

Retirement Annuity Policy

P411 Policy Conditions (1990 Series)
(Incorporating FlexiPension and IndePension)

Retirement Annuities

This booklet contains the Policy Conditions for policies issued by Prudential called FlexiPension (Series 5) and IndePension (Series 3). These policies are Retirement Annuity contracts (sometimes called "Section 226" plans).

You will be given a Policy Schedule or Schedules. You should disregard any section of this booklet which relates to a class of policy which is not referred to in a Policy Schedule.

Please read this booklet carefully. If you have any enquiries about it, please contact Prudential at the address given in policy condition 1.12. When contacting us, please quote your policy number.

FlexiPension (Series 5) and IndePension (Series 3) are available on a "non-advised" basis only.

Notices of Assignment (Assignment)

Written notice of the date and purport of any assignation or assignment affecting this policy should be sent to Prudential at the address shown in policy condition 1.12.

Contents

Policy Condition number

Introduction

	1
Policy conditions and Schedules	1.1
Definitions and interpretation	1.2
FlexiPension or IndePension	1.3
Registration with HMRC	1.4
Treatment of individual contracts	1.5
Amounts relating to each individual contract	1.6
Re-numbering of policies	1.7
Changes to policy conditions	1.8
Policy dates	1.9
Governing law	1.10
Increase in limits and Charges	1.11
Our contact details	1.12
Important note about taking benefits	1.13
Date we treat items, payments and communications as being received	1.14
Payments from the policy	1.15

Fund details

	2
The Investment-Linked Funds	2.1
Valuation of Investment-Linked Funds	2.2
Prices of units in Investment-Linked Funds	2.3
Management Charges on Investment-Linked Funds	2.4
Investment of Investment-Linked Funds	2.5
The With-Profits Funds	2.6
Restriction on Prudential's liability	2.7

Contributions

	3
Regular Contributions	3.1
Duration of contributions	3.2
Additional Regular Contributions	3.3
Payment of monthly Regular Contributions	3.4
Change of contribution frequency	3.5
Month of grace	3.6
Part-payment or non-payment of a contribution	3.7
Single Contributions	3.8
Annual Allowance and pension input period	3.9
Tax relief on contributions	3.10

Policy Condition
number

Unit allocation and deduction

4

Unit allocation

4.1

Types of units

4.2

Investment Content

4.3

Additional Management Charge

4.4

Review of Charges and Investment Content

4.5

Overpayment of contributions

4.6

Fund selection and switching

5

Fund selection at outset

5.1

Switching between funds

5.2

Fund selection for future contributions (redirection)

5.3

Conditions applying to fund selection,
redirection and switching

5.4

Death Benefit

6

Waiver Benefit

7

General

7.1

Incapacity

7.2

Waiver Benefits

7.3

Exclusions

7.4

Waiver Charge

7.5

Impact of alterations to Regular Contributions
on Waiver Benefits

7.6

Retirement Date

8

Choice of Retirement Date

8.1

Special early Retirement Date

8.2

Retirement Benefits

9

General

9.1

Retirement Fund

9.2

Choice of benefits

9.3

Non-commutability and non-assignability of pension

9.4

Late settlement

9.5

Policy Condition
number

Variation or discontinuance of Regular Contributions

10

General

10.1

Paid-up policy

10.2

Termination

10.3

Other changes in the amount of Regular Contributions

10.4

Transfers-out

10.5

Charges

11

Satisfaction of Charges

11.1

Carrying forward of the Charges

11.2

**Review of Charges, minimum amounts
and Investment Content**

12

Reviews of Charges

12.1

Review of minimum amounts

12.2

Review of Investment Content

12.3

Other Information

13

Contract of long-term insurance

13.1

Pension business

13.2

Compensation schemes

13.3

Complaints

13.4

Contracts (Rights of Third Parties) Act 1999

13.5

Transfer of ownership

13.6

Bankruptcy

13.7

Divorce and dissolution

13.8

Contractual rights

13.9

Information to be provided by you to us

13.10

Notices, instructions and requests from you to us

13.11

Notices to you from us

13.12

Production of evidence

13.13

Proof of age and marriage or civil partnership

13.14

Policy and pensions not to be cashed

13.15

Failure to comply with the terms and conditions in the policy

13.16

Beneficiary unable to look after own affairs

13.17

The Pension Tracing Service

13.18

Flexipension (Series 5) and Indepension (Series 3)

1. Introduction

1.1 Policy conditions and Schedules

These policy conditions and each schedule with them form a policy ("the policy") issued by us, The Prudential Assurance Company Limited ("Prudential"). It should be noted that in the context of these policy conditions and schedules, "Prudential" does not include "Prudential Financial Planning", which is an advice service provided through another company from within the Prudential Group. The policy confirms that "you", the person named as the "Investor" on the schedule, have a contract or contracts with us. The schedule may include any changes to the policy by endorsement or by the issue of a "replacement schedule".

These policy conditions are issued when you start a new series of regular contributions or pay a single contribution to a particular type of retirement annuity contract taken out with Prudential before 1st July 1988. The policy therefore represents an addition to an existing contract. These FlexiPension (Series 5) or IndePension (Series 3) policy conditions are the policy conditions which apply to the new payment(s). They may be different from the policy conditions that apply to your original retirement annuity contract(s).

Each FlexiPension (Series 5) or IndePension (Series 3) policy is made up of a number of separate and individual contracts. They were set up by the application and declaration which you have made to us and which we have accepted.

In return for payment to us of the

contributions provided for in the policy, we will pay the benefits described in these policy conditions to you or the person otherwise entitled subject to the provisions contained in the schedule or in these policy conditions. In dealing with the policy we will be bound by good life assurance practice and by the need to preserve the reasonable expectations of our policyholders.

1.2 Definitions and interpretation

In these policy conditions the following words and expressions have special meanings as set out below:

- **Additional Management Charge Period** is the period of 25 years starting with the First Contribution Date, or the period up to and including the Selected Retirement Date if shorter. This will apply to each Regular or Additional Regular Contribution. If there is more than one Additional Management Charge Period ending on different dates we are allowed to extend some of the Periods and to reduce others, so that all these Periods end on the same date. We can only do this if these extensions or reductions, taken together, are neither favourable nor unfavourable to you.
- **Additional Regular Contribution** is a Regular Contribution which starts after the Date of Currency.
- **Annual Allowance** Under legislation there is a limit for each Tax Year on the total contributions that can be paid by or in respect of you to the policy and to all other Registered Pension Schemes. This limit is called the Annual Allowance. The Annual

Allowance will also take into account the increase in value of any defined benefits that you may have under any other Registered Pension Scheme. If the Annual Allowance is exceeded you will be liable to an Annual Allowance Charge. The Annual Allowance is explained in more detail in policy condition 3.9.

➤ **Annual Allowance Charge**

This is a tax charge for which you are liable if the Annual Allowance is exceeded. The Annual Allowance Charge is based on your highest marginal rate of income tax in respect of the amount in excess of the Annual Allowance.

We cannot be held liable if you suffer any loss due to our acceptance of a payment that results in an Annual Allowance Charge.

- **Charges** refers to the various Charges that are payable to us under this policy for administering the contract and the funds. When we refer to Charges, this expression excludes all HMRC tax charges such as the Annual Allowance Charge and the Lifetime Allowance Charge.
- **Date of Currency and Date of Renewal** are the dates shown as such on the schedule.
- **Disqualifying Pension Credit** is a Pension Credit that has been received by an individual on divorce/dissolution where his or her ex-spouse's or ex-civil partner's benefits were already in payment at the time the Pension Credit was awarded.

- **First Contribution Date** is the Date of Currency or, if referring to an Additional Regular Contribution, is the date on which the first payment is deemed to be due.
 - **HMRC** is HM Revenue & Customs.
 - **Investment Content** is the percentage of the contribution which is used to buy units under the policy. See policy condition 4.3.
 - **Lifetime Allowance Charge**
This is a tax charge that applies if, when you take benefits from the policy, the value of those benefits exceeds your available Personal Lifetime Allowance. If the excess is used to provide a pension it will be taxed at 25%. If the excess is taken as a lump sum it will be taxed at 55%. When testing the benefits against your Personal Lifetime Allowance, the value of benefits previously taken from the policy and/or from any other Registered Pension Scheme will be taken into account.
 - **Monthly Date** is the same date each month as the Renewal Date. For example, if the Renewal Date is 1st January, then the Monthly Date will be the 1st day of each month.
 - **Pension Credit** Pension Credits may arise in two situations as follows:
 - (a) an individual who has become divorced or whose civil partnership has been dissolved may be awarded a Pension Credit in respect of his or her ex spouse's or ex-civil partner's benefits under a Registered Pension Scheme; and
 - (b) on divorce or dissolution, your ex-spouse or ex-civil partner may be awarded a Pension Credit in respect of your benefits under this policy.
 - **Personal Lifetime Allowance**
This will normally be the Standard Lifetime Allowance. However, a higher or lower amount may apply in certain circumstances. For example the Personal Lifetime Allowance may be a higher amount where you have Transitional Protection in relation to your benefits. Conversely, the Personal Lifetime Allowance may be a lower amount where you had a Protected Early Pension Age at 6 April 2006.

