

An introduction to Prudential International

› Who we are

Prudential International provides investment and protection plans to customers who want to combine the tax advantages of an international base with the reassurance of a name they can trust. We are part of the highly respected Prudential Group, one of the UK's foremost financial services organisations.

The Prudential Group has approximately 25 million customers worldwide* to whom it provides a range of investment, protection and retirement products, helping them to lead a more comfortable lifestyle. Between them, they trust the company to manage £309 billion** of their money.

Prudential International benefits from the financial and investment strength provided by the Prudential Group. This helps us to develop flexible, innovative products that in turn help our customers with a wide range of financial planning needs.

The value of an investment may fluctuate and is therefore not guaranteed. You may not get back the full amount of your investment.

* As at June 2010.

** As at 30 June 2010.

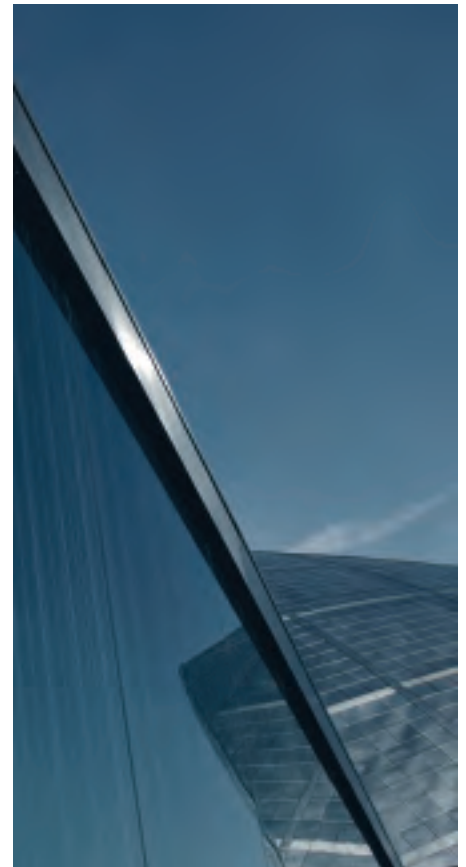
Dublin base

Prudential International is based in Dublin, a location that confers tax advantages as well as a strict legal and regulatory environment. Well over 400 international companies have been attracted to locate in Dublin and it has a growing reputation for a specialist financial services support infrastructure, so you can count on the professionalism of our staff.

The company is subject to European Law, having to comply with all European directives and regulations and to meet European solvency margins. We are licensed by the Irish Government to operate from Dublin and are regulated by the Central Bank of Ireland.

Part of the requirements is to have an Appointed Actuary who is responsible to the Central Bank of Ireland for the protection of policyholders' reasonable expectations, evaluating the company's liabilities and certifying its solvency at all times. These are stringent regulations and should provide comfort in the professional nature of Dublin-based insurers.

We are also subject to limited regulation by the Financial Services Authority (FSA) for UK business. If you would like details of the extent of our regulation by the FSA, please contact us or speak to your Financial Adviser.



Representing our customers

Prudential International is a member of the Association of International Life Offices (AILO). This is a trade organisation of international life assurance companies which aims to encourage professionalism and high standards amongst its members through the provision of market, regulatory and tax information and liaison with regulators and local trade associations.

We take part in a number of AILO's technical sub-committees. Our experts work closely with regulators and other bodies to influence future policy and legislation and to represent the interests of our customers.

› Why choose Prudential International?

As part of the Prudential Group, Prudential International is part of a strong and financially secure organisation with a well-respected name. The Prudential Group has been helping people plan for their future for over 160 years. Its size and experience puts it in a strong position to invest customers' money wisely for the medium to long term.

Our investment edge

Investment performance is clearly a key factor when it comes to choosing a company for your investment or protection plan. The Prudential Group has around 500 investment professionals across the world, centrally co-ordinated by the Portfolio Management Group (PMG), which is responsible for high level investment decisions and managing investment risk.

We believe there are three factors that give us an investment edge.

