

Contract Conditions

Prudential Onshore Portfolio Bond – OWC
PIAUKBRANCH/POPBOWC/01/0121

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› Part 1: Introduction

1.1 Definitions

The words set out below and capitalised throughout this document, have the following meanings.

Where appropriate, words in the singular include the plural and words in the masculine gender includes the feminine or neuter gender and vice versa.

"Acceptable Instruction" means a clear and unambiguous instruction, given to Us from You or an Authorised Person (or where relevant) Your Personal Representative in writing, or in any other format We may allow from time to time.

"Ad hoc Adviser Charge" means a one-off Adviser Charge that You instruct Us to deduct from Your Bond and pay to Your Financial Adviser on Your behalf. See Part 4, Condition 4.6.

"Additional Investment" means the amount of any Additional Payment after any Set-up Adviser Charge is deducted. We will show the amount of an Additional Investment on the relevant Endorsement.

"Additional Payment" means any Payment other than the Initial Payment.

"Administration Centre" means Our administration office at Prudential, Stirling FK9 4UE.

"Adviser Charge" means any deduction We make from Your Bond on Your behalf and as instructed by You, to pay Your Financial Adviser for advice or related services that they provide to You.

"Agreement" means the agreement between You and Us that governs the Bond and the Policies that make up the Bond, as set out in these Contract Conditions and any other Policy Documents, as further described in Condition 1.3.

"Annual Management Charge" is the ongoing charge applied by an investment management organisation in respect of managing an Asset.

"Applicable Law or Regulation" means any laws, regulations, guidance, voluntary codes or statements that apply from time to time to the Bond or in relation to the activities performed by Us.

"Asset" means Instruments and cash to which Your Bond is linked from time to time. These Assets are owned by Us.

"Asset Account" means the total portfolio of those Assets to which Your Bond is linked. The Asset Account is allocated equally to all the Policies in the Bond.

"Asset Account Value" means the total of the Values of the Assets in the Asset Account before taking into account any outstanding Bond Charges, Negative Balance and Adviser Charges.

"Authorised Person" means any person with whom You have authorised Us to deal on Your behalf. This includes, but is not limited to, Your Financial Adviser.

"Benefit" means monies due from the Bond arising from either a claim for payment of the Death Benefit or Cash In Benefits.

"Bond" means Your Prudential Onshore Portfolio Bond – OWC.

"Bond Charges" means the Ongoing Product Charge, any Discretionary Fund Manager Charge, Dealing Charges, Our Expenses and any other charges in relation to the Bond, but excluding any Instrument Charges and Adviser Charges.

"Cash Account" means an account which is used to hold Assets in the form of cash and which is part of the **"Asset Account"**.

"Cash Account Value" means the monetary value of the Cash Account before taking into account any Bond

Charges, Regular Withdrawals, One-off Withdrawals and Adviser Charges that have accrued but have not yet been deducted.

"Cash In Benefits" means Benefit payments made available from the Policies by:

- (a) Partially Cashing In; or
- (b) Fully Cashing In.

"Cash In Value" means:

- a) in relation to the Bond, the Asset Account Value, adjusted for any Bond Charges, Negative Balance, and Adviser Charges accrued but not yet deducted from the Cash Account as We describe in Part 2, Condition 2.6.2; or
- b) in relation to an individual Policy, the Value of the Assets allocated to that Policy, adjusted for any Bond Charges, Negative Balance, and Adviser Charges accrued in relation to that Policy but not yet deducted from the Cash Account as We describe in Part 2, Condition 2.6.2.

"Central Bank of Ireland" means the Central Bank of Ireland and any successor or replacement organisations responsible for financial regulation in Ireland.

"Commencement Date" means the commencement date shown in the Contract Schedule.

"Company" and **"We"**, **"Our"** and **"Us"** means Prudential International Assurance plc, UK Branch, which markets under the name "Prudential International, UK Branch," in the UK. Prudential International, UK Branch, is authorised by the Central Bank of Ireland and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority.

"Contract Conditions" means this document.

"Contract Schedule" means the document We describe in Part 1, Condition 1.3.

"Dealing Charges" means the dealing charges referred to in the Statement of Charges and further described in Condition 4.3.

"Death Benefit" means the amount which is payable under this Bond when the Relevant Life dies.

"Discretionary Fund Manager" means an entity, regulated by the Financial Conduct Authority to provide discretionary investment management, which We appoint (on Your selection) to manage the Assets on a discretionary basis. For further information refer to Part 2, Condition 2.8.4.

"Discretionary Fund Manager Charge" means the charge described in Part 4, Condition 4.2.2.

"Effective Date of Cover" means the date that the insurance cover under which the Death Benefit is payable comes into force. We show the Effective Date of Cover in Your Contract Schedule or Endorsement, as appropriate.

"Endorsement" or **"Special Provisions"** means a document issued by Us after the Bond has started, as described in Part 1, Condition 1.3.

"Exchange" means an organisation which facilitates the process of buying and selling Assets by enabling buyers and sellers to interact with each other.

"Expenses" means any and all expenses, such as taxes We pay or expect to pay, duties, levies or charges incurred by Us in connection with the Assets, including

(but not limited to) any tax in respect of investment income and/or capital gains arising in relation to the Assets.

"Financial Adviser" means an authorised individual financial adviser or authorised financial adviser firm who, according to Our records, is acting as Your agent to provide You with financial advice and such other services in relation to Your Bond as agreed between You and Your Financial Adviser. The Financial Adviser must have an agreement or terms of business with M&G plc and with any company We engage to provide services in relation to the Online Facility on Our behalf from time to time.

"Financial Conduct Authority" or **"FCA"** means the Financial Conduct Authority and any successor or replacement organisation responsible for the time being for the conduct regulation of the financial services and/or insurance industry in the United Kingdom.

"Financial Services Compensation Scheme" or **"FSCS"** means the United Kingdom financial services compensation scheme administered in accordance with the Financial Services and Markets Act 2000 and any successor or replacement scheme or organisation responsible for the time being for the compensation of customers of FCA regulated financial services firms operating in the United Kingdom.

"First Death Bond" has the meaning given in Part 3, Condition 3.5.1.

"Fully Cashing In", **"Fully Cash In"** and **"Full Cash In"** means the full cashing in of one or more Policies or all the Policies. See Part 3, Conditions 3.2(b) and 3.4.

"Fund" means an investment fund.

"Index" means the general index of retail prices (for all items) published by the UK Government Executive Agency known as the Office for National Statistics, or if this index is no longer published or if, in Our reasonable opinion, it becomes no longer suitable, such other appropriate index which measures inflation as We shall specify and notify to You.

"Initial Charge" means the initial charge applied by the investment management company on investment in an Asset as further described in Part 4, Condition 4.1.2.

"Initial Payment" means the first Payment.

"Initial Investment" means the amount of Your Initial Payment minus any Set-up Adviser Charge.

"Instruments" means those investments to which Your Bond may be linked (excluding cash), as specified by Us from time to time and shown on the Online Facility.

"Instrument Charges" means the Yearly Total and the Initial Charge taken by any investment management company that manages an Instrument held in the form of units or shares. See Part 4, Conditions 4.1.1 and 4.1.2.

"Investment" means the Initial Investment or an Additional Investment, as appropriate.

"Investment Date" means the date the Initial Investment or any Additional Investment, as appropriate, was credited to the Policies.

"Key Features Document" means a document describing the key features of the Bond. You will receive a Key Features Document before You make Your Initial Payment.

"Last Death Bond" has the meaning given in Part 3, Condition 3.5.1.

"Life Assured" means an individual on whose death the Death Benefit may become payable if the Bond has not yet been Fully Cashed In, and **"Lives Assured"** means all such persons.

"Limits" means the limits and any restrictions in relation to Withdrawals and the Minimum Value applying from time to time as set out in the Statement of Charges.

"Model Portfolio" is the name given to a selection of Assets to which You may link Your Bond as further described in Part 2, Condition 2.8.4.

"Market Timing" means the circumstance where the pricing of Assets may allow for a small window in which a major market impact has not yet been reflected in the re-valuation of the Asset. For example, a Fund with a Valuation Point of 12pm UK time may allow for trading in other time zones before it is re-priced.

"Minimum Value" means the figure shown as the "Minimum Value", as amended from time to time in the Statement of Charges – see Part 2, Condition 2.15.

"M&G plc" means any company and any subsidiary of them or their holding company which has M&G plc as its ultimate holding company, as such terms are defined in the UK Companies Act 2006, as amended.

"Negative Balance" is the amount by which any outstanding deductions due from Your Bond exceed the amount in Your Cash Account, as set out in Part 2, Condition 2.6.2.

"One-off Withdrawal" means a single Withdrawal as described in Part 3, Condition 3.2.

"Ongoing Adviser Charges" means Adviser Charge deductions We make from Your Bond at regular intervals on Your behalf and as instructed by You, to pay Your Financial Adviser for advice or related services that they provide to You on an ongoing basis as further set out in Part 4, Condition 4.6.

"Ongoing Product Charge" means the regular charge We apply in relation to the administration and operation of Your Bond and in relation to the access to and use of the Online Facility whilst Your Bond remains in force, as shown in Your Contract Schedule or Related Documents and further described in Part 4, Condition 4.2.3.

"Online Facility" means the online account to which Your Financial Adviser will be given access for the purpose of constructing, viewing and managing the Asset Account.

"Partially Cashing In" and **"Partially Cash In"** means cashing in an equal portion of each Policy as further described in Part 3, Condition 3.2(a).

"Payment" means a payment You make into the Bond.

"Permitted Investments" means assets falling within provisions regarding Personal Portfolio Bonds within Part 4, Chapter 9 of the UK Income Tax (Trading and Other Income) Act 2005, as amended or replaced from time to time, so that the Bond is not a Personal Portfolio Bond for tax purposes. In addition such Assets must also be permitted under Irish tax and Irish regulatory requirements.