Whenever benefits come into payment, the value of those benefits is tested against your available Personal Lifetime Allowance (or at age 75, if later). Before paying any benefits, we will need evidence of any percentage of the Standard Lifetime Allowance that has already been used in providing benefits. If, at that time, your Personal Lifetime Allowance is different from the Standard Lifetime Allowance, we will also need evidence of the actual Personal Lifetime Allowance. If your Personal Lifetime Allowance is exceeded the excess benefits will be subject to a Lifetime Allowance Charge. It is your responsibility to keep a record of the percentage of the Standard Lifetime Allowance that has been used in providing benefits.
 - **Protected Early Pension Age**
Certain individuals are permitted to start benefits under a Registered Pension Scheme before age 55.
- A Protected Early Pension Age applies if an individual:
- has an unqualified right to take benefits prior to age 55; or
 - was entitled on 6 April 2006 to an early pension age because his or her occupation was recognised by HMRC as one for which an early pension age was acceptable.
- **Prudential Group** is Prudential plc and its subsidiaries (as defined in the Companies Act 2006).
 - **Reasonable Notice** means that we must tell you before we make a change and we must give you a reasonable amount of time, given all of the circumstances, to take any action or make any decisions which are needed, or which you may wish to take, on account of the proposed change. When giving Reasonable Notice, we will take account of all of the circumstances of the change: for example, the length of notice that we can give may be influenced by legislative or regulatory requirements, or by an external body.
 - **Registered Pension Scheme**
A pension scheme registered in accordance with section 153 of the Finance Act 2004, or deemed registered in accordance with paragraph 1 of Schedule 36 to the Finance Act 2004.
 - **Regular Contribution** is a contribution payable on a regular basis either yearly or monthly. Unless the context makes it clear that this is not the case, it includes an Additional Regular Contribution.

- **Retail Prices Index** is the general index of retail prices (for all items) published by the UK Government Executive Agency known as the Office for National Statistics. If this index is no longer published or if, in our opinion, this index is no longer suitable, we will use another index which we consider suitable, not excluding for this purpose an index calculated by us. In selecting or calculating a different index, we will always act reasonably, bearing in mind our duty to treat our customers fairly.
- **Retirement Date** is, for each contract, the date on which you choose to take the benefits under that contract.
- **Retirement Fund** is, for each contract, the value of units held under that contract, subject to the deduction of our Charges. See also policy condition 9.2.
- **Selected Retirement Date** is the date shown on the schedule.
- **Single Contribution** is a contribution, other than a Regular Contribution, which is paid once only.
- **Standard Lifetime Allowance**
There is a limit on the total value of the benefits that can be taken from all Registered Pension Schemes (including this policy) of which you have been, or are currently, a member. This limit is called the Standard Lifetime Allowance. If the Standard Lifetime Allowance is exceeded, the excess benefits may be subject to a Lifetime Allowance Charge.

The Standard Lifetime Allowance for the tax year 2018/2019 is £1,030,000.

The Standard Lifetime Allowance will increase each Tax Year in line with the Consumer Prices Index. The Government will confirm in regulations the amount of the new Standard Lifetime Allowance before the start of each Tax Year.

- **Tax Year** is the period starting on 6th April each year and ending on 5th April in the following year.
- **Transitional Protection** allows an individual to protect existing pension savings from the Lifetime Allowance Charge, as follows:
 - If you have pensions savings built up before 6th April 2006 when the Standard Lifetime Allowance was first introduced, you may have "primary protection" and/or "enhanced protection". You needed to apply to HMRC for these protections by 5th April 2009.
 - If you have pension savings built up before 6th April 2012 when the Standard Lifetime Allowance was reduced from £1.8 million to £1.5 million, you may have "fixed protection". You needed to apply to HMRC for this protection by 5th April 2012.
 - If you have pension savings built up before 6th April 2014 when the Standard Lifetime Allowance was reduced from £1.5 million to £1.25 million, you may have "fixed protection 2014". You needed to apply to HMRC for this protection by 5th April 2014.
 - If you have pension savings built up before 6th April 2014 when the Standard lifetime Allowance

was reduced from £1.5 million to £1.25 million, you may have "individual protection 2014". You needed to apply to HMRC for this protection by 5th April 2017.

- If you have pension savings built up before 6th April 2016 when the Standard Lifetime Allowance was reduced from £1.25 million to £1 million, you may apply for "fixed protection 2016" or "individual protection 2016". You need to apply to HMRC for these protections. You are able to apply online by visiting its website at www.gov.uk/guidance/pension-schemes-protect-your-lifetime-allowance. You should seek financial advice regarding these protections if they could be relevant to you.

References to forms and procedures of government departments are those which apply as at March 2018.

Any reference to an Act of Parliament includes any new legislation by which it is replaced or changed. It also includes any regulations or orders made under an Act or under any replacement Act.

Information in this policy document is based on Prudential's understanding of legislation as at March 2018.

Legislation, particularly relating to taxation, may be subject to change in the future.

1.3 FlexiPension or IndePension

The schedule will show whether a policy is FlexiPension (Series 5) or IndePension (Series 3).

1.4 Registration with HMRC

Although your contract with Prudential, evidenced by this policy, is not a pension scheme as such, HMRC nevertheless treats the arrangements as a registered pension scheme. This means that various tax advantages are available in respect of some types of contributions paid to the policy, investments under the policy and benefits paid out of the policy.

1.5 Treatment of individual contracts

In applying these policy conditions they will be acted upon at the same point in time and identically for every individual contract, subject to the following exceptions:

- Any contract which has reached the Retirement Date or is in the month preceding the Retirement Date and a switch of units into a Cash Fund has already occurred.
- The choice of Retirement Date, except that where payment of benefits is to be postponed beyond your Selected Retirement Date then you must tell us before the Selected Retirement Date, for each contract, the date (which must be a birthday) on which you intend to take the benefits.

1.6 Amounts relating to each individual contract

In these policy conditions and the schedule the amounts of Contributions, Investment Contents, Contributions to be waived and any Charges are the total amounts. The amounts relating to each individual contract are the respective total amounts divided by the number of individual contracts excluding any contract which has reached the Retirement Date.

If however units have been switched into a Cash Fund in the month preceding the Retirement Date under some but not all of the contracts, then the amounts of Contributions, Investment Contents, Contributions to be waived and any Charges applicable to the contracts under which units have not been so switched are the total amounts applicable divided by the number of such contracts.

1.7 Re-numbering of policies

We can re-number the policy or any Retirement contract but we must write to you first and tell you that we are doing this.

1.8 Changes to policy conditions

We can change or set aside relevant policy conditions in the following circumstances:

- If it becomes impossible or unreasonable to follow them because of a change in legislation, regulations or otherwise.
- If circumstances have changed in a way which could not have reasonably been predicted at the start of the policy and, if we were not to change or set aside these policy conditions, the result would be unfair to you or to our policyholders generally.
- If the basis of taxing Prudential changes and then we can only make changes to the policy conditions to ensure that the balance between you and us remains as it was before the change.

If we change or set aside any of the policy conditions in the way described above, and you are materially disadvantaged or immediately affected by the change or setting aside, we will write to you and give you Reasonable Notice. For example, we will write to you if the change is permanent or affects an option you might exercise now or in the future, but we will not notify you if the setting aside is temporary and affects a type of transaction not immediately relevant to you.

If you are unhappy with any such change or setting aside, please write to us in accordance with policy condition 13.4.

1.9 Policy dates

If any event will, in terms of the policy, occur on the 29th, 30th or 31st day of any month, we may substitute the 28th day of that month for that day. This includes the timing of the Renewal Date and the Monthly Date.

1.10 Governing law

The policy will be governed by the law of Scotland.

1.11 Increase in limits and Charges

In order to take account of inflation and other factors which may affect the cost of running our business, from time to time we may increase some of the limits and Charges specified in these policy conditions.

Details of the items which may be increased (and the extent to which they may be increased) are in policy condition 12.

1.12 Our contact details

Further information can be obtained by either:

- writing to us at:
Prudential
Lancing
BN15 8GB
- or
- telephoning us on 0345 6403000.
Calls may be monitored or recorded for security, quality purposes, staff training and/ or dispute resolution.

When contacting us, please quote your policy number.

1.13 Important note about taking benefits

You should note that the terms and conditions of the FlexiPension (Series 5) and the IndePension (Series 3) require you to take your benefits on or before your 75th birthday. If you wish to defer taking your benefits beyond that date, you will need to transfer to a Registered Pension Scheme that offers that facility.

1.14 Date we treat items, payments and communications as being received

1.14.1 Form of communication

All notices and communications to us must be in writing and sent to us by post, unless we state in the relevant policy condition that another form of communication, such as email or fax, is also acceptable to us.

Instructions to switch between funds are the only instructions which we will accept by email or fax.

1.14.2 Effective date of receipt by us

(a) General

A number of policy conditions refer to the effective dates used for transactions, notices and requests once we have all of the information and other items (including payments) that we need from you and others, to enable us to carry out the transaction or act upon the notice or request. The effective dates depend on the day and time we receive these, and the means of communication.

(b) Written notices

Subject to policy conditions 1.14.2(c) and (d). We normally treat any notice, request, information or items as being received on the working day that we receive it at our office. If the day we receive these items is not a working day, we will treat them as having been received on the next working day.

(c) Emailed or faxed switch requests

The effective date of a request by email or fax which involves switching units between funds and which is received by us by 5.00 p.m. (London time) on a working day, is normally the next working day following the date of receipt. The effective date where such a request is received by us either after 5.00p.m. (London time) on a working day or on a day that is not a working day, is normally the second working day following the date of receipt.

(d) Effective date where multiple items are required

In some cases, we may need more than one item or piece of information to carry out a transaction. In this case, the effective date will be determined by reference to the date on which

we have everything we need, or the next working day following that date, in the way described in section 1.14.2.

1.15 Payments from the policy

Payments are made by cheque unless we agree to a different payment method in any particular case. Where a different payment method is agreed, additional banking and/or administrative charges may be payable by you or the recipient. Before making payment, we may need to carry out a number of checks to ensure that we are paying to the correct person.