- › **Size:** this supports huge global investment resources. The range of our expertise means that investments can be widely diversified, which helps to spread risk and enables us to invest in niche areas that would not be accessible to smaller fund managers.
- › **Investment philosophy:** our approach is to focus on what the long-term "right" price should be for different types of investment. Identifying which markets may be overvalued or undervalued helps to decide which investments may provide growth opportunities.
- › **Independent asset allocation and monitoring:** asset allocation – the decisions on how much money to allocate to each different type of investment asset – is done by the PMG team, independently of the fund managers, which avoids any conflict of interest. PMG also carries out independent monitoring of all investment activity and actively supervises the individual fund managers, to ensure quality control.

External funds

While we believe our investment credentials are very strong, we recognise that no fund manager will suit every taste in every possible circumstance. So in addition to our in-house funds, Prudential International's plans offer access to other leading fund managers, allowing you to choose from a variety of investment styles.

The fund choices available also represent a range of different risk levels, from the cautious to the more adventurous. This helps you to choose the right mix for your needs and to adapt your choices over time if your circumstances or preferences change.

A choice of currencies

As you might expect from an international company, we offer you a choice of currencies. We have funds denominated in US Dollars and Euro, as well as Sterling, while our plans have multi-currency facilities for putting money in and taking it out.

› What we offer

Prudential International has built on a heritage dating back to 1994. We have a strong understanding of the international market and dedicated teams of specialists who can provide support and expertise for both individual and corporate clients.

Our products

Our investment edge feeds into our product range, which covers three key areas: investment, protection and inheritance tax planning.

International Prudence Bond

An investment bond offering:

- › a wide choice of risk-graded funds from Prudential and other leading fund managers, including three PAC With-Profits Funds, the PruFund Range of Funds and the five Dynamic Portfolios;
- › funds denominated in Euro and US Dollars as well as Sterling, allowing you to choose which currency best suits your circumstances;
- › a switching facility with 20 free switches a year;
- › the option of a capital redemption basis, which means there is no life assured and there is greater flexibility over when it is cashed in; and
- › a choice of investment currencies.

Changes in the rates of exchange between currencies may cause your investment or the income to go down or up.

Our PAC With-Profits Funds and the PruFund Range of Funds are reinsured into the long-term fund of The Prudential Assurance Company Limited (PAC), one of the largest with-profits funds in the UK (£62.5 billion as at 30 June 2010), which helps to give you the security of knowing that the full strength of Prudential underlies these funds.

A Market Value Reduction may be applied when money is taken out of the PAC With-Profits Funds; this may have the effect of reducing your fund value.

For more information on these funds, please ask your Financial Adviser for "Your guide to investing in With-Profits" and "Your guide to investing in the PruFund Range of Funds".



Portfolio Account

An investment "wrapper" which offers:

- the opportunity to choose from a huge variety of funds such as unit trusts and OEICs;
- preferential terms on a large number of funds, which will help to add value to your bond;
- the facility to appoint a professional fund adviser or a discretionary asset manager;
- the option of a capital redemption basis, which means there is no life assured and there is greater flexibility over when it is cashed in; and
- a choice of investment currencies.

The Portfolio Account may be an attractive option for pension trustees, as it offers cash deposits as well as funds. Also, some UK pension schemes can invest only in providers that are based within the European Union – a requirement Dublin meets.

Protection

We have two plans: Flexible Protection Bond, which is based on a one-off payment, and Flexible Life Plan, which has monthly or yearly premiums. Both offer:

- a wide range of investment funds which could match your risk profile;
- single or joint life basis; and
- the facility to increase cover at any time, subject to medical evidence and additional premium(s).