"Personal Illustration" means the illustration of potential projected Cash In Values payable from Your Policies provided to You by Your Financial Adviser.

"Personal Representatives" means the person(s) with legal authority to deal with, administer and dispose of the property, rights and obligations of a deceased individual.

"Policy" or **"Policies"** means the policy or policies that make up Your Prudential Onshore Portfolio Bond – OWC.

"Policy Documents" means the documents described in Part 1, Condition 1.3.

"Policyholder" means the applicant for, or the legal owner(s) of, the Bond, as appropriate.

"Prudential Regulation Authority" or **"PRA"** means the Prudential Regulation Authority and any successor or replacement organisation responsible for the time being for the prudential regulation of the insurance industry in the United Kingdom.

"Regular Withdrawals" means a series of Withdrawals made at regular intervals as described in Part 3, Condition 3.1.

"Related Document" means any document shown in the section headed "Related Documents" in the Contract Schedule and any Endorsement or Special Provisions or other document We issue regarding the Bond.

"Relevant Life" means:

- (a) in the case of a single Life Assured, that Life Assured;
- (b) in the case of a First Death Bond, the first Life Assured to die; or
- (c) in the case of a Last Death Bond, the last Life Assured to die.

"Set-up Adviser Charge" means any deduction We make from Your Payment(s) on Your behalf and as instructed by You, to pay Your Financial Adviser for advice or related services that they provide to You.

"**Statement of Charges**" means the document We describe in Part 1, Condition 1.3.

"**Structured Product**" means an Asset which is a fixed-term investment the performance of which is linked to the performance of other assets or indices, such as a stock market index.

"**Transaction**" means the process by which We link or cease linking an Asset to Your Bond.

"**Value**" means the monetary amount of any Asset at any given time.

"**Valuation Point**", means the point at which the Value of a unit or share in a Fund is determined by the relevant investment management company.

"**VAT**" means UK Value Added Tax.

"**Withdrawals**" means Benefit payments made available from the Bond by:

- (a) "**Partially Cashing In**" all the Policies; or
- (b) "**Fully Cashing In**" one or more of the Policies.

"**Working Day**" means any normal business day that the Company would be ordinarily open for business in the UK.

"**Yearly Total**" means the sum each year of:

- (i) the Annual Management Charge; and
- (ii) any further costs which may arise in respect of managing an Asset. See Condition 4.1.1.

"**You**" and "**Your**" means the Policyholder.

"**Your Payment**" means Your Additional Payment or Initial Payment, as appropriate.

1.2 General description of the Bond

This Bond is issued by Prudential International Assurance plc, acting through its UK branch. Prudential International Assurance plc is authorised by the Central Bank of Ireland and subject to limited regulation by the Financial Conduct Authority and the Prudential Regulation Authority. Details about the extent of Our regulation by the Financial Conduct Authority and the Prudential Regulation Authority are available from Us on request.

The Bond is a non-qualifying whole of life assurance arrangement set up with an initial single Investment. It is designed to provide lifetime benefits, as well as a Death Benefit if the relevant Life Assured dies before the Bond has been Fully Cashed In.

Unless You request otherwise, We issue the Bond as a group of identical linked whole of life Policies. The number of Policies in this group will be as requested by You or determined by the amount invested into the Bond.

These Contract Conditions are worded on the basis that the Bond will consist of a group of Policies. However, if You have asked Us to issue the Bond as just one Policy, You should read the word "Policies" as if it said "Policy".

We do not provide financial advice and are not required to assess the suitability of the Bond, the Assets or Your use of the Online Facility. If You require financial advice about the Bond, You should speak to Your Financial Adviser.

1.3 Documentation

Our Agreement with You is made up of the following "**Policy Documents**".

- (a) the "**Contract Conditions**" (this document);
- (b) a "**Contract Schedule**" which sets out the details of each Policy in the Bond;
- (c) a "**Statement of Charges**" which sets out details of the charges, costs and the Limits in force at the Commencement Date of the Bond (see Conditions 2.13, 2.15, 3.3, 4.1, 4.2, 4.3 and 4.4); and
- (d) "**Related Documents**", which include:
 - any document(s) identified in the "Related Documents" section in the Contract Schedule;
 - any document(s) described as a "Related Document" in a subsequent confirmation letter, which will set out any non-standard Conditions, arrangements or supplementary information in relation to the Bond;
 - any "**Endorsement**" or "**Special Provisions**" document(s) We issue, which will provide details of any significant changes to the Bond after it has started.

We issue the Bond and provide cover in accordance with the Agreement on the basis of information provided by You. You must take reasonable care to ensure that the information You give Us is accurate. If You do not, this may limit Your entitlement to Benefits, or may entitle Us to make certain changes to, or terminate, Your Bond.

Although Your Financial Adviser should have explained this Agreement to You before the Commencement Date or an Additional Investment, as appropriate, if You are not comfortable with any terms and conditions of this Agreement You can exercise Your right to cancel Your Bond or an Additional Investment into Your Bond, as appropriate, within 30 days from the date You receive Your right to cancel notice as more fully described in Condition 1.4.

1.4 Cancellation

If You change Your mind You can cancel Your Bond within 30 days of receiving Your right to cancel notice.

You can cancel any Additional Investment within 30 days of receiving Your right to cancel notice in relation to that Additional Investment.

To cancel, You must give notice to Us in writing at Our Administration Centre or by such other means as detailed in the Key Features Document from time to time.

On cancellation, We will repay to You the amount of the relevant Investment(s), reduced for:

- (a) downward market movements in the Asset Account Value;
- (b) any Withdrawals We have paid to You; and
- (c) any Adviser Charges We have deducted;

since that Investment was credited to the Bond.

We cannot repay You any Set-up Adviser Charge or Adviser Charge deducted from Your Bond as these will have already been paid on Your behalf to Your Financial Adviser. This means that You will need to claim these from Your Financial Adviser if You are entitled to do so.

1.5 Termination

If You tell Us You wish to terminate Your Bond after the 30 day period referred to at Condition 1.4 above, this will be treated as a request to Fully Cash In the Bond (see Part 3, Condition 3.4 for further details).

We reserve the right to terminate the Bond if:

- the Asset Account Value, adjusted for any Negative Balance, is lower than Our Minimum Value (see Part 2, Condition 2.15);
- it becomes practically impossible for Us to operate the Bond;
- We are no longer able to continue providing the Bond due to a change in Applicable Law or Regulation.

If We terminate the Bond, We will pay You the Cash In Value that You would have received had You Fully Cashed In the Bond (see Part 3, Condition 3.4 for further details).

› Part 2: Operating Your Bond

2.1 Your Initial Investment

We will allocate Your Initial Investment between the Policies equally (allowing for any necessary rounding).

Your Contract Schedule will show how much of the Initial Investment has been allocated to each Policy and the relevant Investment Date(s).

2.2 Additional Investments

You may, so long as We agree, make an Additional Investment into Your Bond.

We may refuse an Additional Investment where it is reasonable for Us to do so, for example, if the costs We incur in maintaining this type of Bond have increased beyond Our expectations.

We will allocate any Additional Investment between the Policies in force at that time equally (allowing for any necessary rounding).

We will issue an Endorsement in relation to any Additional Investment showing how much of the Additional Investment has been allocated to each Policy and the relevant Investment Date(s).

2.3 Online Facility

This Bond is operated via the Online Facility. This means that all instructions relating to the Bond must be provided to Us by Your Financial Adviser via the Online Facility, except for instructions relating to:

- a) Adviser Charges;
- b) the payment of Benefits;
- c) changes of Bond ownership; or
- d) changes to Your personal details.

For instructions relating to Adviser Charges, Acceptable Instructions must be given, or information provided, to Us by You (rather than Your Financial Adviser). For the matters noted at (b) to (d) above, Acceptable Instructions must be given by either You or Your Financial Adviser. Acceptable Instructions must be given to Us at Our Administration Centre unless We tell You otherwise. If there is any discrepancy between any instructions given by You and Your Financial Adviser, We will contact You to clarify the steps to be taken.

With the exception of instructions relating to Adviser Charges (see Part 4, Condition 4.6), We will be entitled to treat Your Financial Adviser as authorised by You to provide information and instructions on Your behalf until You notify Us that this is no longer the case.

You must notify Us whenever You change Your Financial Adviser.

No instructions can be provided on Your behalf via the Online Facility if You do not have a Financial Adviser or if Your Financial Adviser does not agree to the Online Facility terms and conditions. Where You have not appointed a suitable Financial Adviser within a reasonable time You will no longer have access to construct, view and manage Your Asset Account but You can continue to provide Us with instructions in relation to Adviser Charges, payment of Benefits, changes of Bond ownership and changes to Your personal details. If this functionality is not acceptable to You, You will be able to terminate the Bond by requesting a Full Cash In.

If We need to change the Online Facility Provider We will give You and Your Financial Adviser notice of this wherever possible. We will provide an alternative service provider and/or method of

administering Your Bond in these circumstances. The Online Facility may only be used to administer the Bond and may not be used to administer any other assets or products.

2.4 The Value of Your Bond

The value of Your Bond is determined by reference to the Asset Account Value.

The Asset Account Value is the total Value of all the Assets in the Asset Account from time to time.

The Asset Account is not an actual portfolio of assets or cash, but is a concept used to describe the group of Assets to which Your Bond is linked. Subject to Part 2, Condition 2.12, You may link Your Bond to any Asset We specify, including cash.

The Cash In Value of Your Bond is equal to the Asset Account Value, adjusted for any Negative Balance and minus any Bond Charges and Adviser Charges which have accrued but have not yet been deducted or, if applicable, included within any Negative Balance.