2. Fund details

2.1 The Investment-Linked Funds

We, or the Fund Managers whom we appoint, look after a number of investment-linked funds, which we use to calculate benefits under our investment-linked policies.

Each fund can be divided into parts. Each part will be divided into units, which may be of different types. Each unit of the same type in the same part of a fund will have the same value.

We will calculate the benefits payable from your policy by allocating to it units from one or more of the funds selected by you. Although we may use the funds to meet our obligations under the policy, you have no legal or beneficial right either to any of the units or to any part of the funds.

We may combine or divide the units of any fund at any time and make corresponding changes to the unit price, but we will not do so in any way that disadvantages your investment. If we make such a change, we will notify you at an appropriate time, taking into account all the circumstances of the change.

We may introduce further funds or subdivide, close or merge existing funds. If we close or merge an existing fund, we will give you Reasonable Notice if there are at that time any units of that fund then held under your policy.

2.2 Valuation of Investment-Linked Funds

We, or our Fund Managers, value the assets of the funds at least once each month. The values of all assets, including uninvested cash and any amounts owed to or by the funds, will be taken into account.

The values of Stock Exchange securities are based on quoted prices. The values of land and buildings are based on valuations prepared and certified by valuers appointed by us or our Fund Managers, with suitable adjustments to update them as necessary. The values of all other assets will be determined by us.

2.3 Prices of units in Investment-Linked Funds

The price at which we allocate units to your policy is called the "Offer Price". It is based on the value of the assets in that part of the fund from which we are allocating units to the policy. We calculate it as follows:

- › We start from the value at which the assets can be bought.
- › We add what would be the cost of buying the assets.
- › We add an adjustment for accrued investment income.
- › We deduct the Management Charges described in policy condition 2.4.
- › We deduct an amount to cover any taxes, charges or other liabilities which will be due by the fund.

- › We divide the result by the number of units in that part of the fund.
- › We multiply by 100 and divide by 95.
- › We round the figure to the nearest one-tenth of a penny.
- › We may adjust the figure downwards.

The price at which we cancel units from your policy is called the "Bid Price". We calculate it as follows:

- › We start from the value at which the assets can be sold.
- › We deduct what would be the cost of selling the assets.
- › We add an adjustment for accrued investment income.
- › We deduct the Management Charges described in policy condition 2.4.
- › We deduct an amount to cover taxes, charges or other liabilities which will be due by the fund.
- › We divide the result by the number of units in that part of the fund.
- › We round the figure to the nearest one-tenth of a penny.
- › We may adjust the figure upwards.

2.4 Management Charges on Investment-Linked Funds

Each time an investment-linked fund is valued we take a Management Charge from it. The amount of the Management Charge, and our right to review it, are given in policy condition 12.1.

We calculate the Management Charge on each valuation date as follows:

- › We use the annual level of Management Charge, which is a percentage of the value of the fund.

- › We calculate that percentage of the value of that fund before the Management Charge is taken.
- › We multiply it by the number of days since the fund was last valued and divide by 365.

If the assets of one fund include units in another fund, we will ensure that we do not charge you twice.

2.5 Investment of Investment-Linked Funds

We invest each fund in the way set out in published descriptions of that fund. Within those limits, we may invest each fund in any assets which we or our Fund Managers consider suitable. Any fund may borrow money using its own assets as security.

Units may be created in a fund only if assets of equal value are added to it.

Assets can be removed from a fund only:

- › To pay, as appropriate, the Management Charges described in policy condition 2.4; or
- › if units of equal value in the fund are cancelled; or
- › if they will be replaced by other assets; or
- › to meet outlays incurred in looking after the fund; or
- › to pay a suitable part of any tax or other charges which we have to pay, such as any levy under the Financial Services Compensation Scheme or its successors.

All income and any other gains arising from the assets of any fund are added to that fund.

2.6 The With-Profits Funds

We look after a number of With-Profits Funds. We will use these to calculate benefits under policies such as this, if contributions have been allocated to any of these funds. Although we may use the funds to meet our obligations under the policy, you have no legal or beneficial right either to any of the units or to any part of the funds.

Each fund can be divided into parts. Each part will be divided into units, which may be of different types. We may combine or divide the units of any fund at any time, and we may combine funds.

Bonuses are determined by the Board of Prudential based on the returns generated by the assets backing the With-Profits business written by Prudential.

We will calculate Offer and Bid prices for each type of unit in each fund as follows:

- The Offer Price will not reduce and is calculated by us, taking into account regular bonuses (see below).
- The Bid Price to be used in the calculation of benefits payable will be at least 95% of the Offer Price, rounded to the next lower 0.1p.
- When selling units at any time other than the Selected Retirement Date or on your earlier death, the value of the units sold can be reduced by us to take into account the prevailing financial conditions, through the application of any Market Value Reduction (MVR) appropriate to your policy. The intention of the MVR is to provide a fair value for the With-Profits Fund units being sold, while protecting the interests of other policyholders who continue investing

in the With-Profits Fund. In this way, we will have regard to the need to protect both the interests of other continuing policyholders and the solvency of the Prudential With-Profits Fund, which is an investment fund into which the payments made to a number of different types of policy are paid.

We may add regular bonus through increases in the unit price. The price of units allocated to policy in the With-Profits Fund will therefore increase as regular bonuses are added. We may add a final bonus to the value realised when a unit of the With-Profits Fund is sold.

Regular and final bonuses are determined by our Board, based on the actual and expected returns of the assets backing the With-Profits business written by Prudential. The rate of any future bonuses cannot be guaranteed.

For further details of the With-Profits Fund, please ask for our detailed With-Profits Fund literature.

Units will be allocated in the With-Profits Funds in the same way as units in the investment-linked funds. There are restrictions on investment in the With-Profits Fund as described in policy condition 5.4.

2.7 Restriction on Prudential's liability

Note: The policy condition below refers both to funds managed within the Prudential Group and to "Externally-Linked funds" (i.e. investment-linked funds which are linked to funds managed by external companies/Fund Managers outside the Prudential Group). The reference to Externally-Linked Funds is

not intended to imply that such funds are, or will be, made available under the policy. Only funds managed within the Prudential Group may be available.

Prudential's liability under any fund that we make available under the FlexiPension (Series 5) and IndePension (Series 3) cannot exceed the value of the units allocated to your policy as derived from the assets underpinning that fund, whether these assets be real assets, an interest in another fund or an interest in a reinsurance policy effected by Prudential to reinsure its liability under a fund.

In particular, for an externally-linked fund or a fund that is provided by, or invests solely in funds operated by another company within the Prudential Group (a "Group Fund"), Prudential's liability under your policy is limited to the value of the units of that externally-linked fund or Group Fund that are allocated to your policy as derived from the assets underpinning that externally-linked fund or Group Fund. So, for example, if the external company or the other company within the Prudential Group providing or operating the Group Fund, was to become insolvent and as a result the value of the units of the externally-linked fund or Group Fund allocated to your policy was significantly reduced, Prudential could only pay out under your policy up to the reduced value of those units.

In addition, we are not liable for any losses caused by the acts and omissions of an external company in respect of its own fund and/or the externally-linked fund.

3. Contributions

3.1 Regular Contributions

Regular Contributions, after the first one, are due one year or one month, as shown in the schedule, after the Date of Currency and will be repeated yearly or monthly until stopped.

The amount of the Regular Contribution (if any) will be shown on the schedule but it may be changed from any date on which it is due for payment as set out in policy condition 10.

3.2 Duration of contributions

No further contributions will be payable if any of the following events has occurred:

- › Your death.
- › You have reached your 75th birthday.
- › You have taken benefits from all the contracts.
- › The contracts have been made paid up (see policy condition 10.2).
- › The policy is no longer treated as being registered with HMRC.

3.3 Additional Regular Contributions

Additional Regular Contributions may be started at any time provided that:

- › we continue to accept increases or new regular contributions to existing retirement annuity contracts;
- › the terms and conditions which apply to such increases or contributions are these FlexiPension (Series 5) and IndePension (Series 3) policy conditions; and
- › the proposed Additional Regular Contributions meet our minimum contribution requirements at that time in accordance with policy condition 12.2.

Additional Regular Contributions are payable together with any existing Regular Contributions on the appropriate Date of Renewal and yearly or monthly thereafter. If there are no existing Regular Contributions you and we will agree as to whether they are to be paid yearly or monthly and on what dates.

3.4 Payment of monthly Regular Contributions

Monthly Regular Contributions or Additional Regular Contributions will be paid by direct debit or by any other method which we allow.

3.5 Change of contribution frequency

You may change from paying Regular Contributions yearly to paying them monthly on any Date of Renewal. You may also change from paying monthly to yearly on the same day of the month as the Date of Renewal. You cannot do this within either 12 months of the Date of Currency or a previous change of contribution frequency. To make a change you must write to us at least one month before the date of the change.

We may make a charge for this. Policy condition 11 will apply to the charge.

3.6 Month of grace

Yearly Regular Contributions must be paid within one calendar month of the Date of Renewal. No period of grace is allowed for the payment of monthly Regular Contributions.

3.7 Part-payment or non-payment of a contribution

If only part of the total Regular Contribution due on any date is paid to us or is waived under policy condition 7 and the remainder is not paid, we will hold the part which is paid or waived until such time as:

- › the remainder is paid; or
- › instructions to reduce the Regular Contribution to an appropriate level are received.

If a Regular Contribution which has not been waived, is not paid when due or within any days of grace allowed, we will be entitled to alter the policy to paid-up in terms of policy condition 10.1 as at the due date of the unpaid contribution.