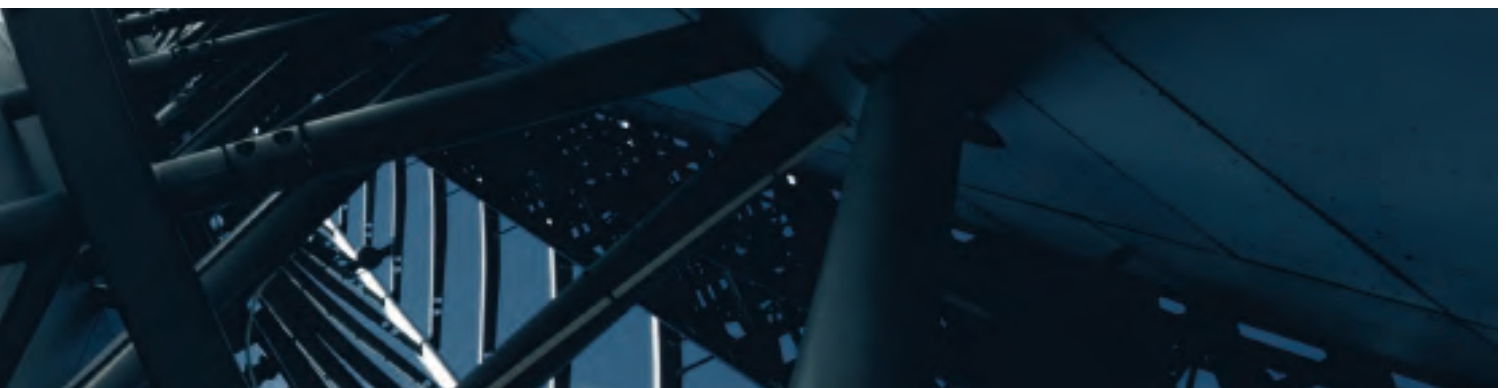
Trusts for inheritance tax planning

A selection of trusts to help avoid inheritance tax while meeting additional requirements:

- Gift Trust: a trust that may be used to make a gift of an investment or a life assurance policy designed to meet an inheritance tax bill
- Loan Trust: a trust that allows you to access your original capital, either in lump sums or through regular withdrawals, while any investment growth is outside your estate
- Discounted Gift Trust: a trust that allows you to give away capital, but still be able to take regular withdrawals from it for the rest of your life
- Excluded Property Trust: a trust for those who are not UK resident that provides UK inheritance tax planning while allowing you to access the whole fund

All these trusts may be used with either International Prudence Bond or Portfolio Account.

The above is based on our understanding, as at December 2010, of current taxation, legislation and HM Revenue & Customs practice, all of which are liable to change without notice. The impact of taxation (and any tax reliefs) depends on individual circumstances.



Our service

We take customer service very seriously and aim to maintain high standards through listening to our customers' needs and developing initiatives to meet them.

For professional advisers, we have experts who can provide information and support on the market and specialist areas such as tax, to help find the right solutions for clients. For our investors, we aim to provide the excellent service you would expect from a name such as Prudential.

Our customers

Prudential International's plans could suit a wide variety of customers and circumstances. Some examples are:

- International investors
- UK expatriates
- UK higher rate taxpayers who are likely to become basic rate taxpayers in future
- People interested in inheritance tax planning
- UK residents who plan to retire abroad
- Foreign nationals who are resident in the UK
- Company directors
- Self-employed people

› Where to find us

We are here to help you at any time. To contact us, you can:

Write to: Prudential International Assurance plc, Montague House, Adelaide Road, Dublin 2, Ireland

Telephone on: + 353 1 476 5000 (customers and prospective customers)

Lines open 9am – 5pm, Monday to Friday.

0808 234 2200 (Financial Advisers)

Lines open 8:30am – 6pm, Monday to Friday.

Calls may be monitored or recorded for security and quality purposes.

E-mail us at: prudentialinternational@prudential.co.uk

Visit our websites: www.pru.co.uk/international (customers and prospective customers)
www.pruadviser.co.uk/international (Financial Advisers)

Full terms and conditions of Prudential International products are available on request.





www.pru.co.uk/international

The registered office of Prudential International is in Ireland at Montague House, Adelaide Road, Dublin 2. Prudential International is a marketing name of Prudential International Assurance plc. Registration No. 209956. Telephone number +353 1 476 5000. If the Company should become unable to meet its liabilities, the Financial Services Compensation Scheme will protect eligible policyholders habitually resident in the UK when their contract starts, with effect from 1 December 2001. This protection does not extend to externally-linked investments. Prudential International Assurance plc is authorised by the Central Bank of Ireland and is subject to limited regulation by the Financial Services Authority for UK business. Details on the extent of our regulation by the Financial Services Authority are available from us on request.