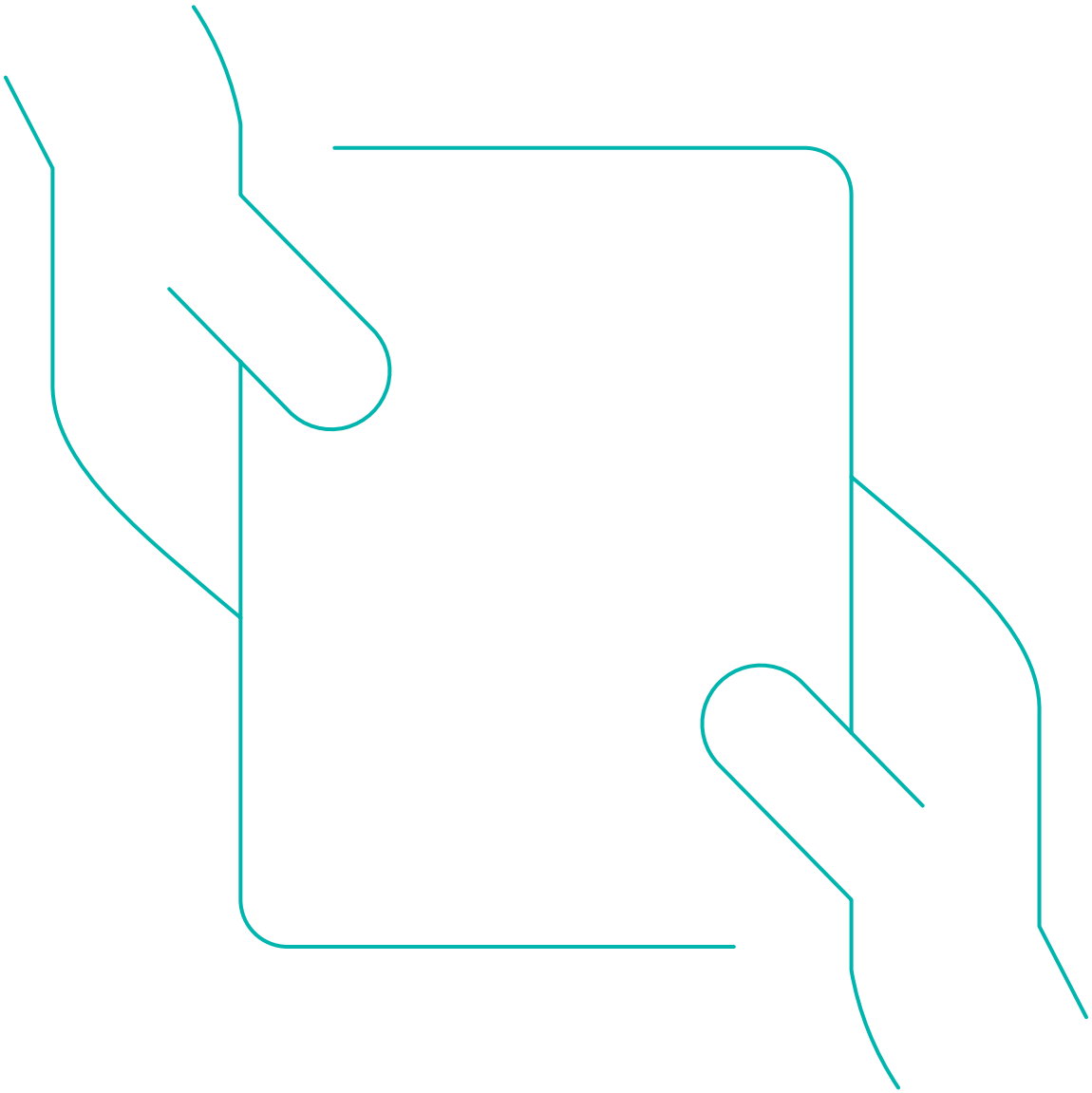
keyfacts®

Pru
part of M&G plc

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.

Contents

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 allow you to transfer the value of your existing pension pot into a Premier Stakeholder Transfer Plan.
- To help you save for your retirement in a tax-efficient way.
- To give you access to a range of investments to match your attitude to risk and investment objectives.