2.5 Value of Instruments linked to Your Bond

2.5.1

The Value of an Instrument will reflect its most recent market price.

2.5.2

Where an Instrument is in the form of units or shares in a Fund, the Value of the Asset will reflect the price quoted by the investment management company managing that Fund at the most recent Valuation Point. Where the investment management company provides both purchase and sale prices, the sale price will be used to Value the Instrument.

2.5.3

Where an Instrument is a Structured Product, the Value of the Asset will reflect the Value published at the relevant time, taking into account any early redemption charges.

2.6 The Cash Account

2.6.1 The Cash Account

The Cash Account is the part of the Asset Account in which any Assets in the form of cash are maintained. Any Investment into the Bond will be allocated to the Cash Account until We carry out a Transaction to link Your Bond to Instruments in accordance with Your instructions.

You can decide to allocate as much or as little of Your Investment to the Cash Account as You choose, subject to the minimums referred to below.

You must hold a minimum cash balance in the Cash Account of 2% of the Asset Account Value (subject to a minimum of £100 and a maximum of £2,000).

On the last Working Day of each month We will review the amount of cash in the Cash Account. If, at this time, the balance held in the Cash Account is below 1% of the Asset Account Value, We will cancel sufficient Instruments from Your Bond to restore the minimum cash balance.

Where We are required to cancel Instruments from Your Bond to restore this minimum cash balance, We will:

- Cancel Instruments to the value of the amount that is needed to restore the minimum cash balance. If there are restrictions imposed on Us in relation to the number and/or value of the underlying trades that We can make in order to cancel the Instruments from Your Bond, We may need to cancel a higher Value of Instruments from Your Bond to restore the Minimum Cash Balance;

- Cancel instruments, starting with the highest value Instrument that You have linked to Your Bond that can be traded on a daily basis and moving to the smallest. Where You do not have sufficient instruments linked to Your Bond that can be traded on a daily basis to meet the value that is required to restore the minimum balance, We will cancel the highest Value Instrument remaining linked to Your Bond down to the smallest;
- Cancel the link between all of the units or shares in Your Bond and a particular Fund if We are required to cancel the link between more than 95% of those units or shares to restore the minimum balance;
- Only cancel the link between a whole number of units of shares in Your Bond and a particular Fund and will round up to the nearest whole unit or share.

2.6.2 Deductions from the Cash Account

We will deduct the following from Your Cash Account:

- any Regular Withdrawals (see Part 3, Condition 3.1); and
- any One-off Withdrawals (see Part 3, Condition 3.2); and
- Bond Charges described in Part 4, Condition 4.2; and
- any Adviser Charges (see Part 4, Condition 4.6).

If any deduction We make has caused the balance of the Cash Account to fall below the minimum cash balance set out in Condition 2.6.1, and this is still the case at the end of the relevant month We will restore the minimum cash balance using the process set out in Condition 2.6.1.

If the Cash Account Value is less than the total of the above listed deductions due at any time, the Cash Account will have a "Negative Balance" equal to the amount by which the deductions exceed the Cash Account Value.

If the Cash Account Value falls into a Negative Balance, We will be entitled to cancel Instruments from Your Bond and credit the equivalent Value in cash to the Cash Account.

The Value of the Instruments that We will cancel will be equal to the total of:

- the Negative Balance;
- up to 2% of the Asset Account Value less the Negative Balance; and
- if applicable, the amount of the next three months' expected Regular Withdrawals that You have instructed Us to make, (see Part 3, Condition 3.1).

To achieve this value, We will cancel Instrument(s) with the highest Value that can be cancelled within a reasonable time.

2.6.3 Credits to the Cash Account

To pay a Benefit, We may need to cancel Instruments from Your Bond and credit their cash Value into the Cash Account pending payment of the Benefit. See Part 3, Conditions 3.2, 3.4 and 3.5.

All investment income distributed from the Assets will be credited to the Cash Account.

2.6.4 Interest

Cash held in the Cash Account will, where applicable, earn interest from the day it has been allocated to the Cash Account. Interest will be calculated and applied to the Cash Account each month based on the daily cash positions in the Cash Account. The rate of interest which applies will be available on the Online Facility but may change from time to time depending on the rate of interest applied by the institutions with which the cash has been deposited.

2.7 Instructions

We will generally only accept instructions to link Instruments to or cancel Instruments from Your Bond where they are given by Your Financial Adviser via the Online Facility.

All instructions must be given in English.

We may accept telephone or written instructions only in exceptional circumstances where those instructions cannot be given via the Online Facility.

We will only carry out an instruction to pay Benefits once We have received an Acceptable Instruction and all necessary supporting documentation.

We may refuse to act on an instruction where We suspect it has been made by a person who is not authorised to access the Online Facility, where We suspect that it may place Us in breach of any law or where We believe or suspect that it relates to fraud, market abuse or any criminal act.

If Your Financial Adviser is in any doubt as to whether an instruction has been made successfully on the Online Facility, they should contact Us first before making any other instructions as We will be entitled to process any subsequent instruction, even if it is identical to another instruction that has been sent to Us.

You may be able to cancel an instruction via the Online Facility provided that We have not yet carried out that instruction. For example, there may be a slight delay between Us completing an instruction to link or cancel an Instrument to or from Your Bond and the relevant Transaction being removed from the list of pending Transactions on the Online Facility. This means that Your Financial Adviser may be unable to cancel the Transaction even if it is still showing as pending on the Online Facility.

We may be able to reverse a Transaction upon Your request. Where We cannot, Your Financial Adviser must enter a new instruction to link or cancel Instruments to or from Your Bond as applicable. Provided that We have acted reasonably, We will not be liable to You for any loss You may suffer as a result of Our inability to reverse the Transaction.

2.8 How We link or cancel Instruments to or from Your Bond

2.8.1 General

Where You ask Us to:

- allocate Instruments to Your Bond, We cancel a cash amount equivalent to the Value of Instruments You have asked Us to link to Your Bond and then link the Instruments to the Asset Account (after deducting any Dealing Charges);
- cancel Instruments from Your Bond, We cancel the Instruments You have asked Us to cancel and allocate the cash Value of the Instruments that have been cancelled to the Asset Account (after deducting any Dealing Charges).

We will be entitled to delay carrying out an instruction to link an amount of instruments to Your Bond if You do not

have the cash Value of those Instruments allocated to the Cash Account. We will not be liable for any loss You may suffer as a result of such delay. Once sufficient cash has been allocated to the Cash Account, We will carry out the Transaction.

The price or Value at which Instruments are linked to or cancelled from Your Bond will be as shown in the confirmation that We will provide via the Online Facility.

When We carry out a Transaction in relation to Your Bond, We carry out an actual trade where We use Our own cash to buy the relevant instruments, or sell Our own instruments to generate cash, to mirror the Transaction You have requested.

The timing of the Transaction, and Our ability to carry it out, is dependent on the timing of, and Our ability to carry out, this underlying trade.

You should send Us Your instruction to link or cancel Instruments to or from Your Bond before the daily cut off times for transactions in those Assets as set out in the Key Investor Information Document (KIID) or equivalent information for the particular Asset. If We receive Your instruction outside of these times We will deal with them as soon as the relevant market is open, which will usually be the following Working Day.

We may cancel a Transaction without giving You advance notice where there is a valid reason. This may include where We are not able to carry out the underlying trade. For example, a third party involved in executing the trade such as an Exchange or a counterparty may ask Us to cancel the trade. Provided that We have acted reasonably in such circumstances, We will not be liable for any loss You incur as a result of the cancellation.

We reserve the right to reject a Transaction. We actively monitor levels of instructions and acceptance of Instructions from clients who have a history of making excessive instructions or whose instructions have been disruptive may be refused.

Certain Instruments may have a minimum transaction value. This means that We will reject any instructions to link or cancel less than this amount to or from Your Bond. We will let You or Your Financial Adviser know that the instruction has been rejected, usually via the Online Facility.

You are not permitted to make instructions for Transactions to take advantage of Market Timing. You authorise Us to discuss suspected Market Timing activity with relevant third parties (such as Fund managers and stockbrokers). Fund managers are sensitive to Market Timing activities and may apply adjustments to the trade underlying Your transaction to account for major market movements.

We reserve the right to delay a Transaction, in accordance with Applicable Law or Regulation, where there is a need to fulfil due diligence under FCA or UK anti-money laundering legislation.

We will only link or cancel Instruments to or from Your Bond when the underlying trade We carry out in relation to that Transaction has settled and We have received the relevant investments or proceeds from the other party to that underlying trade.

You should also be aware that there may in particular be delays to trades We make in relation to non-UK Instruments, as these can take longer to settle.

Our policy in respect of the use of proceeds from trades is as follows:

- Cash proceeds from confirmed (but not settled) sales can be used both on individual and Model Portfolio Instructions.
- For Instructions that have not been made in connection with a Model Portfolio, Assets from confirmed (but not settled) buys can be sold. This is not allowed for Model Portfolio rebalances – Asset holdings must be settled before being sold. We reserve the right to vary any aspect of the above policy without notice where the circumstances in Condition 5.5 apply.

We may allocate cash to the Cash Account on a day other than a Working Day.

After We have allocated Instruments to Your Asset Account, We may have to adjust Your allocation (for example, on the basis of instructions received from a Fund manager or counterparty). We will not adjust Your holding where the proposed adjustment is £5 or less.

Confirmation and details of Transactions will be available via contract notes that are published on the Online Facility. For joint Policyholders the confirmation will always appear in the name of the first Policyholder.

2.8.2 Fund units or shares

We will endeavour to carry out an instruction to link Your Bond to shares or units of Funds (or cancel such a link) within the next two Valuation Points following Your instruction. However, We may not carry out Your instruction in that time if We have not been able to carry out the underlying transaction.