3.8 Single Contributions

A Single Contribution may be paid at any time provided that:

- › we continue to accept new Single Contributions to existing retirement annuity contracts;
- › the terms and conditions which apply to such contributions are these FlexiPension (Series 5) and IndePension (Series 3) policy conditions; and
- › the proposed Single Contribution meets our minimum contribution requirements at that time as described in policy condition 12.2.

We may refuse to accept more than three Single Contributions in any period of 12 months.

3.9 Annual Allowance and pension input period

(a) Annual Allowance

There is an Annual Allowance for each Tax Year on the total contributions that can be made by or in respect of you to this policy and to all other Registered Pension Schemes. If the Annual Allowance is exceeded, you will be liable to an Annual Allowance Charge. The Annual Allowance for the Tax Year 2017/2018 onwards is £40,000. The Government may change the amount of the Annual Allowance from time to time.

The Annual Allowance test is carried out by comparing the total contributions made by or on behalf of you in any given "pension input period" (see section 3.9(b)) with the Annual Allowance for the Tax Year in which that pension input period ends. It should be noted that the total payments measured against the Annual Allowance will include any amounts paid which do not qualify for tax relief. The Annual Allowance will also take into account the increase in value of any defined benefits that you may have under any other Registered Pension Scheme.

Note: Certain payments, such as payments for life cover which do not get tax relief and payments after age 75, do not count towards the Annual Allowance. Such payments cannot, however, be made under the policy.

Any unused Annual Allowance for the three Tax Years preceding the current Tax Year will be added to the Annual Allowance for the current Tax Year

for determining whether an Annual Allowance Charge is applicable for the current Tax Year. The Annual Allowance for the current Tax Year must be used first. Unused Annual Allowance is then used from the earlier Tax Years, starting with any available Annual Allowance from the earliest of the three preceding Tax Years.

Unused Annual Allowance is only available for carry forward where it arises during a Tax Year in which you are a member of a Registered Pension Scheme but applies to a Tax Year even if payments for that Tax Year are nil.

When considering your options, you should seek financial advice. A financial adviser can assess your personal circumstances, talk you through your options and make a recommendation based on this information.

(b) Pension input period

The total contributions made by or in respect of you over a period of time – known as the pension input period – are measured against the Annual Allowance for the Tax Year in which the pension input period ends.

The first pension input period for the policy will start on the date on which we treat the first contribution as having been received and will end on the following 5th April (i.e. the end of the Tax Year). Each subsequent pension input period will start on 6th April and end on the following 5th April (i.e. the pension input period will be the same as the Tax Year).

Please note that the pension input period for this policy may not be the same as applies to your original Retirement Annuity contract, which you are topping up through making a payment(s) to this policy. The start date for each pension input period for that original Retirement Annuity contract will normally be based on the Date of Currency for that policy.

(c) Situations where Annual Allowance test does not apply

There is no Annual Allowance test in the Tax Year in which you die or take benefits on the grounds of severe ill-health.

You will satisfy the severe ill-health condition if you become entitled under the policy to:

- (i) benefits because you are suffering from ill-health which makes you unlikely to be able to undertake work (in any capacity) at any time in the future; or
- (ii) a serious ill-health lump sum (see policy condition 9.3.4).

(d) Your responsibility

It is your responsibility to keep a record of the contributions made by or in respect of you to the policy and to any other Registered Pension Scheme so that you know if the Annual Allowance is exceeded.

We cannot be held liable if our acceptance of a contribution results in you becoming liable to an Annual Allowance Charge.

In some circumstances you may be able to elect for us to pay an Annual Allowance Charge, in return for a reduction in benefits under the policy.

This is known as "Scheme Pays", and further information is available from us on request.

(e) Money Purchase Annual Allowance

There is a reduced Annual Allowance for each Tax Year on the total money purchase contributions that can be made by or in respect of you to the policy and to all other Registered Pension Schemes. This reduced Annual Allowance is called the Money Purchase Annual Allowance (MPAA). The MPAA for the Tax Year 2017/2018 onwards is £4,000. The Government may change the amount of the MPAA from time to time.

The MPAA will apply to you if one of the following trigger events takes place under the policy or any other Registered Pension Scheme:

- an uncrystallised funds pension lump sum is paid to you;
- a payment is made to you from a flexi-access drawdown fund; or
- an annuity is paid to you where the annual rate of payment can be decreased other than in permitted circumstances.

You will be subject to the MPAA from the day the trigger event takes place.

If the MPAA is exceeded:

- you will be liable to an Annual Allowance Charge on the total money purchase contributions in excess of the MPAA; and

- your Annual Allowance for the remainder of your pension savings – that is any defined benefits savings – will be reduced by the MPAA. You will be able to carry forward any unused Annual Allowance from the previous three Tax Years.

If the MPAA is not exceeded, your total Annual Allowance – for both money purchase contributions and defined benefits savings – will remain unchanged. You will be able to carry forward any unused Annual Allowance from the previous three Tax Years.

You will not be able to carry forward any unused MPAA from earlier Tax Years to increase the MPAA limit.

If contributions are made both before and after the trigger event in the same pension input period, the contributions made before the trigger event will be subject to the Annual Allowance and those made after the trigger event will be subject to the MPAA.

When considering your options you should seek financial advice. A financial adviser can assess your personal circumstances, talk you through your options and make a recommendation based on this information.

- (f) There is a tapered reduction in the amount of the Annual Allowance if you have:
- (i) income (including the value of any pension contributions) for the Tax Year of over £150,000; and

- (ii) income (excluding pension contributions) for the Tax Year in excess of £110,000.

The taper operates by reducing the Annual Allowance by £1 for every £2 of income in excess of £150,000, up to a maximum reduction of £30,000.

If you are subject to the MPAA (see section 3.9(e) above), the tapered reduction will apply to the Annual Allowance for the remainder of your pension savings – that is any defined benefits savings.

Unused Annual Allowance from the previous three Tax Years will be able to be carried forward, but where the Annual Allowance is reduced by the taper, the amount available for carry forward will be based on the unused tapered Annual Allowance.

When considering your options, you should seek financial advice. A financial adviser can assess your personal circumstances, talk you through your options and make a recommendation based on this information.

3.10 Tax relief on contributions

You will normally receive tax relief on your contributions to the policy and to any other Registered Pension Scheme each Tax Year up to the higher of 100% of your earnings (as defined by HMRC – broadly earnings from employment, or income earned directly from a trade or profession) and £3,600. Payments in excess of this limit will not get tax relief. Also, if the Annual Allowance is exceeded you will be liable to an Annual Allowance Charge.

It is your responsibility to monitor whether your payments to the policy are eligible for tax relief.

Any contributions you pay to the policy must be paid gross and you claim the tax relief by making a claim in your self-assessment to your tax office.

We cannot be held liable if you suffer any loss due to our acceptance of a contribution that does not qualify for tax relief.

The Scottish Government has the power to set a Scottish rate of income tax. It also has the power to set income tax bands which may differ to the rest of the UK.

Individuals identified by HMRC as Scottish rate taxpayers may pay a different rate of income tax to the rest of the UK. This may affect the amount of tax relief on pension contributions.

4. Unit allocation and deduction

4.1 Unit allocation

Each contribution paid will result in a number of units being allocated to the contracts. The number of units is found by dividing the Investment Content of the Contribution as defined in policy condition 4.3 by the Offer Price of the units on the relevant date.

- In the case of the first payment of a Regular Contribution, any back-dated payments of a monthly Regular Contribution, any payment of a Regular Contribution which is not made by direct debit, or a Single Contribution, the relevant date will be the date of receipt by us or, if later, the date of receipt of any documentation which is necessary to enable us to apply the Contribution.

- In the case of any other Regular Contribution the relevant date will be the due date except that, if all or part of a Contribution is received by us after the due date, the relevant date (or dates) will be decided by us, but will be no later than the latest date of receipt by us of any part of the Contribution.

Units are bought in your chosen funds in the proportions chosen by you.

4.2 Types of units

The units allocated to the policy, in respect of Regular Contributions or Additional Regular Contributions due within three years of the First Contribution Date, will be known as "type A units". All other units will be known as "type B units". Except as set out in policy conditions 4.4 and 11, type A units and type B units will be treated identically.

4.3 Investment Content

The Investment Content of Regular Contributions will be:

- 100% of the Contribution, if it is due within three years of the First Contribution Date
- 103.5% of the Contribution, if it is due at least three years, but less than ten years, after the First Contribution Date
- 106% of the Contribution, if it is due at least ten years after the First Contribution Date.

We do, however, reserve the right not to increase the Investment Content of future payments of Regular Contributions in the way shown above, if those contributions are to be invested partly or wholly in the With-Profits Fund less than three years before your Selected Retirement Date. We would only choose to do this in order to protect other investors in the With-Profits Fund. We will inform you at the time you make the relevant contribution if this applies.

The Investment Content of a Single Contribution is shown separately on the schedule and will not change.

4.4 Additional Management Charge

If type A units have been allocated, each year during the Additional Management Charge Period we will deduct 1.8% of the type A units allocated to the policy in the investment-linked funds and the With-Profits Funds. The units will be deducted proportionately across all funds in which type A units are held. The deduction is made on the day before each anniversary of the Date of Currency.

At the end of the Additional Management Charge Period we may change all type A units to type B units.

4.5 Review of Charges and Investment Content

We may change the amount of the Charges and Investment Contents applying to this policy.

Policy condition 12 explains how this will be done.

4.6 Overpayment of contributions

Although not allowed in most circumstances, if we are required to make a refund or partial refund of a contribution and units have been allocated in respect of that contribution, we will deduct sufficient units, using the Bid Price, to equal the amount of the refund. If the amount of the refund cannot be met in this way by cancelling units, the balance which remains to be met will be carried forward in the same way as a charge, as in policy condition 11.

