PRUDENTIAL

Trustee Investment Plan (Series A)

Fast Facts

Our Trustee Investment Plan is a single premium investment for Trustees of UK registered pensions schemes. It offers access to a range of funds including our With-Profits Fund and the range of PruFund Funds. Regular and one off withdrawals can be taken from the Plan.

The Prudential Trustee Investment Plan (TIP) can be used by:

- Trustees of registered Occupational Pension Schemes and
- Trustees of Self Invested Personal Pensions (SIPPs) Schemes.

Starting the plan

Member designated plans	All SIPP plans will be set up for a named individual – known as a "member designated" plan. Other UK registered Occupational Pension Schemes can also designate the plan to an individual member if they wish to do so. However plans can only be designated to a member at the start of the plan on the application form. The With-Profits Fund is only available for plans which are member designated.

Contributions

Contributor	Trustees of Registered Occupational Pensions Schemes and Self-invested Personal Pension Schemes (SIPPs).
Payment method	Cheque
Minimum premium	› £20,000 or more for a new plan › Minimum of £10,000 additional investment

Any top-up requests will be set up as a new Trustee Investment Plan.

Investment options

Extensive fund range	A new range of guarantee terms for both PruFund Protected Cautious Fund and PruFund Protected Growth Fund, where the guarantee will only apply at the end of the selected guarantee term. A broad range of funds available including: 1) Multi-asset funds – Managed by Prudential's Portfolio Management Group including the PruFund Funds. You cannot choose to invest in a PruFund Fund if the member is aged 98 or over. You cannot choose a PruFund Protected Fund with a guarantee term that ends on or after the member's 99th birthday. 2) With-Profits Fund – one of the UK's largest With-Profits Funds. The member must be under age 85 to select this fund. 3) Unit linked funds – Covering many different ABI sectors.

Regular Income

Taking income	Regular income can be taken each year starting from the first anniversary of the plan. The income level can be specified at the start of the plan or at any time after the plan has been set up.
Maximum income limit	7.5% p.a. of premium paid. This is reduced if any subsequent partial withdrawals are taken.
Minimum income limit	No minimum
Income frequency	Choice of monthly, quarterly, six-monthly or annually.
Income charges	As long as the maximum regular income rules are not exceeded, no exit charge will apply and for any investment in the With-Profits Fund no Market Value Reduction (MVR) will apply.

Withdrawals

Partial withdrawals	Partial withdrawals may be taken at any time. We may refuse withdrawal requests of less than £1,000 or any request which leaves less than £1,000 invested. There may be a 28 day waiting period if withdrawing from a PruFund Fund. Any partial withdrawal will reduce the maximum amount of regular income you can take.
Withdrawal charges	An exit charge may apply and for any investment in the With-Profits Fund a Market Value Reduction (MVR) may apply.

Investment Term

Investment Term	Prudential's TIP has no set investment term, giving you the flexibility to invest for as long as you require. Plans set up before 7th November 2011 will have a Selected Investment Term (SIT). At maturity the plan value can be invested into a new Trustee Investment Plan which will have no set investment term.

Death Benefits

For member designated plans only	› Bid value of units › No Exit Charge. For any investment in the With-Profits Fund no Market Value Reduction (MVR) will apply and no 28 day waiting period will apply for any investment in a PruFund Fund. › If death within 1 month of the Guarantee Minimum Fund (GMF) date we will honour the GMF if necessary.

Investment limits and fund switching

Switches	Switches between funds can be made at any time. The first two switches in any 12-month period are free of charge. We'll charge £25 for any additional switches. Any switches out of the With-Profits Fund may be subject to a MVR.
Maximum number of funds which a customer can invest in	6 Each PruFund & SafeGuard fund counts as 2 funds
Switches into PruFund	Investments into PruFund are initially held in a Holding Account before being switched to the relevant smoothed fund at the next Quarter Date.

Charges

Set-up charges	We make charges for managing the plan and investment. The amount we charge will depend on the funds the member invests in.
Establishment charge	None
Allocation rate	The allocation rates assume initial commission is taken. These rates increase if fund related commission is taken instead and/or if any commission is rebated.
Bid-offer spread	Units are bought at the offer price and sold at the bid price. The bid price is approximately 95% of the offer price.

Allocation rate:

Investment amounts	%
£20,000 – £49,999.99	100.5%
£50,000 – £99,999.99	101.0%
£100,000 – £249,999.99	101.5%
£250,000 and above	102.0%

Ongoing charges	
Annual Management Charge (AMC)	Depends on funds selected. Please refer to TIP Fund Guide (PENB6567) and the Key Features for full details.
Service Charge	If any fund-related commission is selected, a quarterly charge equal to the fund related commission will be applied. The charge is based on a % of the bid value of units each quarter.
Fund unit type	Accumulation units only.
PruFund Protected Funds Guarantee Charge	If selecting a Protected PruFund Fund you will be able to select from a range of guarantee terms. Each guarantee has its own charge. The guarantee charge will be payable for the whole of the term. This charge is taken by cancelling units each month. The guarantee term options available are shown in the document "The PruFund Range of Funds: Guarantee Options" – INVS11470 which is available from www.pruadviser.co.uk
Charge for Guarantees – With-Profits Fund	There is a charge to pay for all the guarantees the With-Profits Fund supports. The charge is taken by making small adjustments to regular and final bonuses. We will review the amount of the charge from time to time.

Exit charge	
Exit Charge	See table below
Market Value Reduction (MVR)	We may apply a Market Value Reduction (MVR) to any investment in the With-Profits Fund if clients withdraw funds or cash in the plan. MVRs are our way of protecting the interests of all our customers and ensuring that every investor gets a return based on the earnings of the With-Profits Fund over the period their payments have been invested. This will have the affect of reducing the value of their investment. However, we offer an MVR-free guarantee: › on any regular withdrawals; or › on death where the TIP is set up for a named individual ("member designated") Plans set up before 7th November 2011 will have a Selected Investment Term (SIT). For investments in the With-Profits Fund, we guarantee not to apply an MVR when a plan is cashed in at the end of the SIT.

Exit Charge:

Year of exit	Charge as a % of the amount withdrawn
Year 1	5%
Year 2	4%
Year 3	3%
Year 4	2%
Year 5	1%
Year 6 and later	0%

Adviser remuneration	Commission	There are two type of commission: › Initial Commission (IC); and › Fund Related Commission (FRC). A combination of IC & FRC can be selected, subject to limits. Maximum IC: 4% x any Agency Enhancement. Maximum FRC: 1.25% p.a. Commission may be rebated. Initial Commission is paid when the policy is set up. FRC is paid quarterly in arrears and is funded through a quarterly service charge equal to the fund related commission payable.
Financial strength	Prudential has a AA (stable) Standard & Poors rating, as at August 2010.	

The value of an investment may go down as well as up and is therefore not guaranteed. Your client may not get back the full amount of their investment.

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

The guide is based on our current contract terms as at date of printing, November 2011.

Full terms & conditions are available on request.

If you have any questions or queries then please call your Account Manager.
For illustrations, please call 0808 234 0808.

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

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www.pruadviser.co.uk

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