For some Funds, Fund managers will publish both the purchase and sale prices of units or shares. This means that the price at which We buy or sell units or shares in these Funds fluctuates between these values and may be different to the price listed at a particular point in time. This will affect the Value at which You are able to link or cancel the relevant Instruments to or from Your Bond. It is Your responsibility to research the pricing of any Funds You select.

The prices displayed for Funds on the Online Facility will usually reflect the latest available daily and end of day price for the Fund, although some Funds may publish prices less frequently. The price at which You may link or cancel an Asset to or from Your Bond may differ from the price displayed.

Fund managers may automatically correct pricing errors and may not inform Us if the error is below 0.5% of the Fund value. This means that Your Transaction may be later be found to have been carried out at an erroneous price but that this price is not later corrected.

Settlement of a Fund sale will take place when We have received cleared cash from the Fund manager. Usually this will be no later than 10 business days after the Fund manager has received all required documentation from Us. This means that it could take Us at least the same time to complete Your Transaction.

We will make the relevant Fund documentation available to You via Your Financial Adviser so that You can understand the nature of the Instrument that You are allocating to Your Asset Account.

2.8.3 Structured Products

From time to time, We may allow You to link Your Bond to Structured Products provided by selected providers.

We will make the relevant Structured Product documentation available to You via Your Financial Adviser so that You can understand the nature of the Instrument that You are linking to Your Bond.

We will submit applications and monies for Structured Products once You have placed an Instruction through the Online Facility, and will not necessarily wait until the investment deadline date specified by the Structured Product provider. Your Bond will remain linked to the cash Value of the Structured Product until the investment deadline date, after which it will be linked to the Structured Product.

We will not be able to link a Structured Product to Your Bond if a Structured Product is oversubscribed or if it is withdrawn from the market. If this occurs, We will inform You in a reasonable time.

Where Your Bond can no longer be linked to a Structured Product, the cash Value of the Structured Product will be allocated to the Cash Account.

You may not be able to cancel a Structured Product from Your Bond until its term has expired. There may also be a charge or notice period imposed by the Structured Product provider on Us for redeeming the Structured Product in these circumstances, which We will pass onto You. Please speak to Your Financial Adviser for further information about the risks of linking Structured Products to Your Bond.

2.8.4 Model Portfolios

You may link Your Bond to a Model Portfolio, which is a group of Our assets that is managed in line with a particular model, with a view to meeting certain investment objectives.

When You link Your Bond to a Model Portfolio, We will cancel and link Assets from and to Your Bond to mirror the investments and cash in the Model Portfolio. As the composition of the assets in the Model Portfolio is changed, the composition of the linked Assets in the Asset Account will also change.

Certain Instruments cannot be held in Model Portfolios. Information about what Instruments are permitted will be available on the Online Facility.

You can only have one Model Portfolio linked to Your Bond at any one time.

We will make the relevant Model Portfolio documentation available to You via Your Financial Adviser so that You can understand the nature of the Assets that You are allocating to Your Asset Account as a result.

The Model Portfolio is subject to the same restrictions and conditions relating to Assets and Investment which apply to Your Bond. See Condition 2.12.

If You no longer want Your Bond to be linked to a Model Portfolio, You must tell Us via the Online Facility. We will move the Investments to which Your Bond is linked to outside the Model Portfolio. This means that they will cease to be managed in line with the Model Portfolio, and if You want to make changes to the Investments that are linked to Your Bond, You will have to give Us specific instructions to do so.

You may select a Model Portfolio that is managed by a Discretionary Fund Manager. Although the Discretionary Fund Manager is appointed by Us, You may select which Discretionary Fund Manager We should appoint. However, We will only allow Your chosen Discretionary Fund Manager to manage the Model Portfolio if the Discretionary Fund Manager You select is acceptable to Us and We have received appropriate authorisation from You. Should Your Discretionary Fund Manager cease to be acceptable to Us (for example where they cease to be appropriately regulated) the Model Portfolio will no longer be available but You will remain invested in the relevant Assets until You tell Us to cancel those Assets from Your Bond.

See Part 4, Condition 4.2.2 for details of how any charges relating to a Discretionary Fund Manager are applied.

2.9 Communications

You and Your Financial Adviser are responsible for monitoring and managing Your Bond via the Online Facility. You or Your Financial Adviser should immediately report any errors You or they find on the Online Facility to Us.

Your Financial Adviser can check the latest valuation of Your Bond on Your behalf by logging into the Online Facility.

2.10 Liability for use of Online Facility

You are responsible for the investment decisions You make and the instructions You give to Your Financial Adviser. We will not provide You with any financial advice in relation to Your Bond, whether via the Online Facility or otherwise.

2.11 Currencies under the Bond

2.11.1 Investments

Each Investment into the Bond must be denominated in UK Sterling or such other currency that We may allow from time to time.

2.11.2 Benefits

We pay the Benefits from the Bond in UK Sterling or such other currency as We may allow from time to time.

2.11.3 Valuing the Bond

We Value the Assets in UK Sterling or such other currency as We may allow from time to time.

We will show the currencies to be used for valuing the Bond, paying Benefits, and making Investments on the Contract Schedule or any Endorsement.

2.12 Available Assets

Addition or removal of Assets

We will provide a list of available Assets that You may choose to link to Your Bond. Your Financial Adviser may view this list on the Online Facility from time to time.

At Our discretion We may add new Assets to the list of available Assets at any time.

In certain circumstances, We may need to remove Assets from the list of available Assets in relation to both existing and future Investments. We will do this where:

- ▶ an Asset no longer meets Our definition of a Permitted Investment;
- ▶ We reasonably consider that removing the Asset is necessary to comply with Applicable Law or Regulation;

▶ We reasonably consider that the Asset is no longer suitable, (for example where an investment management organisation changes its pricing policy in a way We believe is no longer suitable for the Prudential Onshore Portfolio Bond – OWC;

▶ We reasonably consider that it is necessary to do so to protect the best interests of Our policyholders.

If We remove an Asset from the list that is already linked to Your Bond, We will give You, Your Financial Adviser or, where appropriate, Your Discretionary Fund Manager 60 days' notice (or, where this is not possible, as much notice as We can in the circumstances) of the need to sell and/or replace the relevant Asset and request Your or their instruction. Where We do not receive an instruction by the date specified in Our notification We will sell the relevant Asset and credit the proceeds into Your Cash Account.

Changes to Assets

The Assets to which Your Bond may be linked are made available to Us and managed by third parties. As a result, changes may be made to those Assets from time to time which are outside Our control.

Where the Assets are units or shares in a Fund, such changes may include a merger, demerger or a change in investment objectives in relation to the Fund.

Where this means You need to make a choice in respect of Assets linked to Your Bond, We will contact Your Financial Adviser to explain Your options within 10 Working Days of receiving full details of the change. If We do not receive instructions before the election deadline, We will apply the default option as outlined in Our communication.

Where a change to an Asset does not require You to make any decision, We will inform Your Financial Adviser of the details within 10 Working Days after the effective date of the change.

The investment management company that manages an Asset that is linked to Your Bond may adjust how the value of Our holding in that Asset is calculated from time to time. This may result in an Asset that We hold being recorded as a fraction of an Asset instead of a whole Asset. We reserve the right to sell these fractional Assets where this is possible, and allocate the proceeds of sale to the Cash Account. In the event that the proceeds of this sale are less than £5.00, We will donate these amounts to charity.

2.13 Bond Valuation Statements

We value the Bond on each anniversary of the Commencement Date or, where that anniversary is not a Working Day, or the next Working Day. We will send You a valuation statement as soon as possible after this valuation. There is currently no separate charge for providing these valuation statements.

We will apply a charge for any additional valuation statement that You request. These charges as amended from time to time are shown in the Statement of Charges. As explained in Part 4, Condition 4.5, the level of this charge may change each year.

2.14 Dividends

We will allocate any income distributed in relation to Assets to the Cash Account within 10 Working Days of Us receiving both the cash and a valid tax voucher in relation to Our underlying assets.

If non UK Assets are allocated to the Asset Account, We will not reclaim any withholding tax deducted on the income.

2.15 Minimum Value

If the Asset Account Value, adjusted for any Negative Balance, falls below the Minimum Value in force at any time, We will write to You and ask You to make an Additional Investment. If You do not do so within one calendar month of Our letter, We reserve the right to terminate the Bond and pay You the Cash In Value (after deducting any relevant charges).

Each Statement of Charges will show Our Minimum Value, as amended from time to time. As expressed in Part 4, Condition 4.5, the level of Limits may change each year. The current level of this Limit is available from Our Administration Centre on request.

2.16 Powers to delay valuations, instructions or Transactions

We may delay working out the Asset Account Value, or carrying out Your instructions or a Transaction if the Bond or relevant Assets are affected by any of the circumstances set out below.

- › a failure in any communication method that is usually relied on in calculating the Value of any Assets or in determining prices on any Exchange or market;
- › if We cannot access any amounts due from redeeming such Assets;
- › where the transfer of monies involved in the realisation, or acquisition, of Assets cannot in Our opinion be effected at normal rates of exchange;

- › in respect of Assets which are shares or units in a Fund, a delay imposed by the investment management organisation(s) of that Fund;
- › the closure or suspension of the main Exchanges or markets or Funds or when dealings on such Exchanges or markets or Funds are restricted or suspended;
- › the sale or valuation of Assets being impractical or impossible without a significant reduction in the Value;
- › where the Online Facility is temporarily unavailable as a result of routine or administrative maintenance, to facilitate upgrading work, or due to unforeseen circumstances outside Our control;
- › situations outside Our control.

We will only delay valuations or carrying out Your instructions or Transactions for as long as reasonably required.

