

Prudential Investment Plan

Fast Facts

Eligibility

Life assured	Minimum age at entry three months attained. Maximum age at entry 84 years attained (for joint life cases at least one life must be less than age 85 when the Plan is taken out).
Owner	Minimum 18 years attained, no maximum age limit.

Premium limits

Minimum premium limits	£10,000 on new business. There is a minimum investment limit of £500 per fund.
Maximum premium limits	£500,000 investment limit – including initial investments and any additional top-ups. If your client would like to pay in more please contact us to discuss. Your clients investment can go down as well as up and they may get back less than they invested.

Policy segmentation

Initial investment	20 identical policy segments.
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Adviser Charges

The level and shape of Adviser Charges is agreed between the individual Adviser and the client.

There are three types of Adviser Charges:

- Set-Up Adviser Charge
- Ongoing Adviser Charge
- Ad hoc Adviser Charge

The level and type of Set-Up Adviser Charge can vary between the level chosen for an additional investment and that chosen for the original investment.

Ongoing Adviser Charges apply at a plan level, so must be the same for the original investment and any additional investments. However, the terms of the Ongoing Adviser Charges can be changed at any time.

Adviser Charges – continued

Set-Up Adviser Charge

Set-Up Adviser Charges (if selected) are deducted from the initial investment before it is invested in the plan.

The initial investment less Set-Up Adviser Charges is the amount used to purchase units.

Set-Up Adviser Charge is selected as one of:

- a percentage of the initial investment amount (up to 2 decimal places); or
- a monetary amount in pounds (but not a combination of both).

The Set-Up Adviser Charge will only be paid once the plan is actually set-up. The maximum to be paid for the adviser charge is 5% of the initial investment. The aggregate of all Set-up Adviser Charges and Ad hoc Adviser Charges cannot exceed £30,000 in any 12 month period.

Ongoing Adviser Charges

Ongoing Adviser Charges will be taken at plan level and will apply across all in-force segments and are treated as a regular withdrawal for income limits and taxation purposes.

They may be set up at any time. The type, rate and frequency of Ongoing Adviser Charges on the plan can be changed at any time. Any addition of, or increase to, Ongoing Adviser Charges need authorisation from the client.

Types of Ongoing Adviser Charges

Only one type of Ongoing Adviser Charges can be selected at a time, with a maximum of 1% of fund value.

Type	Rounding
Percentage of Fund Value	2 decimal places
Percentage of Total Invested Premium	2 decimal places
Monetary Amount	Whole pounds

Ad hoc Adviser Charge

At any time after the initial plan is set-up, the client can request an Ad hoc payment be made to the Adviser.

The request will be treated as a partial surrender applying at a plan level. Standard partial surrender rules will apply.

Any Ad hoc Adviser Charge will apply across all in-force segments within a cluster. The option to surrender individual segments to pay for the Ad hoc Adviser Charge will not be available.

An Ad hoc Adviser Charge is selected as one of:

- a percentage of the Fund Value at the calculation date (up to 2 decimal places); or
- a monetary amount in pounds (but not a combination of both).

Any level of Ad hoc Adviser Charge can be selected, subject to the maximum level of 2% of the fund value in a 12 month period.

Adviser Charges – continued

Trust Business

Set-Up Adviser Charges will only be paid in respect of advice given to the settlor. It cannot be paid in respect of the trustees. It is deducted from the original investment amount prior to it being put into trust.

Similarly, when an in-force Prudential Investment Plan is placed into trust, any Ad hoc Adviser Charge must be deducted before going into trust and the mandate signed by the settlor.

Trustees can authorise Ad hoc and Ongoing Adviser Charges for advice they have received.

AMC discounts

Assets Under Management Discount	Assets under management (£)	Fund size discount (%)
	< 24,999	0.30
	25,000 – 49,999	0.35
	50,000 – 99,999	0.40
	100,000 – 249,999	0.45
	250,000 – 499,999	0.475
	500,000 – 999,999	0.50
	1,000,000 – 1,749,999	0.525
	1,750,000 – 2,999,999	0.55%
	3,000,000+	0.575%

Funds

Wide range of fund options	<p>Choose from Prudential's multi-asset funds, including our Risk Managed Active range, our PruFund Range of funds, and other funds from both Prudential and other external fund managers.</p> <p>Maximum number of funds which a customer can invest in, at any one time, is 10.</p> <p>If investing in one or more of the Distribution Income Funds, the maximum is 9 as the Distribution Cash Fund is automatically added for income purposes. The same restriction applies if PruFund Funds are selected, as the equivalent holding account is automatically included.</p>
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Fund switching

Free Switching*	Three types of fund switching are permitted: <ul style="list-style-type: none"> • Programmed switching (available only at outset) • Discretionary switching • Automatic rebalancing
Discretionary Switching – minimum switch amount	£500. If not switching the full amount to another fund a minimum £500 must be retained in any fund.

* Currently there is no charge for switches, although we reserve the right to make a charge in the future. Switches out of any of the PruFund funds will be made 28 days after we receive the request. However switches from the PruFund Protected Cautious Fund to the PruFund Cautious Fund or from the PruFund Protected Growth Fund to the PruFund Growth Fund will be processed immediately. Only one switch request involving the PruFund funds is permitted a quarter. This limit does not apply to switches from a PruFund Protected Fund to its corresponding PruFund Fund. Switches into the Protected funds are not permitted. The fund value of the Protected funds will be reduced proportionately for any switches or withdrawals.

If you have any further questions or queries then please speak to your Account Manager.

Surrenders and regular withdrawals

Full surrender	Yes
Partial surrender	Over all segments and individual segments
Regular withdrawals	Occur over all in force segments
Regular withdrawals limits	The maximum level of regular withdrawals during any 12 month period is the greater of: <ul style="list-style-type: none"> • 7.5% a year of the value of the fund <p>And</p> <ul style="list-style-type: none"> • 7.5% of the total amount paid into the plan <p>£50 minimum</p> <p>Any Ongoing Adviser Charges are included in the maximum regular withdrawal limit, i.e. the maximum limit covers the total regular withdrawals taken from the plan. This includes the regular withdrawals paid to the client and any Ongoing Adviser Charges paid to the Adviser.</p> <p>These minimum and maximum levels do not apply to natural income, or to regular bonus as income options.</p>
Regular withdrawals options	Monthly, every three months, every four months, every six months, annually. Four monthly and annual options are not available if Natural Income option selected.

Our charges and costs may vary in the future and may be higher than they are now.

pruadviser.co.uk

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