Your commitment

What we ask you to do

- On transferring your pension pot, you give up all rights to the existing retirement provision in respect of the transfer value.
- To allow your fund to potentially grow until you take your benefits. You cannot normally access your benefits until age 55.

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.
- 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 exceptional circumstances that delay the buying, switching and selling of units in any fund. We would not expect these delays to be longer than six months for units that invest in property or land, and one month for units that invest in other asset types. However, we cannot guarantee that delays will never be longer. If a delay will apply to you, we'll let you know.

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 are all available from your adviser or direct from us. Our contact details 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.

How flexible is it?

This plan can only accept money from transfers from other pension arrangements you may hold.

How much can I pay into my plan?

There's no limit to the amount that can be transferred into your Premier Stakeholder Transfer Plan, however you're not able to make regular or one off payments to it.

Can I transfer money in?

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

If the pension plan you're transferring money from allows you to take more than 25% of its value as tax-free cash when you take your benefits, you may lose this entitlement when you make your transfer.

Your 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?

The choice of investment funds is up to you. Your options range from funds which invest in a spread of assets, to specialised investment-linked funds.

You can invest in more than one fund at a time, up to a maximum of 20, and you can usually change funds in the future. We do not currently charge for switching between funds, if this changes we will let you know.

For investments in Unit-Linked funds, the value of your account is based on the total number of units held in each fund and the value of these units. If the unit prices rise or fall, so will the value of your account. Money in the various funds may be invested in a wide range of shares and other investments. 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.

There may be exceptional circumstances that delay the buying, switching and selling of units in any fund. We would not expect these delays to be longer than six months for units that invest in property or land, and one month for units that invest in other asset types. However, we cannot guarantee that delays will never be longer. If a delay will apply to you, we'll let you know.

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.

If you are unsure as to the suitability of this product or fund choice, please seek financial advice.

You can also find further information on the funds that are available to you from the **Fund Guide**.

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?

You can change the funds you are invested in at any time and we do not currently charge for this.

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.

What are the charges and costs?

Annual Management Charge

For Unit-Linked Funds, we deduct an Annual Management Charge from the Funds. This charge is already deducted when we work out the full value of your policy.

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 incurred by the funds

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.

Charges and costs may vary in the future and may be higher than they are now. Further details can be found in the **Technical Guide**.

For further information on the funds and the charges and costs please see read your personal illustration or **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?

The Government currently allows people to start taking their benefits from the age of 55, even if you are still working. You may be able to start taking your benefits earlier if you are in ill health.

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

The value of your pension pot includes money invested, less charges and costs, plus any growth.

There are four main options which may be used in combination.

You can take cash in stages – You can leave your money in your pension pot 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. With this option every time you take money from your pension, the first 25% is usually tax-free and the remainder may be subject to income tax. So you can't take the full 25% tax-free from your pension pot at the start. But if you don't need the 25% tax-free sum all at once, this may be another way to minimise the tax you pay when you access your money.

You can take flexible cash or income (also known as drawdown) – In most cases you can take out up to 25% of the money moved into your flexible cash or income plan, in cash, tax-free. You will 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.

You can get a guaranteed income for life (also known as an annuity) – You can use your pension pot 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 will need to do this at the start and you need to take the rest as an income.

You can cash in your whole pension all at once – You can take your whole pension pot 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'll provide an income for the rest of your life.

Please get in touch as you approach retirement and we will let you know which of these options we may be able to offer you. You may have to transfer to another pension arrangement to take advantage of them all.

Under the terms of the current contract you will need to do this by your 75th birthday. There is no minimum guaranteed amount for the pension. Pension income is taxed as earned income.

Whatever you decide to do with your pension pot. You should shop around as 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?

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

Capital gains tax is not paid on the member's 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.

> 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.

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 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, 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 on the contact details on the back 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 plan documents and terms and conditions are in English 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 '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 following:

The Pensions Ombudsman deals with complaints and disputes which concern the administration and/or 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 before you buy this plan, you can contact us in the following ways:

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.

pru.co.uk

P562 02/2024_WEB