We will notify You or Your Financial Adviser of any delay in carrying out Your instructions or a Transaction as soon as it is practicable to do so.

Where the valuation, Transaction or instruction only relates to some Assets and not all Assets, We will carry out any part of the valuation, instruction or Transaction which is unaffected by the delay in accordance with these Contract Conditions. This does not apply to instructions or Transactions carried out in order to Fully Cash In Your Bond as We will wait until all Instruments have been sold and We have received all sale proceeds.

If payment of some or all of a Benefit is delayed, the payment of any delayed proceeds will be regarded as the completion of the Benefit payment.

We will not be liable for any losses incurred as a result of any delay in carrying out Your instructions or a Transaction where the delay is caused by reasons beyond Our control.

2.17 Ownership

You own the Policies which are linked to the Bond. The value of those Policies is determined by the Asset Account Value.

You (or any other person entitled to the Policies or an interest in the Policies) do not have any legal or beneficial interest in or rights to the Assets.

› Part 3: Benefits from Your Bond

Before We will pay Benefits from Your Bond, We must receive an Acceptable Instruction at Our Administration Centre, specifying the type of Benefit required. The available Benefits are set out below. We can provide You with specific cash in forms on request.

3.1 Regular Withdrawal

You may choose to have an amount paid every:

- › month;
- › 2 months;
- › 3 months;
- › 4 months;
- › 6 months; or
- › 12 months.

We will pay each Regular Withdrawal by cancelling the relevant amount from cash allocated to the Cash Account. Please see Part 2, Condition 2.6.2 about what happens if there is not enough cash in Your Cash Account to make a Regular Withdrawal.

We will cancel an equal amount (allowing for any necessary rounding) from each Policy to make the Regular Withdrawal. The Cash In Value of each Policy will be reduced every time a Regular Withdrawal is paid.

We will issue each Regular Withdrawal on the 15th of the relevant month. Regular Withdrawals are not allowed to start within the first two weeks of the Commencement Date.

Subject to this rule, the first Regular Withdrawal will be made on the 15th of the month after the Commencement Date or the subsequent Acceptable Instruction for a Regular Withdrawal, in accordance

with the selected payment frequency. For example, if You have requested Regular Withdrawals to be made annually, they will be issued each year on the 15th of the month after the anniversary of the Commencement Date.

Where the 15th of a month is not a Working Day, the Regular Withdrawal will be made on the following Working Day.

We will only make a Regular Withdrawal payment if the rules on Limits in Part 3, Condition 3.3 are met.

3.2 One-off Withdrawals

You may ask to make a One-off Withdrawal of a specific monetary amount.

We will only allow a One-off Withdrawal if there is enough cash in Your Cash Account to meet the payment and the rules on Limits in Part 3, Condition 3.3 are met. You can ensure this by instructing Your Financial Adviser to sell some of the Assets via the Online Facility and credit the proceeds to Your Cash Account before You request the One-off Withdrawal.

When You request a One-off Withdrawal, You must specify whether You would like it to be made by:

- (a) Partially Cashing In all the Policies (on this basis the Cash In Value of each Policy will be reduced by a similar or identical amount allowing for any necessary rounding);
or
- (b) Fully Cashing In one or more of the Policies (this will result in the number of Policies in the Bond being reduced);
or
- (c) a combination of (a) and (b) above.

If You do not confirm which of the above methods to use, We will not process the One-off Withdrawal until We have obtained Your confirmation. This may result in a delay in paying You the One-off Withdrawal.

A One-off Withdrawal becomes effective on the date that there is sufficient cash in the Cash Account to make the payment You have requested.

If You Fully Cash In one or more Policies when making a One-off Withdrawal, We will not issue any payment for the One-off Withdrawal until the Contract Schedule and any Endorsements are returned to Us.

Any Policy which is Fully Cashed In by means of a One-off Withdrawal will end on the date that the One-off Withdrawal becomes effective as described above (and no other Benefits or Adviser Charges will be payable under that Policy).

3.3 Limits for Withdrawals

The amount of each Regular Withdrawal and any One-off Withdrawal must not be less than Our minimum Limits for Withdrawals in force at that time.

The sum of all Regular Withdrawals within any 12 month period must not exceed the maximum Limit for Regular Withdrawals in force at that time.

We show the Limits for Withdrawals, as amended from time to time, on the Statement of Charges.

The current Limits for Withdrawals are also available on request from Our Administration Centre.

We will only allow a Withdrawal to be taken from the Bond if the Asset Account Value, adjusted for any Negative Balance, Bond Charges and Adviser Charges, after such a Withdrawal is above Our Minimum Value. See Condition 2.15 for further details.

As explained in Part 4, Condition 4.5, the level of Limits may change every year.

3.4 Fully Cashing In the Bond

3.4.1 General

If You Fully Cash In Your Bond:

- the life cover provided by the Policies will cease;
- We will pay out the Cash In Value of the Bond;
- no other Benefits will then be payable under the Bond; and
- We will close the Bond.

3.4.2 Cash In Value of the Bond on Fully Cashing In

3.4.2.1 General

A Full Cash In Transaction will become effective on the date following Our receipt of Your Instruction that the full Cash In Value of Your Bond is in the Cash Account. The Bond will cease on that day and We will not issue any payment until the Contract Schedule and any Related Documents are returned to Us.

3.4.2.2 When Your Bond is linked to cash Only

The Cash In Value of the Bond will be the balance of the Cash Account, adjusted for any Negative Balance and the amount of any Bond Charges and Adviser Charges which have accrued in relation to Your Bond but have not yet been deducted as of the date We pay You the Cash In Value.

3.4.2.3 When Your Bond is Linked to any Instrument

When We receive an Acceptable Instruction to Fully Cash In the Bond, We will cancel all Instruments from the Asset Account and carry out the underlying trades with effect from the next available dealing day. We will credit the Value of those Instruments into the Cash Account once that underlying trade has settled.

On Fully Cashing In the Bond the Cash In Value of the Bond is the balance of the Cash Account once it has been credited with the proceeds of the final Instrument to be sold, adjusted for any Negative Balance and the amount of any Bond Charges and Adviser Charges which have accrued in relation to Your Bond up to the date We pay You the Cash In Value, but which have not yet been deducted or included within any Negative Balance.

We will not pay You the Cash In Value until all Instruments have been cancelled and the value has been allocated to Your Cash Account.

3.4.2.4 Additional Payments

Within 12 weeks of issuing payment to You, or such other period which We shall notify You of from time to time, We will pay You any residual income that had accrued but not yet been received in respect of the Assets up to the date We received Your instruction to Fully Cash In the Bond.

3.5 Death Benefit

The Death Benefit from Your Bond will be payable on the death of the Relevant Life, in accordance with the procedures set out in Condition 3.5.2 below.

3.5.1 The Life Assured

At the Effective Date of Cover:

- there must be at least one person named as a Life Assured;
- there must be no more than ten Lives Assured;
- where there is more than one Life Assured You may choose to have the Bond end on the death of the first to die of the Lives Assured (in which case Your Bond is a "First Death Bond") or on the death of the last surviving Life Assured (in which case Your Bond is a "Last Death Bond") It is not possible to change this once Your Bond has started;
- each Life Assured must be at least 3 months old;
- where the Bond is a First Death Bond or there is a single Life Assured, each Life Assured must be under 90 years of age; and
- where the Bond is a Last Death Bond, at least one Life Assured must be under 90 years of age.

You cannot change the Relevant Life once Your Bond has started.

The Bond will terminate on payment of the Death Benefit.

3.5.2 Procedures for the Death Benefit

In order to pay the Death Benefit, We must be notified in writing at Our Administration Centre that the Relevant Life has died.

Where You hold Assets in cash only, the Death Benefit will be equal to 100.1% of the balance of the Cash Account after it has been adjusted for any Negative Balance and the amount of any Bond Charges and Adviser Charges that have accrued in relation to Your Bond up to the date following notification of Your death that the full Cash In Value of Your Bond is in the Cash Account but that have not yet been deducted or included within the Negative Balance.

When You hold Instruments only, We will cancel all Instruments linked to Your Bond. The Value of those Instruments will be credited to the Cash Account so that payment of the Death Benefit can be made from the Cash Account. The Death Benefit will be equal to 100.1% of the total cash Value of the Instruments as at the date that all Instruments linked to the Bond have been sold, after the total has been adjusted for any Negative Balance and the amount of any Bond Charges and Adviser Charges that have accrued in relation to Your Bond up to the date the full Cash In Value of Your Bond is in the Cash Account, but that have not yet been deducted or included within the Negative Balance.

Where You hold both cash and non-cash Assets, We will cancel all Instruments linked to Your Bond. The Death Benefit will be equal to 100.1% of the total of:

- the cash allocated to Your Cash Account; and
- the cash Value of the Instruments as at the date that all Instruments have been sold;

after the total has been adjusted for any Negative Balance and the amount of any Bond Charges and Adviser Charges that have accrued in relation to Your Bond up to the date the full Cash In Value of Your Bond is in the Cash Account, but that have not yet been deducted or included within the Negative Balance.

We will not pay any Death Benefit until the Contract Schedule and any Related Documents are returned to Us.

Additionally, We will only pay the Death Benefit once We have received satisfactory proof that:

- the Relevant Life has died; and
- any claimant has the legal right to receive the Death Benefit.

However, within 12 weeks of the date that We issue payment in respect of the Death Benefit, (or such other period We shall notify You of from time to time), or on the date that We pay the Death Benefit if later, We will also pay any residual income that had accrued but not yet been received in respect of the Assets up to the date We were notified of the death of the Relevant Life.

Where a Transaction in relation to an Instrument is delayed We will make a payment only when We have received cash in settlement of the underlying trade(s) necessary to cancel Instruments from Your Bond.