If all contributions paid to a contract are refunded, all units allocated to the contract will be cancelled.

5. Fund selection and switching

5.1 Fund selection at outset

Your contributions are, subject to the restrictions in policy condition 5.4, initially invested in the funds and in the proportions specified by you in your application.

5.2 Switching between funds

You may ask us to switch units between funds, that is to cancel units in one fund and replace them with units in any other fund or funds chosen by you from the funds which are then available for use with this policy. If you ask us to switch a proportion of units from any fund and the contract has units of more than one type, the proportion shall apply equally to each type.

A number of new units will be calculated so that their value, at Offer Price, is the same as the value at Bid Price of the cancelled units, reduced by the value of units cancelled to meet any Switch Charge, and multiplied by 100 and divided by 95.

5.3 Fund selection for future contributions (redirection)

The fund selections and proportions that you specify at outset will apply to future contributions, until you notify us otherwise. You may ask us to change the fund selection (both the proportions and/or the funds) for future contributions. The redirection will take effect when the next contribution is received following receipt of the request.

5.4 Conditions applying to fund selection, redirection and switching

The following conditions apply:

- (a) You can only ask us to make a switch of units or a redirection of future contributions by sending a written request to Prudential. Unless otherwise stated in this policy condition the unit prices to be used for switches will be those applying to the day we receive your request (or treat it as received, as described in policy condition 1.14).
- (b) We will refuse to invest a Contribution, switch units or vary the proportions and funds for future contributions if, as a result, there would then be units at any one time in more than six funds under your policy.
- (c) We may refuse to switch units if we feel this is necessary to:
 - protect policyholders and/or shareholders; or
 - ensure that policyholders are treated fairly in accordance with our regulatory duties.

(d) For funds which are invested mostly in land or buildings, we can delay switching by up to six months. For other funds we can delay for up to one month. However, we can only delay in this way if, in our opinion, not to delay would be unfair to other policyholders or if there are circumstances beyond our control which prevent us from effecting the transaction immediately. If we delay in this way, the value of units when we do allow the switch will be the value at the time when we allow it using unit prices at that time

- (e) We may refuse to invest Contributions, switch units or re-direct contributions or invest any Additional Regular Contribution or any Single Contribution into a fund which is no longer available for new investments under the FlexiPension (Series 5) or IndePension (Series 3) policy conditions. (See policy condition 2.1.)
- (f) Contributions paid less than three years before your Selected Retirement Date cannot be invested in the With-Profits Fund. Regular Contributions which are part of a series of Regular Contributions started three or more years before the Selected Retirement Date, and for which the instruction to invest in the With-Profits Fund was likewise received three or more years before the Selected Retirement Date, can however be invested in the With-Profits Fund.
- (g) Units cannot be switched and Regular Contributions (including Additional Regular Contributions) cannot be redirected into the With-Profits Fund less than three years before or at any time after your Selected Retirement Date.

Furthermore, additional Regular Contributions started and Single Contributions paid within three years of your Selected Retirement Date cannot be invested in the With-Profits Fund.

- (h) We may refuse to switch units if a switch of units into the Cash Fund has already been carried out as described in policy conditions 8.1.3 or 8.1.5.
- (i) The choice of funds and proportions for the investment of Additional Regular Contributions must be the same as for existing Regular Contributions, unless the operation of any of the above conditions means that this is not allowed.

If, on account of any of the above conditions, we refuse to carry out a switch, redirection or investment, we will contact you for alternative investment instructions.

In the absence of any alternative instruction from you, we will instead switch the units or redirect the payment(s) to the Cash Fund (or another fund which we consider to be appropriate and reasonable). You will be told of this at the time.

6. Death Benefit

If you die before all of your benefits have come into payment under policy condition 9 or before transferring out under policy condition 10.5, the full value of the units remaining under your Retirement Fund (after deduction of any outstanding charges) at the date of your death will be available to provide death benefits. The total amount will be paid to your Executors, Administrators or Assignees unless the schedule or any Supplementary Special Provisions say otherwise.

Satisfactory proof of death and such other documents and information as we may need must be received at Prudential before we can pay any benefits.

Any lump sum death benefit that is not paid within a period of two years beginning with the earlier of:

- the day on which we first knew of your death; and
- the day on which we could first reasonably have been expected to have known of your death,

will be taxable. Where the lump sum death benefit is paid to an individual who is a beneficiary, the payment will be taxed at the beneficiary's highest marginal rate of income tax.

7. Waiver Benefit

7.1 General

7.1.1 Meaning of "Waiver Benefit"

Waiver Benefit is an insurance which ensures that payment of Regular Contributions to the policy is maintained in the event of your "Incapacity" as defined below. As such, in this context, the expression "Waive" means that we waive the requirement for you to pay all or part of your Regular Contribution and we use the Waiver Benefit insurance to pay the relevant amount to the policy on your behalf.

7.1.2 Initial conditions to be satisfied for Waiver Benefit to apply and be payable

Waiver Benefit applies only if the schedule shows an amount of Regular Contribution to be waived.

If Waiver Benefit applies, then on proof satisfactory to us that you have suffered and are suffering a period of "Incapacity" in excess of six months, we will waive payment of all or part of a Regular Contribution or Regular Contributions as set out in this policy condition 7.

7.2 Incapacity

7.2.1 Incapacity definition

Unless the schedule states that a special definition of incapacity applies, Incapacity will mean the total inability through accident or illness to engage in the occupation in which you were engaged immediately prior to the onset of the accident or illness, subject to the following:

- Incapacity will not include any period during which you are engaged in any remunerative occupation or employment.
- Incapacity will not include any period before the date on which the first Waiver Charge is due.

If the schedule states that a special definition applies then that definition will be as set out above, but subject also to the following:

- if contributions have been waived in respect of a period of at least 24 consecutive months, Incapacity will mean the total inability through accident or illness to engage in any occupation for which you are trained or otherwise suited.

7.2.2 Notice

You, or a responsible person acting on your behalf, must send us written notice of the start of any period of Incapacity and this must be received within four months of the start of the period. If notice is received more than four months after the start of the Incapacity, then, if we so choose, the period of Incapacity may be deemed to have started four months prior to the receipt of the notice.

If the period of Incapacity is linked to an earlier period of Incapacity (see policy condition 7.3), this further period of Incapacity may be deemed to start on receipt of the notice.

7.2.3 Proof of Incapacity

You will complete a Claim Form and provide us with such information as we need in order that we may be satisfied regarding the nature and duration of the Incapacity, both at the start of the Incapacity and at reasonable intervals afterwards. We may need you to be examined by a medical examiner nominated by us.

You will give us the name and address of your usual Doctor and we may seek information from that Doctor or any other Doctor who has attended you at any time.

We will not be responsible for any expenses incurred by you in providing any information in terms of this Condition (including travelling expenses to the place of appointment with the medical examiner), except that any fees paid to the medical examiner or to any Doctor for information given at our request will be our responsibility.

You must tell us immediately you engage in any other remunerative occupation or employment.

7.2.4 Evidence of age

Before any Regular Contribution is waived, we will need satisfactory proof of your age (if not already given).

7.3 Waiver Benefits

7.3.1 Amount of Waived Regular Contributions

The Amount of Regular Contributions to be Waived will be the amount shown on the schedule for this purpose, subject to policy condition 7.6.

7.3.2 Period of Waiver

The Period of Waiver will always be calculated as a whole number of months, each month ending on the same day of the month as the Date of Renewal and being within the period of Incapacity but excluding the first six such months in respect of each period of Incapacity.

7.3.3 Linked periods of Incapacity

If a period of Incapacity, which results in a Regular Contribution or part of a Regular Contribution being waived, is followed by a further period of Incapacity and no more than two Monthly Dates occur between these periods of Incapacity and the periods of Incapacity arise from the same accident or illness, they will, for the purposes of policy condition 7.3.2, be deemed to be the same period so that only six months in total will be excluded from the period of waiver.

7.3.4 Monthly Contributions

We will waive the payment of the Amount of Regular Contribution to be Waived from any Regular Contribution due within a period of waiver (see policy condition 7.3.1).

7.3.5 Yearly Contributions

We will waive the payment of a proportion of the Amount of Regular Contribution to be Waived from any Regular Contribution due at the Date of Renewal if the year before that date includes all or part of a Period of Waiver; the proportion being the number of months of the Period of Waiver in that year divided by 12 (see policy condition 7.3.1).

7.3.6 Cessation of Waiver Benefits

No part of any Regular Contribution due on or after the Date of Expiry in the schedule, will be waived.

Entitlement to Waiver Benefit will be cancelled, and Waiver Charges will cease, upon the contracts being made paid up.

7.4 Exclusions

7.4.1 Pregnancy

No Regular Contribution or part of a Regular Contribution will be waived for any Incapacity which arises, or is worsened by, pregnancy or childbirth or complications arising therefrom (unless Incapacity extends beyond a date three months after the conclusion of such pregnancy, in which case Incapacity will be deemed to have started three months after the conclusion of the pregnancy).

7.4.2 Residence

No Regular Contribution or part of a Regular Contribution will be waived for any period you are living outside the United Kingdom.

7.4.3 AIDS

No Regular Contribution will be waived or continue to be waived, if the Incapacity arises or is worsened by infection by any HIV or AIDS or other similar or related condition. AIDS ("acquired immunodeficiency syndrome") will be as defined from time to time by the World Health Organisation or any body succeeding that Organisation or by any governmental or international organisation which we consider to have published a definition appropriate to this policy. HIV ("human immunodeficiency virus") infection will be accepted as having occurred when a blood test indicates the presence of any HIV or any antibodies to HIV.

