it's all gone, or you decide to do something else with what's left. You decide when and how much to take out. Every time you take money from your plan, the first 25% is usually tax free and the remainder may be subject to income tax.

Take more than one option

You don't have to choose one option – you can take a combination of some or all of them over time, even if you've only got one pension pot.

Whatever you decide to do with your pension savings – you don't have to stay with us. You should shop around and depending on the choices you make, you may find something more appropriate elsewhere, with alternative features, investment options or charges.

Where can I get guidance about what to do with my pension?

General guidance and information on all aspects of pensions is available from MoneyHelper.

MoneyHelper Pensions Guidance
Money and Pensions Service
120 Holborn
London
EC1N 2TD

Telephone: **0800 011 3797**

Website:
moneyhelper.org.uk/en/pensions-and-retirement

For people over 50, Pension Wise is also available. This Government service from MoneyHelper offers guidance to people with personal or workplace pensions on all the options available for their pension savings. You can have a free consultation online, over the phone and face to face.

Telephone: **0800 280 8880**

Website: **moneyhelper.org.uk/pensionwise**

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

What about tax?

The transfer is money which was previously invested in another pension arrangement, and tax relief was given on any contributions you had made at the time that you made the original contributions. There is no further tax relief on the transferred pension pot.

Money Purchase Annual Allowance

Taking money out of your pension will sometimes lower the amount you can pay into all the pensions you may have while still benefitting from tax relief. This limit is called the Money Purchase Annual Allowance (MPAA). Your pension scheme administrator or provider will have told you if you are subject to the MPAA at the time they started to pay you.

Lump Sum Allowances

From 6 April 2024 the lifetime allowance was replaced by two new allowances.

The Lump Sum Allowance (LSA)

This is a limit on the amount of tax free lump sums that can be taken from pension schemes.

Lump Sum and Death Benefit Allowance (LSDBA)

This is a limit on the amount of lump sum death benefits and serious ill health lump sums that can be paid without tax.

Where the amount exceeds either of these allowances, income tax may be payable on the excess.

Capital Gains Tax

You don't pay capital gains tax on your pension funds.

Income Tax

Any money taken out, excluding any tax-free cash, may be subject to income tax. Lump sum benefits payable on death are not normally subject to income tax unless they are over the available lump sum and death benefit allowance, paid out more than 2 years after notification of death or where death occurred after age 75.

Inheritance tax

Lump sum benefits are not normally subject to Inheritance tax.

> Tax rules can change and the impact of taxation (and any tax relief) depends on your circumstances. Before you make a decision you might want to speak to a financial adviser. They can help you understand the tax rules and how they might affect you.
>
> For more information visit **pru.co.uk/tax** or the HMRC website at **hmrc.gov.uk**.

How will I know how my Premier Stakeholder Transfer Plan is doing?

We send you an annual statement, which shows how your plan is doing.

Keep track of your plan online, at a time that suits you.

With your online service you can check the value of your plan, contact us securely, change personal details and view your documents. If you're not registered, it's easy and only takes five minutes. You'll need your policy number, postcode and date of birth. Go to **pru.co.uk/registeronline** to find out more.

You can also phone us on **0345 640 3000** and a member of our team will give you an up-to date valuation.

What happens to the Premier Stakeholder Transfer Plan if I die?

If you die before you take your benefits, the value of your pension pot will be paid. You can nominate beneficiaries to whom you would like these benefits paid.

If you die before you take your benefits, there is normally no inheritance tax payable on the value of your plan.

Where we do not have any discretion over to whom the lump sum is paid there may be an inheritance tax liability if it forms part of your estate.

What if the Premier Stakeholder Transfer Plan isn't right for me?

Once you have started your plan, you will receive a Notice of your right to cancel.

If this is returned to us within 30 days of receipt, the plan will be cancelled. You should, however, bear in mind that the previous arrangement may not be prepared to take the transfer back.

If you cancel your plan within 30 days, the value may be less if the fund has fallen. If you wish to cancel your plan, you should complete the cancellation notice and return it to:

Customer Services Department
Prudential
Lancing
BN15 8GB

If you do not exercise your right to cancel within the 30 day statutory cancellation period, the contract will become binding. We will not return any money to you except in the form of a benefit payable in accordance with the rules.

How much will the advice cost?

If you take advice then you will agree the cost of this with your adviser when you start the plan, please refer to your personal illustration or contact your financial adviser for further details.

Other information

Client category

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

Compensation

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

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

Where does FSCS protection apply?
There is full FSCS coverage if PACL is 'in default'.

- Your pension is protected up to 100% of the value of your claim.
- Any funds you choose to hold in your pension will be included in the value of your claim in the event that PACL is declared 'in default'.

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

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

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

Information is also available from the Financial Services Compensation Scheme.

Visit their website: **fscs.org.uk**

Or write to:

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

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

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

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

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

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

Financial Strength

Prudential meets regulatory standards for meeting its financial obligations. You can read our solvency and financial conditions reports at **pru.co.uk/about_us**, or if you contact us using our 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 **Technical Guide** which is available on request using our contact information on the last page. We will also send it 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, please contact us using our details on the last page.

Law

The law of Scotland applies to your contract.

Our regulators

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

You can contact the FCA at:

The Financial Conduct Authority
12 Endeavour Square
London
E20 1JN

Email: **consumer.queries@fca.org.uk**

Prudential Regulation Authority details:

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

Email: **enquiries@bankofengland.co.uk**

Communicating with you

Our documents and terms and conditions, as well as all other communications, will be in English.

How to make a complaint

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

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

Financial Ombudsman Service
Exchange Tower
London
E14 9SR

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

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

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

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

Telephone: **0800 917 4487**

Email: **enquiries@pensions-ombudsman.org.uk**

Website: **pensions-ombudsman.org.uk**

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

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

Get in touch

If you want to contact us, you can do so in the following ways:

With your online service you can check the value of your plan, contact us securely, change personal details and view your documents. If you're not registered, it's easy and only takes five minutes. You'll need your policy number, postcode and date of birth. Go to **pru.co.uk/registeronline** to find out more.

Write to: **Prudential Lancing BN15 8GB UK**

Phone: **0345 640 3000** Monday to Friday, 8am to 6pm. We might record your call for training and quality purposes. To find out more about how we use your personal data please visit **pru.co.uk/mydata**

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

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

Keep in touch

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

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