Our obligation to pay Benefits under the Bond ceases when We have paid the Death Benefit as set out above.

3.6 Paying Benefits from The Bond

We will only pay Benefits in cash. We will not pay a Benefit, or part of a Benefit, by transferring any Asset to You.

› Part 4: Charges, Limits and other deductions

4.1 Instrument Charges

4.1.1 Yearly Total

Each Asset held in the form of units or shares in a Fund may have its own Yearly Total, which will be deducted from the value of that Asset. Where further costs are applicable, they are paid for by the relevant Fund and will impact on the fund's overall performance. These further costs may vary over time. For more information on these further costs, please look at the current Statement of Charges for this product.

4.1.2 Initial Charge

The investment management company that manages an Asset held in the form of units or shares in a Fund may apply a charge on investment that is equal to the difference between the price at which that Asset can be bought and the price at which that Asset can be sold at the time of purchase. This is referred to as an Initial Charge.

Your Personal Illustration will show the initial level of charges for each Asset linked to Your Bond. Where applicable, this will consist of the Annual Management Charge and further costs, with their Yearly Total, together with the Initial Charge. These figures are based on the most up to date information available to Us at that time.

Please refer to the terms and conditions of the Asset which should be provided to You by Your Financial Adviser prior to investing in any Asset.

4.2 Bond Charges taken from the Cash Account

We deduct the Bond Charges in this Condition from Your Cash Account.

4.2.1 Expenses

We will deduct an amount from Your Bond to cover Our Expenses.

We calculate this amount monthly and also when We carry out Transactions and underlying trades, based on the Value of the relevant Assets. We deduct Expenses from the Cash Account on a monthly basis. See Condition 2.6.2 for further details.

4.2.2 Discretionary Fund Manager Charge

Where We appoint a Discretionary Fund Manager at Your request (including where that request is to use a Model Portfolio managed by a Discretionary Fund Manager), We will deduct an amount from Your Bond to cover the fees (inclusive of any applicable VAT) that We pay to the Discretionary Fund Manager in respect of Your Bond.

The annual amount and the frequency of the Discretionary Fund Manager Charge will be as set out in the Discretionary Fund Manager Selection Form You will have signed. Further details will be available from Your Financial Adviser.

The Discretionary Fund Manager Charge will be deducted from the Cash Account as described in Condition 2.6.2.

4.2.3 Ongoing Product Charge

We will apply an Ongoing Product Charge for each Investment throughout the lifetime of the Bond. This charge is for providing the Bond and the Online Facility to You.

The Ongoing Product Charge accrues daily. We will calculate the Ongoing Product Charge each Working Day and deduct for it each month. The amount that We will deduct in respect of any month will be the total accrued Ongoing Product Charge calculated for the period up to and including the 25th of the relevant month. If the 25th day of the month is not a Working Day, We will calculate the amount that will apply up to and including the following Working Day. In the future, We may use a different day of the month to the 25th and will notify You in advance if We do so.

When the Bond ends, the final Ongoing Product Charge will be based on the number of days the Bond has been in force between the date the last Ongoing Product Charge was calculated up to and the date on which the Bond ends.

We calculate the Ongoing Product Charge each Working Day by multiplying the portion of the yearly percentage charge shown on Your Contract Schedule or Related Documents that is applicable to the number of days for which the Ongoing Product Charge is being calculated, by an amount equal to the Asset Account Value on that Working Day.

4.3 Bond Charges not taken from Your Cash Account

4.3.1 Dealing Charges

We may apply a Dealing Charge where We link or cancel Instruments to or from Your Bond. We may also apply Dealing Charges where changes are made to a Model Portfolio linked to Your Bond.

We do not deduct Dealing Charges from the Cash Account. Any Dealing Charges will be deducted from the Value of the Instruments that are being linked to or cancelled from the Bond.

Our Dealing Charges are currently zero but We reserve the right to impose and/or increase Dealing Charges as a result of any levy or other charge imposed on Us. We shall give You reasonable advanced notice of any change in Dealing Charges.

4.4 Percentage charges

When We calculate any charge based on a percentage, We will round the result to the nearest penny or equivalent in the relevant currency, where applicable.

4.5 Changes to charges and Limits

From time to time We may change the Limits, the Dealing Charges, the Discretionary Fund Manager Charge and the valuation statement charge described in Condition 2.13. In particular, We may update these each January.

We may also introduce new Bond Charges as a result of any levy or other charge imposed on the Company. We will give You reasonable advance notice in writing if We do.

We will pass on any charge to You that is imposed on Us under the Financial Services Compensation Scheme (or any other investor compensation scheme) as described in Part 5, Condition 5.7.

Changes to the valuation statement charge, the Discretionary Fund Manager Charge, the Dealing Charges, and Limits may also be necessary to take account of:

- (a) the percentage change in the Index over a period of 12 months ending in the preceding August; and
- (b) other factors which affect the running of Our business.

Any increase in the valuation statement charge, the Discretionary Fund Manager Charge, the Dealing Charges or the level of any new Bond Charges will be imposed in a way that is proportionate to Our reasonable costs for operating the Prudential Onshore Portfolio Bond – OWC. For example, We may impose an increase:

- If We experience an increase in Our general administration costs of operating the Bond;
- If there is a change to the basis upon which any company within M&G plc is taxed;
- to pay any levy or other charge on the Company, such as a levy under any legislation introduced for the purposes of raising levies for funds to be held for the protection of the interests of policyholders, such as the Financial Services Compensation Scheme or its successors.

In some years, We may not increase the valuation statement charge, Bond Charges or a Limit. However, the next increase may also take account of changes in inflation and other factors since the amount of the Limit or charge was previously set.

We may increase the valuation statement charge, Bond Charges or Limits further if Our costs have increased by more than the Index since the amount of that Limit or charge was previously set. Such an increase will not be greater than the difference between the percentage increase in Our costs and the increase in the Index since the amount of Limit or charge was last set.

We will not issue new Contract Schedules, Statements of Charges or Endorsements when a change to the Dealing Charges, Discretionary Fund Manager Charge and/or the valuation statement charge and/or Limits happens.

The current levels of the Limits and Our valuation statement charge are available from Our Administration Centre on request.

If You are unhappy with any changes You should contact Us. Our contact details are given in Part 5, Condition 5.8.

4.6 Adviser Charges

You and Your Financial Adviser agree how much You will pay them for advice and related services they give You.

There are three types of charge that You can ask Us to pay to Your Financial Adviser:

- Set-Up Adviser Charges;
- Ongoing Adviser Charges – see Condition 4.6.1 below;
- Ad hoc Adviser Charges – see Condition 4.6.2 below.

To pay a Set-Up Adviser Charge, We will deduct the amount from the relevant Payment before it is allocated to Your Bond. The remaining amount is Your Investment.

To pay an Ongoing Adviser Charge or an Ad hoc Adviser Charge, We deduct the amount You have instructed Us to deduct from the Cash Account as set out in Condition 2.6.2 and pay that amount to Your Financial Adviser. The deduction will be taken from all of the Policies equally.

We will not deduct these charges or make payment to Your Financial Adviser unless We are instructed by You to do so by one of the following types of Acceptable Instruction:

- as part of the Bond application; or
- as part of an Additional Investment application; or

- › by using Our Adviser Charge Instruction Form, which is available from Our Administration Centre or from Your Financial Adviser.

We must receive Your Acceptable Instruction at Our Administration Centre. We will confirm to You in writing as soon as reasonably practicable when Your Acceptable Instructions have been received and processed by Us. You may at any time ask for information regarding Your Applicable Instructions from Our Administration Centre.

We can only pay Set-Up Adviser Charges, Ongoing Adviser Charges or Ad hoc Adviser Charges in respect of Your Bond to one Financial Adviser at a time.

We will only deduct an Adviser Charge where it is within the limits set out in Condition 4.6.3 and there is sufficient Asset Account Value to meet the charge.

We will follow Your Instructions, but it is Your responsibility to ensure that Your Financial Adviser receives the correct amount that is due from You. If You ask Us to pay more or less than is due to Your Financial Adviser We will not be liable for the difference, and You must resolve this with Your Financial Adviser.

4.6.1 Ongoing Adviser Charges

4.6.1.1 Availability

An Ongoing Adviser Charge is an Adviser Charge that is deducted from the Bond and paid to Your Financial Adviser at regular intervals.

4.6.1.2 Administration of Ongoing Adviser Charges

You may ask for the value of Ongoing Adviser Charge deductions to be:

- (a) a specified monetary amount; or
- (b) a percentage of Your Initial Investment and any Additional Investments paid into the Bond; or
- (c) a percentage of the Asset Account Value.

You can only select one of these methods of calculating the deduction at any one time. If (b) or (c) apply, then, unless You give Us written instructions to the contrary, any Additional Investment paid into the Bond will increase the monetary amount of the Ongoing Adviser Charge proportionately.

Where You make a One-off Withdrawal by Fully Cashing In one or more of Your Policies and either (a) or (b) applies, the amount that will be deducted for Ongoing Adviser Charges after the One-off Withdrawal has been made will reduce in the same proportion that the number of Policies cashed in bears to the number of Policies in force immediately before the One-off Withdrawal.

Where You make a One-off Withdrawal by Partially Cashing In all of Your Policies and either (a) or (b) applies, the amount that will be deducted for Ongoing Adviser Charges after the One-off Withdrawal has been made will not reduce.

If (c) applies, then the amount deducted will change from time to time in line with the Asset Account Value including following any Regular or One-off Withdrawals and, unless You give Us written instructions to the contrary, a Regular or One-off Withdrawal from Your Bond will reduce the monetary amount of the Ongoing Adviser Charge proportionately.