No refund of contributions will be made due to the operation of these exclusions.

7.5 Waiver Charge

A Waiver Charge will be due and calculated each month on the Monthly Date. The amount of the Charge will be in accordance with our scale of such charges current at the time. If necessary the Charge will be carried forward (see policy condition 11). Full details of our Waiver Charges are available from us on request.

7.6 Impact of alterations to Regular Contributions on Waiver Benefits

7.6.1 Alteration to payment frequency

If Regular Contributions are altered from yearly to monthly or vice versa, in determining the contributions to be waived we will give effect to policy condition 7.3 in such manner as is fair and reasonable taking into account the Waiver Charges paid.

7.6.2 Reduction in Regular Contributions

If the Regular Contribution is reduced then the Amount of Regular Contribution to be Waived will not exceed the new level of Regular Contribution and, if necessary, will be reduced to that new level.

7.6.3 Increase in Regular Contributions

If the Regular Contribution is to be increased, you may ask us to increase the Amount of Regular Contributions to be Waived. If Additional Regular Contributions are to start, you may request that Waiver Benefit applies to all or part of the Additional Regular Contributions. We will have the right to refuse such an increase in the Amount of Regular Contribution to be Waived or such an application for Waiver Benefit on Additional Regular Contributions, or to impose special terms and may require such evidence of your occupation and of your continued good health as we shall deem necessary.

7.6.4 Change to Waiver Charge following alteration

If any of the alterations described in this policy condition take place, the Waiver Charge will be amended to take account of the change. If the charge is to be increased, we will notify you in writing before making the change.

8. Retirement Date

Note: See Important Note about taking your benefits in policy condition 1.13.

8.1 Choice of Retirement Date

You may choose a different Retirement Date on which benefits will be payable from each contract.

8.1.1 Provided you tell us before the date chosen, you can choose:

- › a date, being a date before your Selected Retirement Date but on or after your 55th birthday; or
- › a date which is before your 55th birthday and you satisfy one of the requirements set out in policy condition 8.2.

8.1.2 You can tell us that you want the benefits payable on the Selected Retirement Date. If this is your 75th birthday, you are treated as having told us that you want the benefits payable on this date unless you choose an earlier date as set out in policy condition 8.1.1.

8.1.3 When you tell us the date on which benefits are to be payable under policy condition 8.1.1 or 8.1.2 but no sooner than one month before the date chosen, all units then allocated to the contract will be switched into the Cash Fund. If any Regular Contributions are then due the units allocated to the contract will be in the same Cash Fund as if you had asked us to make these changes in terms of policy condition 5. No Switch Charge will be taken however.

8.1.4 If your Selected Retirement Date is before your 75th birthday, you may tell us before your Selected Retirement Date that you want to postpone the payment of benefits. You must then choose a date to replace your Selected Retirement Date. The revised date:

- must be a birthday which is at least three years later, but no later than your 75th birthday, if your Selected Retirement Date was before your 72nd birthday. Failure to tell us a revised date will mean that policy condition 8.1.5 will be deemed to apply;
- will be your 75th birthday, if your Selected Retirement Date was on or after your 72nd birthday;
- will in future be called your Selected Retirement Date, and all reference in these policy conditions to the Selected Retirement Date will be read accordingly.

8.1.5 If you have not told us of your chosen Retirement Date by your Selected Retirement Date then you will be deemed to have chosen to postpone the payment of benefits and to have chosen your 75th birthday as your Retirement Date. All units will be switched into a Cash Fund and any units allocated in respect of Regular Contributions then due will be allocated in the same fund in the same way as set out in policy condition 8.1.3. No Switch Charge will be taken however.

8.2 Special early Retirement Date

We will allow a special early Retirement Date in any of the following circumstances:

- if we receive written evidence from a registered medical practitioner that you are and will be incapable of carrying out your occupation because of physical or mental impairment;
- if before 6 April 2006 you were in an occupation recognised by HMRC as one which a lower pension age than 55 was acceptable and if all the contributions made under the contracts were eligible for income tax relief on the basis of net relevant earnings (as defined by HMRC) from that occupation;
- in accordance with HMRC practice.

9. Retirement Benefits

9.1 General

The Retirement Fund will be calculated on the Retirement Date as set out in policy condition 9.2. It will be used to secure benefits which comply with the requirements set out in these policy conditions.

Your benefits must be tested against your available Personal Lifetime Allowance when they are paid. You will be subject to a Lifetime Allowance Charge if the value of the benefits you take from the policy when added to the value of benefits previously taken by you from the policy or from any other Registered Pension Scheme exceeds your Personal Lifetime Allowance.

9.2 Retirement Fund

To calculate the Retirement Fund, the units allocated to the contracts from which benefits are being taken are valued and sold at the relevant Bid Price applying at the Retirement Date* and any outstanding charges will be deducted.

* **Note:** If the Retirement Date is before the Selected Retirement Date, we can delay the sale of units to buy a pension annuity, in the same way as described in relation to delays to switches in policy condition 5.4(d). In that case the Bid Price used will be that applicable at the end of the period of delay, unless this would not be fair and reasonable.

9.3 Choice of benefits

9.3.1 General

You may be able to choose from the following benefit options:

- pension;
- pension and pension commencement lump sum;
- uncrystallised funds pension lump sum;
- small lump sum.

Flexi-access drawdown is not available under the policy. If you want flexi-access drawdown, you will need to transfer to a Registered Pension Scheme that offers that option.

You do not have to retire to take your benefits.

When considering your options you should seek financial advice. A financial adviser can assess your personal circumstances, talk you through your options and make a recommendation based on this information.

If you are aged 50 or over, you can get free and impartial advice from the Government's Pension Wise service. Pension Wise has been set up to help people understand their benefit options. You can arrange a phone or face-to-face appointment with a Pension Wise agent by calling 0800 138 3944. You can obtain further information about Pension Wise by visiting its website at www.pensionwise.gov.uk

9.3.2 Pension

You may choose that all or some of the Retirement Fund is used to buy a pension.

You will have to choose the insurance company from which to buy the pension. You will be able to choose various options when your pension is being bought. The options will depend on the insurance company you choose to provide your pension. The choices you make will affect the amount of pension you receive. You should shop around and compare what each insurance company can offer.

If you have not taken all your benefits by age 75*, we may use the Retirement Fund to buy an annuity for you. We will choose the insurance company and the form of pension. We will notify you in writing if this happens.

* **Note:** See Important Note about taking your benefits in policy condition 1.13.

9.3.3 Pension commencement lump sum

When applying for a pension under policy condition 9.3.2 you may also choose to receive part of your benefits as a pension commencement lump sum. The lump sum:

- must not be more than 25% of the value of the benefits to be taken;
- must not, when added to all pension commencement lump sums taken by you from all Registered Pension Schemes under which you have (or had) benefits, exceed 25% of the Standard Lifetime Allowance applicable at the time the lump sum is paid;
- may only be paid if all or part of your Personal Lifetime Allowance is available; and

- must be paid within the period ending 12 months after the date on which entitlement to the lump sum arose.

The size of your lump sum will also depend on whether you have:

- Transitional Protection;
- a Protected Early Pension Age.

No pension commencement lump sum can be paid under a policy set up in respect of a Disqualifying Pension Credit.

9.3.4 Uncrystallised funds pension lump sum

It may be possible for you to receive a single uncrystallised funds pension lump sum. Such a lump sum can only be paid if you have all or part of your Personal Lifetime Allowance available. If the lump sum is paid before your 75th birthday and the lump sum exceeds your available Personal Lifetime Allowance, the excess will not be treated as an uncrystallised funds pension lump sum and will be subject to a Lifetime Allowance Charge.

You cannot have a pension commencement lump sum in connection with an uncrystallised funds pension lump sum.

No uncrystallised funds pension lump sum can be paid under a policy set up in respect of a Disqualifying Pension Credit.

You cannot be paid an uncrystallised funds pension lump sum if immediately before the lump sum is paid:

- you have either "primary protection" and/or "enhanced protection" with protection of lump sum rights of more than £375,000; or

- › you have a lifetime allowance enhancement factor and the available portion of your lump sum allowance is less than 25% of the proposed uncrystallised funds pension lump sum.

If an uncrystallised funds pension lump sum is paid to you under the policy or any other Registered Pension Scheme, you will be subject to the MPAA from that date (see section 3.9(e)).

9.3.5 Small lump sum

It may be possible for you to take a small lump sum if:

- › the payment does not exceed £10,000 (the Government may change this amount from time to time);
- › the payment represents the full value of your policy and extinguishes your entitlement to all benefits under the policy; and
- › you have not previously received more than two small lump sums from any Registered Pension Scheme.

9.3.6 Serious ill-health lump sum

The value of your benefits may be paid as a serious ill-health lump sum where we have received written evidence from a registered medical practitioner that you are expected to live for less than one year. You must have all or part of your Personal Lifetime Allowance available.

9.3.7 Taxation of benefits and investment funds

- › Pensions are normally taxable as earned income.
- › Pension commencement lump sums are tax-free.

- › 25% of the uncrystallised funds pension lump sum will normally be tax-free with the remainder taxable as earned income.
- › 25% of the small lump sum will be tax-free with the remainder taxable as earned income.
- › A serious ill-health lump sum will normally be tax-free.
- › Any lump sum death benefit that is not paid within the time limit described in policy condition 6, will be taxable. Where the lump sum death benefit is paid to an individual who is a beneficiary, the payment will be taxed at the beneficiary's highest marginal rate of income tax.
- › All benefits, except any lump sum death benefit that is not paid within the time limit described in policy condition 6, count towards your Personal Lifetime Allowance and a Lifetime Allowance Charge may be payable by the recipient(s).