We will pay Ongoing Adviser Charges to Your Financial Adviser at a frequency specified by You and allowed by Us, starting at the effective start date set out in Condition 4.6.1.3 below until either Conditions 4.6.1.4 or 4.6.1.5 apply. The amount of each Ongoing Adviser Charge paid will then be deducted from the Cash Account on the date We next deduct the Ongoing Product Charge as described in Condition 4.2.3.

4.6.1.3 Effective Start Date of Ongoing Adviser Charges

The Effective Start Date is:

- › Where We receive Your Acceptable Instructions in the form of an initial Bond application or an Additional Investment Application, the Investment Date; or
- › Where We receive Your Acceptable Instructions in the form of an Adviser Charge Instruction Form, 5 Working Days from Our receipt of Your Acceptable Instruction at Our Administration Centre.

4.6.1.4 Date when Ongoing Adviser Charges stop

We will stop paying Ongoing Adviser Charges to Your Financial Adviser on the earlier of:

- (a) the date that the Asset Account Value is insufficient to meet an Adviser Charge deduction;
- (b) the date that You or Your Financial Adviser instruct Us to stop deducting Ongoing Adviser Charges under Condition 4.6.1.6;
- (c) the date that We are notified that You have assigned the ownership of one or more Policies into new ownership(s). For further detail see Part 5, Conditions 5.1 to 5.3;

- (d) the date that You Fully Cash In Your Bond – see Part 3, Condition 3.4;
- (e) the date that We are notified of the death of a Life Assured for which the Death Benefit will then become payable. See Part 3, Condition 3.5 for more details;

We may also stop deducting and paying Ongoing Adviser Charges where We become aware of circumstances which suggest that Your Financial Adviser is no longer providing You with an ongoing service, including if We become aware that Your Financial Adviser no longer acts for You, has ceased trading, or has ceased to have the necessary permissions or licences to do business as a Financial Adviser.

4.6.1.5 Re-starting Ongoing Adviser Charges

If deductions for Ongoing Adviser Charges have stopped and You wish to re-start paying such an Ongoing Adviser Charge from Your Bond You must complete a new Acceptable Instruction and send it to Our Administration Centre.

Deductions cannot be backdated to cover the period between stopping and re-starting Ongoing Adviser Charges.

4.6.1.6 Changes to Ongoing Adviser Charges

- (a) You must tell Us in writing if You wish Us to:
 - stop paying an Ongoing Adviser Charge;
 - change the amount or percentage of an Ongoing Adviser Charge, subject to the limits in Condition 4.6.3;
 - change the basis on which We calculate an Ongoing Adviser Charge under Condition 4.6.1.2;
 - change the Financial Adviser to whom We pay the Adviser Charge.

- (b) We will only accept instructions to change an Ongoing Adviser Charge from Your Financial Adviser if it is a request to:
 - stop or reduce Ongoing Adviser Charges;
 - pay the Adviser Charges to a new Financial Adviser in accordance with Condition 4.6.1.9 below.

All other requests must come directly from You. Where We act upon such an instruction from Your Financial Adviser it will not be Our responsibility to tell You about the changes made. This responsibility lies with Your Financial Adviser.

4.6.1.7 Effective Date of Change to Adviser Charges and/or Financial Adviser

Changes to Ongoing Adviser Charges will be effective from the date 5 Working Days following receipt of the relevant request. Deductions made before or on that date will be made in accordance with Your previous instructions, deductions made after that date will be made in accordance with the new instructions.

4.6.1.8 Value Added Tax

The payments You agree to make to Your Financial Adviser may be subject to VAT, for which Your Financial Adviser must account to the UK HM Revenue and Customs. You will have given Your consent in the application form in relation to Your Bond or in relation to an Additional Investment into Your Bond or in a subsequent Adviser Charge Instruction Form, that Ongoing Adviser Charges can be changed where there is a change in the rate of VAT, without the need for Us to obtain Your further consent or instruction. It should be noted that in this particular circumstance, Your Financial Adviser can instruct Us to make an increase as well as a reduction to the Ongoing Adviser Charges.

Your Financial Adviser should ensure that such an instruction is only given where the agreement between You and Your Financial Adviser states that the agreed level of Ongoing Adviser Charges will change in line with changes in the level of VAT. We are not able to check the terms of the agreement between You and Your Financial Adviser. If Your Financial Adviser gives an instruction under this Condition We are entitled to assume that he is authorised to do so. We will only make such a change if so instructed by Your Financial Adviser in writing. We must receive such an instruction at Our Administration Centre within timescales that will be agreed between Us and Your Financial Adviser. On receipt of the instruction, We will tell Your Financial Adviser how long We will take to make the change.

Where We act upon an instruction from Your Financial Adviser under this Condition, it will not be Our responsibility to tell You about the changes made. This responsibility lies with Your Financial Adviser. This Condition does not apply where Ongoing Adviser Charges are payable on the basis of Condition 4.6.1.2(b) or 4.6.1.2(c).

4.6.1.9 Change to Financial Adviser – notification from Financial Adviser of a transfer of business

Your Financial Adviser may sell all or part of its business interests to another Financial Adviser. Where Your Financial Adviser has arranged for the services that You have agreed with them to be provided by Your new Financial Adviser the change of Financial Adviser may be notified to Us in writing by Your Financial Adviser and We may act on that instruction without Your specific agreement. You have given consent in Your application form for Us to continue to pay Ongoing Adviser Charges to Your new Financial Adviser at the existing agreed level, where We have an in force instruction

from You to deduct Ongoing Adviser Charges from Your Bond at the date We receive the instruction from Your Financial Adviser under this Condition, without Your specific agreement.

Where We act upon an instruction from Your Financial Adviser under this Condition, it will not be Our responsibility to tell You about the changes made. This responsibility lies with Your Financial Adviser.

4.6.2 Ad hoc Adviser Charges

4.6.2.1 Availability

An Ad hoc Adviser Charge is an Adviser Charge deducted from Your Bond on a one-off basis.

If We receive an Acceptable Instruction from You at Our Administration Centre within 30 days of:

- › the Investment Date, in respect of the Initial Investment; or
- › the Additional Investment Date, in respect of an Additional Investment;

We will delay processing Your instruction until 30 days after the date that the appropriate Investment was credited to the Bond.

4.6.2.2 Administration

You may ask for the value of an Ad hoc Adviser Charge to be:

- › a specified monetary amount; or
- › a percentage of You Asset Account Value.

4.6.3 Limits for Bond deductions

We apply the limits in this Condition separately to each Prudential Onshore Portfolio Bond – OWC owned by the same Policyholder(s).

4.6.3.1 Limit for Adviser Charges

The limit in this Condition does not in any way restrict the amount You may agree to pay Your Financial Adviser by other means.

The maximum total of Adviser Charges We allow to be taken from the Bond in any 12 month period is a percentage of the total remaining Investment. The remaining investment is the amount invested adjusted for:

- › Regular Withdrawals taken to date;
- › One-off Withdrawals taken to date;
- › Ongoing Adviser Charges taken to date; and
- › Ad hoc Adviser Charges taken to date.

You can obtain details of the maximum percentage that applies at any time from Your Financial Adviser.

4.6.3.1.1 When We test Adviser Charges against the limit

We test Adviser Charges against the limit:

- (a) when We set up Ongoing Adviser Charges under Your Bond;
- (b) at the date We amend Ongoing Adviser Charge deductions on Our System(s) to reflect a subsequent Adviser Charge Instruction from You or Your Financial Adviser;

(c) at the date We make a deduction from the Cash Account for an Ad hoc Adviser Charge;

(d) immediately after a One-off Withdrawal – see Part 3, Condition 3.2.

4.6.3.1.2 How We test Adviser Charges against the limit

When carrying out the test in respect of Condition:

- (a) 4.6.3.1.1 (a) to (d) inclusive, We take into account the value We expect to deduct from the Bond in relation to Adviser Charges over the 12 month period from the date We process a new or revised instruction;
- (b) 4.6.3.1.1 (c), We also take into account the total of Adviser Charges paid in the 12 months prior to the date We cancel Assets for Your current Ad hoc Adviser Charge instruction.

4.6.3.1.3 What happens if Adviser Charges exceed the limit?

If the limit is exceeded:

- › when You instruct Us to deduct any type of Adviser Charge under a new instruction, We will not deduct that Adviser Charge or make any payment to Your Financial Adviser. In this instance We will write to tell You this has occurred;
- › when an Ongoing Adviser Charge is retested against the limit for Adviser Charges, as described in Condition 4.6.3.1.1, We will reduce future Ongoing Adviser Charges to the maximum amount or level that can be paid, with immediate effect. In this instance We will not write to tell You.

For the avoidance of doubt, Ongoing Adviser Charge deductions may exceed the limits described in Condition 4.6.3 where the Asset Account Value from which Ongoing Adviser Charges would be deducted has fallen since the limits were last applied. This is allowed as long as the Ongoing Adviser Charges did not exceed the appropriate limits when the limits were last applied.

4.6.4 Insufficient Asset Account Value to meet Adviser Charges

If, when We come to make a deduction for an Ongoing Adviser Charge or an Ad hoc Adviser Charge, the Asset Account Value is insufficient to meet the agreed Adviser Charge, We will not make any deduction.

Where this occurs We will not make a proportionate payment and for:

- › an Ad hoc Adviser Charge We will write to tell You;
- › an Ongoing Adviser Charge We will not write to tell You as We will consider an existing Adviser Charge Instruction from You to remain in force unless We receive instruction to the contrary. This means that if the Asset Account Value subsequently increases so it exceeds the value of an Ongoing Adviser Charge payment at the time, We will resume Ongoing Adviser Charges.

Any Ongoing Adviser Charges which are missed between the date We stop deducting such an Adviser Charge under this Condition and the date they are re-started, cannot be deducted and paid to Your Financial Adviser.