Investments in pension funds in which Registered Pension Schemes are invested are given important tax benefits. They do not pay tax on investment income received or capital gains. Dividends from many overseas companies will be paid after deduction of an overseas withholding tax that the pension scheme cannot generally recover. Dividends from UK companies are exempt from tax in the pension scheme, but the pension scheme is unable to recover the tax credit on the dividend.

9.4 Non-commutability and non-assignability of pension

Any pension purchased will be non-commutable except to the extent permitted in policy conditions 6.2 and 9.3.3 and will be non-assignable except to the extent permitted by legislation.

9.5 Late settlement

If we are unable to use the Retirement Fund to secure benefits until after the Retirement Date because of a delay caused by us, then:

- › We may increase the Retirement Fund by adding interest based on appropriate deposit rates prevailing during the period of delay, and/or
- › If the pension is being purchased from us we may also adjust the annuity rates and backdate payments of pension.

10. Variation or discontinuance of Regular Contributions

10.1 General

If you stop paying Regular Contributions to the policy, for any reason other than taking benefits or making a transfer-out, then you may choose either to have the policy made "paid-up" or to have it terminated.

10.2 Paid-up policy

If you ask us to make your policy "paid-up" we will do this, and you will not pay any more Regular Contributions. You should note that Management Charges under policy condition 2.4 and Switch Charges (where relevant) under policy condition 5.3 continue to be payable even though you have stopped paying Regular Contributions.

10.3 Termination

You may ask us to terminate your policy by asking us to cancel all units allocated to it. If you terminate your policy, the proceeds of cancelling the units must be transferred to another Registered Pension Scheme in accordance with policy condition 10.5. The amount paid out will be the value of the units in your policy on the relevant day, at the Bid Prices applying to that day reduced by any applicable MVR, if appropriate, under policy condition 2.6.

The relevant day for this purpose is (subject to any delay as described in the Note to policy condition 10.5) the day on which we treat your written request to terminate as received, as determined in accordance with policy condition 1.14 or a later day agreed by you.

10.4 Other changes in the amount of Regular Contributions

We will agree to a reduction in the amount of any Regular Contribution, provided its amount has not already been changed, and no Additional Regular Contribution has been started, in the last year.

For the purposes of this last paragraph, an increase to the amount of a Regular Contribution will count as a change only insofar as it exceeds the original amount of the Regular Contribution.

Any reduction of a Regular Contribution is subject to our minimum contribution conditions applying at the time. These can be changed. Policy condition 12 explains how this can be done.

10.5 Transfers-out

Your rights under the policy may be transferred to any Registered Pension Scheme, or to certain overseas schemes. If this is to happen then all units will be sold and we will pay the Termination Value to the other arrangement. The Termination Value will be the Retirement Fund calculated as set out in policy condition 9.2, as if the date of transfer is the Retirement Date.

The Bid Price used to calculate the Termination Value will be that applying at the date of receipt by us* (see policy condition 1.14) of an acceptable written request together with any other information that we require.

In all cases:

- the money must be transferred to provide you with pension and other related benefits under the receiving arrangement;
- we will need to ensure that the receiving arrangement is legally allowed to accept the transfer; and
- the transfer cannot take place until the requirements of both the policy and the receiving arrangement have been satisfied.

If you choose to transfer the whole of the Retirement Fund, no benefits will subsequently be payable to you or your dependants from the policy.

Before going ahead with a transfer you may wish to consider taking financial advice.

* **Note:** we can delay the sale of units to pay a transfer-out, in the same way as described in relation to delays to switches in policy condition 5.4(d). In that case, the Bid Price used will be that applicable at the end of the period of delay, unless this would not be fair and reasonable.

11. Charges

11.1 Satisfaction of Charges

We will take Charges to which this policy condition 11 applies (see policy conditions 3.5, 7.5 and 10.2) by cancelling type B units allocated to your policy.

Units cancelled to meet Charges are cancelled at the Bid Prices applying to them on the days the Charges are due. If type B units are held in more than one fund the same percentage of type B units in each fund will be cancelled.

11.2 Carrying forward of the Charges

If, even by cancelling all the type B units allocated to your policy, we cannot pay off a Charge, the part not paid will be carried forward to the next date on which type B units are allocated to the policy, in the form of "negative units". The number of negative units will be calculated by dividing the part not paid by the Bid Price of units on the day the Charge is due. If units are held in more than one fund the part not paid will be allocated to each fund in proportion to the value of type A units in each fund.

When units are next allocated to the policy, any type B units allocated, in any fund, will be cancelled up to the number of negative units recorded against that fund. The number of negative units will also be cancelled.

If, as a result of this policy condition, there are negative units in one fund and type B units in another then we may convert type A units in one fund into type B. We can only do this if an equivalent number (by Bid Value) of units in another fund is converted from type B to type A. This will allow some or all of the negative units to be offset against type B units.

If there are negative units in one fund but no type A or type B units in that fund, and there are type B units in another fund, then we may switch some of these negative units into a fund with type B units. No charge will be made for this switch.

12. Review of Charges, minimum amounts and Investment Content

12.1 Reviews of Charges

In the Table below we set out the amounts of Charges, which are intended to cover the costs of administering the policy and are described in these policy conditions.

We are allowed to increase these Charges in order to take into account increases in our costs. We may do this in two ways:

- (a) We may increase them in line with increases in the Retail Prices Index to take account of inflation. In some years we may not increase some or all of them but if we do not increase a Charge then, when we next increase it, we are allowed to take account of changes in the Retail Prices Index since the date used for the last increase. The Annual Level of Management Charge or Additional Management Charge on investment-linked funds will not be increased in this way.
- (b) If we have established that our costs have increased by more than the Retail Prices Index, we can make further increases in order to cover these increased costs.

We will give you Reasonable Notice if we increase charges under (b). If you are unhappy with any increases you should write to us at the address given in policy condition 1.12.

We will keep any increases to charges under (b) to reasonable amounts, reflecting any increases in our reasonable costs for operating the policy. This may happen, for example:

- if any fund manager or other company that performs any administrative or investment function on our behalf, increases the charges that we pay them; or
- if we experience an increase in the general administrative costs that we incur in operating the policy; or
- if the basis on which any company from within the Prudential Group is taxed changes; or
- if a charge is imposed on us under the Financial Services Compensation Scheme (or any other investor compensation scheme). See also policy condition 13; or
- if we discover that any payment made to the policy does not relate to pension business in the way described in section 58 of the Finance Act 2012.

Table of charges at January 2018

Policy Condition	Description	Amount
2.4	Maximum Annual Level of Management Charge on Investment-Linked Funds	0.875% (see Notes 1 and 2)
4.4	Additional Management Charge (See Note 3)	1.8%
5.3	Level of Switch Charge	£25.00

Notes:

- 1) The level of this charge may be different for different funds, but will not be greater than the amount stated in the Table. This charge may be increased if our costs have increased by more than the Retail Prices Index. See above.
- 2) We reserve the right to introduce new funds for use by policies covered by these policy conditions. The levels of Management Charges for these new funds may be higher than shown above and they may be increased later as described above.
- 3) This charge may be increased, as described above, only in respect of any Additional Regular Contributions commencing on or after the effective date of the increase to the charge.

12.2 Review of minimum amounts

In the Table below we set out the minimum amounts which apply to particular values described in these policy conditions. We may increase these minimum amounts in line with the Retail Prices Index in the same way as set out in policy condition 12.1. In addition we will be permitted to further increase these amounts but to no more than twice the amounts stated, as increased in line with the Retail Prices Index.

We do not notify customers when we increase the minimum amounts. Details of the current minimum amounts are available from us on request.

If we change the minimum amounts for Regular Contributions or Additional Regular Contributions, any such Contributions already being paid will not be affected.

Table of minimum amounts

Policy Condition	Description	Amount
3.1	Regular Contribution	£30 p.m. £300 p.a. (see Note 1)
3.4	Additional Regular Contribution	£10 p.m. £100 p.a. (see Note 2)
3.8	Single Contribution	£500

p.m. = per calendar month

p.a. = per annum

Notes:

- 1) If you are paying Regular Contributions to another Retirement Annuity Policy with us, the minimum amount which will apply will be that shown under Additional Regular Contributions.
- 2) Only applies if a Regular Contribution is payable under one or more policies which you have taken out with us as a Retirement Annuity Policy.

12.3 Review of Investment Content

We may review the Investment Content of Regular Contributions in response to particular events (for example, a reduction in the level of Regular Contribution paid) to ensure that the Investment Content which applies in future is that which would have applied if the event in question had taken place when the Regular Contribution started.

13. Other information

13.1 Contract of long-term insurance

The benefits arising under the policy relate to a "contract of long-term insurance" within the meaning of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001.

13.2 Pension business

Payments made to the policy must relate to pension business in the way described in section 58 of the Finance Act 2012. If we discover that any payments do not meet this requirement, we may modify the terms of the policy under policy condition 1.8 in whatever way is necessary to ensure that HMRC does not tax any of the investment funds or does not impose any penalty on us. If such modification is necessary, we will notify you and provide full details of the changes.

13.3 Compensation schemes

If we get into financial difficulties which affect our ability to pay your claim, you may be eligible to receive compensation under the Financial Services Compensation Scheme (FSCS).

The FSCS is an independent body set up under the Financial Services & Markets Act 2000 to provide compensation to individuals if their authorised financial services provider gets into financial difficulties and is unable, or likely to be unable, to pay claims against it. This circumstance is widely referred to as being 'in default'.

It is important for you to be aware that you may not always be able to make a claim under the FSCS, and that there are limitations in the amount of compensation you may receive.

Any compensation available will depend on your eligibility, the type of financial product or service involved, the funds selected and the circumstances of the claim.

You can find out more information on the FSCS and examples of limits in the scope of FSCS cover for your policy by visiting our website at www.pru.co.uk/about_us/corporate_pensions_fscs, or you can call our Customer Services team on 0345 075 2244.

Information is also available from the FSCS. You can contact the FSCS by:

- writing to:
Financial Services Compensation Scheme, PO Box 300, Mitcheldean GL17 1DY;
- telephoning: **0800 678 1100 or 020 7741 4100; or**
- visiting its website at **www.fscs.org.uk**

Very Important Information

Prudential policyholders, including you, are not protected by the FSCS against the insolvency of other companies within the Prudential Group or an external company. This means that the FSCS does not provide protection:

- for Prudential Investment-Linked Funds which are provided through another company within the Prudential Group;

- for Prudential Investment-Linked Funds which are invested solely in funds operated by another company within the Prudential Group (for example, unit trusts or open-ended investment companies operated by another company within the Prudential Group); or

- for externally-linked funds.

If another company from within the Prudential Group or an external company becomes insolvent and we cannot recover the full value of the units, Prudential will not be liable for the shortfall. Unit prices may fluctuate in line with the value of assets owned by the Prudential Investment-Linked Funds

As reflected under policy condition 12.1, if a charge is imposed on us under the FSCS (or any investor compensation scheme), we may pay it by imposing on our policyholders whatever additional charges are necessary and reasonable.

13.4 Complaints

We want to know about any disputes or complaints as soon as possible. If you or a beneficiary (as appropriate) have any disputes or complaints, you or your beneficiary (as appropriate) should contact us in the first instance at the address shown in policy condition 1.12.

In the unlikely event that we are unable to resolve any disputes or complaints, you or your beneficiary (as appropriate) can contact the organisations mentioned below. These organisations provide their services free of charge.

- The Financial Ombudsman Service (FOS). Its address is:

**Exchange Tower
London
E14 9SR**

**Telephone: 0800 0234 567 or
0300 123 9123**

**Website address:
www.financial-ombudsman.org.uk**

The Financial Ombudsman Service investigates disputes or complaints about the sale and marketing of pension plans.

- The Pensions Ombudsman (TPO). Its address is:

**10 South Colonnade
Canary Wharf
E14 4PU**

Telephone: 0800 917 4487

Website address: www.pensions-ombudsman.org.uk

The Pensions Ombudsman Service investigates disputes or complaints about how pension plans are run.

We can give guidance as to which is the appropriate organisation for you or your beneficiary (as appropriate) to contact in the event of a particular dispute or complaint.

13.5 Contracts (Rights of Third Parties) Act 1999

You and any beneficiaries have directly enforceable rights against us in respect of the benefits under the policy to which you or they are, or become, entitled. Subject to this, nothing in this policy confers or purports to confer on any third party any benefits or any right to enforce any term or condition set out in this policy pursuant to the Contracts (Rights of Third Parties) Act 1999.

13.6 Transfer of ownership

You cannot transfer ownership of the policy to the trustees or provider of another Registered Pension Scheme unless we give our consent and they accept liability to pay the benefits to the people entitled to them.

Neither the policy, nor any benefit payable under it, can be assigned, except as described above, or in accordance with policy condition 13.8 and any such assignment must be in accordance with the relevant legislation.

13.7 Bankruptcy

Legislation has been passed on the effect of bankruptcy on pensions. In broad terms, pensions from Registered Pension Schemes will not usually form part of the assets to be taken into account in bankruptcy, provided the bankruptcy petition is presented to the Court on or after 29th May 2000.

However, where the benefits are in payment, a Court has the right to order that part or all of a pension in payment to the bankrupt, and/or a lump sum, from a pension scheme or arrangement, be included in a bankrupt's estate (and

therefore, be available to the trustee in bankruptcy) for a specified period, if it finds that the bankrupt's total income is in excess of what the bankrupt and his or her family reasonably need to live on.

13.8 Divorce and dissolution

- (a) Legislation requires that pension plans are taken into account in divorce settlements and settlements made on the dissolution of civil partnerships.

The pension plan can be "set-off" against other matrimonial and civil partnership assets – the pension plan is left intact, but the split is allowed for by adjusting the shares in other assets.

Alternatively, particularly where the pension value is disproportionately high in relation to other matrimonial and civil partnership assets, the Court can instruct that:

- Part of the pension plan is "earmarked" for payment to a former spouse or civil partner at retirement or earlier death; or
- The pension is "split" under a pension sharing order – with a transfer being made to a pension arrangement in the ex-spouse's or ex-civil partner's name.

If you are divorced, or a civil partnership has been dissolved, and under a pension sharing order a Pension Credit in respect of an ex-spouse's or ex-civil partner's benefits under a Registered Pension Scheme has been awarded to you, it cannot be transferred to and held under your policy.

If on divorce or dissolution your ex-spouse or ex-civil partner is awarded a Pension Credit in respect of your benefits under the policy, he or she will have to transfer those Pension Credit rights to another Registered Pension Scheme.

- (b) There are rules on compliance with Court earmarking and pension sharing orders, to ensure that the terms specified in the order are met. In addition, a copy of an earmarking order must be passed on if the pension arrangement covered by the order is surrendered and transferred to another pension arrangement.
- (c) We may charge for providing information needed in the discussions leading to earmarking and pension sharing orders, to comply with implementation of the orders. We will tell you (and/or your representatives) if any such charge is to be applied, before we take any action on a request for information in relation to a divorce/dissolution settlement or when we get an order. Any such charge would normally be payable separately by cheque from one of the parties to the divorce/dissolution.
- (d) Any person whose benefits are affected by an earmarking or pension sharing order should seek advice from his or her financial adviser to ensure that the impact on the benefits is properly assessed. We will not pay for the costs of any such advice.

13.9 Contractual rights

The policy is an individual contract made for your benefit. You deal direct with Prudential and have direct contractual rights with Prudential.

13.10 Information to be provided by you to us

You must provide us with any information we may from time to time reasonably need to operate the policy or, if we already have the information, you must verify that it is still correct if we ask for such verification.

If you have agreed, or we require, that certain information will be provided in a specified format (for example, by email or fax), you must provide that information in the specified format.

13.11 Notices, instructions and requests from you to us

You can give all notices, instructions and requests to us in writing. In some cases, we will give you forms to use. Some of these notices, instructions and requests can also be made by telephone and/or by email/fax. Full contact details can be found in policy condition 1.12.

13.12 Notices to you from us

You must give us an address to which we will send any notices.

Normally, we will deliver notices by post. Unless exceptional circumstances apply, notices sent by post will be treated as having been received by you two working days after posting.

13.13 Production of evidence

From time to time and before making any payment under the policy, we may require to see proof:

- › of the identity and right of any applicant for payment under the policy;
- › that a person is still alive, if payment under the policy is claimed in respect of any pension payable only while he or she is alive;
- › that a person has died, if payment under the policy is due on his or her death.

We also require to be notified of, and receive proof of, a person's death, where we are paying a pension to that person.

13.14 Proof of age and marriage or civil partnership

Before we pay any benefit under the policy, we may require evidence of your age and the age of any other person for whom a benefit is payable. If the age previously notified to us proves to have been incorrectly stated, we will adjust the benefits to those that would have applied if the correct age had been given. We will make any further adjustments that are required to collect any under payment or repay any overpayment made before the mistake was put right.

If you are married or have a civil partner, we may also require evidence of the marriage or civil partnership.

13.15 Policy and pensions not to be cashed

Your Retirement Fund can only be used in the ways described in the policy. In particular:

- › You cannot cancel or surrender the policy in exchange for a cash payment unless permitted by HMRC and in accordance with the requirements of the relevant legislation;
- › Normally, no pension can be exchanged for a lump sum except as described in policy conditions 6 and 9.

13.16 Failure to comply with the terms and conditions in the policy

If you fail to comply with any of the terms and conditions described in the policy, we can then send you a notice telling you what must be done to remedy the breach or, if the breach cannot be put right in any reasonable manner, stating that fact.

If the breach is not or cannot be put right, we can make appropriate and reasonable changes to the benefits affected.

13.17 Beneficiary unable to look after own affairs

If we believe that any beneficiary under the policy is unable to look after his or her own affairs, we may arrange that any benefit due, instead of being paid to the beneficiary, will be paid to another person who will look after the money for the beneficiary or will use it for the benefit of the beneficiary, until the beneficiary is able to look after his or her own affairs.

13.18 The Pension Tracing Service

The Pension Tracing Service is a free government service that helps individuals who have lost touch with their previous pension arrangements trace their pension rights. You can contact the Pension Tracing Service by

- writing to:
**The Pension Service 9
Mail Handling Site A
Wolverhampton
WV98 1LU**
- telephoning:
0800 731 0193
- visiting its website at:
www.gov.uk/find-pension-contact-details

The value of your investment may go down as well as up, and may in the future be less than the payment(s) made to the policy. Information in this policy document is based on Prudential's understanding of legislation as at March 2018. Legislation, particularly relating to taxation, may be subject to change in the future. Any tax reliefs referred to are those currently available and the value of tax reliefs depends on individual circumstances. If an investment is in the With-Profits Fund, there are various circumstances in which a Market Value Reduction may apply on the sale of units in that fund as mentioned in policy condition 2.6.



www.pru.co.uk

"Prudential" is a trading name of The Prudential Assurance Company Limited, which is registered in England and Wales. This name is also used by other companies within the Prudential Group. Registered Office at Laurence Pountney Hill, London EC4R 0HH. Registered number 15454. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.