› Part 5: General Conditions

5.1 Ownership of Policies

Unless We issue the Bond as just one Policy, the Bond will consist of a group of Policies at the start of the Bond and all the Policies will be identical (allowing for any necessary rounding).

Usually, all of the Policies in the Bond will belong to all the Policyholder(s) jointly.

5.1.1 Split Ownership – Special Provisions

Split ownership here means a situation where the Policies do not all belong to the same Policyholder(s).

One Policyholder may assign his share in the rights to the Bond to another Policyholder. A split in ownership must be carried out by completion of a formal deed of assignment or as a result of a court order.

We will only allow any transfer of ownership to take place once We have received all necessary instructions at Our Administration Centre. Where this occurs, We have the right to apply the following rules, for administrative purposes only:

- (a) We will re-number each group of Policies assigned into new ownership(s), so that each ownership will have a separately numbered group of Policies. We will administer each group of Policies separately in all respects.

Any Regular Withdrawals or Adviser Charge deductions will be stopped in respect of any Policy assigned into new ownership(s). The new owner(s) may complete new Acceptable Instructions for Regular Withdrawals or Adviser Charge deductions.

- (b) We will establish a separate Bond for each new group of Policies.

The charges, Limits and other deductions, referred to in Part 4 will apply separately to each group of Policies. Please refer to Your Policy Documents for details.

5.2 Change of ownership

Any change of ownership should be made by a deed of assignment. You may need to obtain this from Your legal adviser or Financial Adviser. The original deed of assignment must be fully completed and signed by the current Policyholder(s) and the new Policyholder(s) and should be sent to Us.

We will return the deed once We have registered the change of ownership in Our records.

If We only receive notice of assignment (instead of the actual deed of assignment) We will need to see the deed of assignment before We:

- › pay any Benefit; or
- › formally register the current change of ownership or any further change of ownership.

Any Regular Withdrawals or Adviser Charge deductions will be stopped if all of the Policies are assigned into new ownership(s). The new owner(s) may provide new Acceptable Instructions for Regular Withdrawals or Adviser Charge deductions.

5.3 Proof of ownership

Where We pay Regular Withdrawals We may ask for proof that the person receiving the Regular Withdrawals has the right to receive them. We have the right to suspend Regular Withdrawals until We receive proof of ownership.

5.4 Ownership on Death of a Policyholder

5.4.1 Joint ownership – death of a Policyholder

Where a Policy belongs to two or more Policyholders, if one of them dies, the Policy then belongs to the surviving Policyholder(s).

5.4.2 One Policyholder – the deceased Policyholder's Personal Representatives

If a Policy belongs to just one Policyholder and that Policyholder dies, the Policy then vests in the deceased Policyholder's Personal Representatives and the Personal Representatives are then the Policyholders.

We will require satisfactory documentary proof that the persons claiming to be Personal Representatives have authority to deal with the deceased Policyholder's estate.

5.5 Changes to the Bond – Our right to set aside or change rules

We can set aside or change any terms of the Agreement without notice to You or seeking Your consent in the following circumstances:

- › if it becomes impossible or unreasonable to follow them because of a change of legislation or regulations; or
- › if the basis on which We are taxed changes, in which case We will only make changes to the extent that in Our opinion maintains the balance between You and Us as it was before the change; or

- if We are required to pay a valid claim for tax regarding the Policies and/or the Bond, provided that such payment does not arise as a result of the Company's failure to comply with any applicable tax law or regulation; or
- if a levy or financial restriction or penalty is imposed on the Bond and/or the Asset Account by a tax authority, government or supervisory body or other similar national or international body; or
- if the effect of continuing to apply the rules would be unfair to the Policyholder or to Our policyholders generally.

Except where it is not practical to give You advance notice of any changes or where giving You notice is prohibited by Applicable Law or Regulation, We will give You notice as soon as is reasonably possible of any changes We will make under this Condition. If You are unhappy with any changes You should contact Us in accordance with Part 5, Condition 5.8.

5.6 Currency conversion

We will convert any currency at the prevailing market rate at the time. Market rate means the currency exchange rates We use each day and are "mid-market" rates.

5.7 Compensation (UK residents only)

Policyholders who are UK resident at the time the Bond starts may be protected by the FSCS against the insolvency of Prudential International, UK Branch. The FSCS is an independent body set up by the UK Government to provide compensation for people where their

authorised financial services provider gets into financial difficulties and becomes unable, or unlikely to be able, to pay claims against it. This circumstance is referred to as being 'in default'.

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

Where does FSCS protection apply?

If Prudential International was deemed to be 'in default', FSCS cover would apply for eligible policyholders habitually resident in the UK for policies taken out on or after 1 December 2001.

Policyholders holding a UK policy, issued before 2001, may be eligible to make a claim before the FSCS, however, since such a policy would have been taken out before the FSCS commenced, they should check their eligibility directly with the FSCS.

By investing in a Prudential International contract, Prudential International invests Your money in funds that are provided by third party fund managers (i.e. non-M&G plc fund managers and fund managers within M&G plc, including the Prudential Assurance Company Limited). In such circumstances, You would not be protected by FSCS should these funds or the related fund management companies be deemed to be in default.

However, if Prudential International is in default, the value of any investment held in these funds would still form part of a claim under the FSCS for an eligible policyholder habitually resident in the UK.

You can find out more information on the FSCS at www.pru.co.uk/fscs, or You can call Us:

Telephone: **+353 1 476 5000**

Information is also available from the Financial Services Compensation Scheme.

Visit their website: www.fscs.org.uk

Or write to:

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

Or call the FSCS: Telephone:
0800 678 1100

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

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

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

5.8 How to make a complaint

You should raise any complaint as soon as possible. In the first instance please contact Your Financial Adviser, as they may be able to resolve it quickly for You.

To make a complaint, You can write to Us at:

**Customer Services Manager
Operations Department
Prudential International
Contact Centre
Stirling
FK9 4UE**

Telephone: **0800 000 000**

In the unlikely event that We are unable to resolve any problem, You can contact the Financial Ombudsman Service (FOS).

The address is:

**Financial Ombudsman Service
Exchange Tower
London
E14 9SR**

Telephone: **0800 0234 567**

Website address:

www.financial-ombudsman.org.uk

Your legal rights will not be affected if You make a complaint.

To ensure that We can constantly improve Our service to customers We may record or monitor telephone conversations with You for staff training purposes.

5.9 Rights of a third party

Other persons entitled to Benefits under the Bond may have directly enforceable rights against Us in respect of those Benefits. Subject to this, nothing in this Agreement confers or purports to confer on any third party any Benefits or any right to enforce any provision of the Bond pursuant to the Contracts (Rights of Third Parties) Act 1999.

5.10 Communications

You must send any written enquiry, correspondence and/or information that We require under these Contract Conditions to Our Administration Centre at Prudential, Stirling FK9 4UE.

You may telephone Our Administration Centre on 0800 000 000 for assistance.

Forms for requesting servicing transactions such as Regular Withdrawals, Fully and Partially Cashing In or Additional Investments are available from Our Administration Centre upon request.

5.11 Our rights and remedies

Our failure to exercise, or a delay in exercising, any right or remedy provided to Us by the Contract Conditions in this Agreement does not constitute a waiver of the right or remedy or a waiver of Our other rights or remedies.

5.12 Severability

If any provision of this Agreement is held by any competent authority or Court to be invalid or unenforceable in whole or part, the validity of the other provisions and the remainder of the provision in question shall not be affected thereby.

5.13 Law of the Policies – England and Wales

The Policies and this Agreement will be governed and interpreted in accordance with the law of England and Wales unless otherwise stated. The Courts of England will have exclusive jurisdiction to hear any disputes which result from or are about the Agreement.

5.14 How We use Your personal information

In the application form for Your Bond We set out, within the Privacy Notice:

- details regarding how and why We use Your personal information (including sensitive personal information); and
- who We may share it with; and
- Your rights around personal information.

For a copy of Our latest Privacy Notice, please visit **www.pru.co.uk/mydata/** and select the link for Prudential International Assurance (onshore) customers. Alternatively, please see **www.pru.co.uk/pdf/GENM888101.pdf**. To access this website, all characters must be typed in lowercase format.

Please note that We collect personal information from You that is necessary for Us to either provide You with the product or service You have requested or to comply with statutory or contractual requirements. Unfortunately if You don't provide all of the information We require this may mean We are unable to provide Our products and services to You.

If You require further information You can:

Write to Us at: **Customer Service Centre**
Prudential
Lancing
BN15 8GB

Call Us on: 0800 000 000

Or visit: **www.pru.co.uk**

5.15 Contract of long-term insurance

The benefits arising under the Prudential Onshore Portfolio Bond – OWC relate to a 'contract of long-term insurance' within the meaning of The Financial Services and Markets Act 2000 (Regulated Activities) Order 2001.



www.pru.co.uk

Prudential International is a marketing name of Prudential International Assurance plc. Prudential International Assurance plc, UK Branch is registered in the UK as a branch of Prudential International Assurance plc and its registered address is 3 Sheldon Square, Paddington, London W2 6PR. Registration No. BR017106. Prudential International Assurance plc is authorised and regulated by the Central Bank of Ireland, deemed authorised by the Prudential Regulation Authority and subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details of the Temporary Permissions Regime, which allows EEA-based firms to operate in the UK for a limited period while seeking full authorisation, are available on the Financial Conduct Authority's website. Prudential International is part of the same corporate group as The Prudential Assurance Company Limited. Both The Prudential Assurance Company Limited and Prudential International are direct and indirect subsidiaries respectively of M&G plc, a company incorporated in the United Kingdom. The Prudential Assurance Company Limited is not affiliated in any manner with Prudential Financial, Inc, a company whose principal place of business is in the United States of America or Prudential plc, an international group incorporated in the United Kingdom.