

Fast Facts

Pru Flexible Retirement Plan

Our Flexible Retirement Plan (FRP) is closed to new customers, but your existing clients are able to make changes to their plan.

As a single wrapper plan, our FRP can provide for phased retirement, consolidation of existing pension funds and payments can be easily changed. It offers a wide range of investment options and a clear charging structure.

Our FRP has two drawdown options:

Flexi-access drawdown – a form of drawdown which allows clients to take an unlimited amount of regular or ad hoc income from a pension fund.

New capped drawdown plans can be set up if transferring from an existing capped drawdown arrangement.

| Eligibility | Personal Pension | Drawdown |
|---|---|--|
| Minimum age | 17 next birthday. | From age 55 (57 from 6 April 2028, unless you have a protected pension age), earlier in special circumstances. |
| Maximum age | 75 next birthday. | 89 next birthday. |
| Maximum age at exit | 75th birthday. | 99th birthday. |
| Contributions | Personal Pension | Drawdown |
| Contributor | Member, employer and transfer from existing pension arrangement. | Accepts switches from the FRP personal pension and transfers from other pension arrangements (including drawdown to drawdown transfers). |
| Payment types (In Specie Transfers can be made if the member decides to self-invest) | <ul style="list-style-type: none"> • single payments • transfers and/or, • regular payments. | Transfers and single payments. |
| Initial minimum investment* | £5,000 single/transfer or £100 each month regular contribution. | <p>Existing FRP clients with at least £50,000 already invested in FRP Personal Pension option (or at least £37,500 already invested in FRP Drawdown option) – £10,000 (£7,500 if coming from another drawdown plan)</p> <p>Existing FRP clients with less than £50,000 already invested in FRP Personal Pension option (or less than £37,500 already invested in FRP Drawdown option) – £25,000 (£18,750 if coming from another drawdown plan)</p> |
| Minimum additional transfers/singles | £200 | £10,000 (£7,500 for drawdown to drawdown transfers). |

* Any part of the investment for SIPP can't be less than £10,000.

| Investment options | Personal Pension | Drawdown |
|----------------------------|---|---|
| Fund range | Our FRP offers a wide range of in-house and external funds, including our PruFund range of funds, our With-Profits Fund and five Risk Managed Active Funds. More details can be found in our FRP Short Fund Guide – PENB10299 which is available on pru.co.uk | |
| Risk Managed PruFunds | A choice of four Risk Managed PruFunds, each offering the same established smoothing process as our existing PruFund funds, and investing in our With-Profits Fund. The Prudential Assurance Company Limited (PAC) With-Profits Fund is one of the largest and financially strongest With-Profits funds in the UK. Our funds aim to help you match the results of your client risk assessments to funds that offer a range of potential returns and levels of risk. These funds are managed by M&G's Treasury and Investment Office (T&IO) in line with each funds' objective and allowable equity parameters. | |
| Risk Managed Active Funds | Five Risk Managed Active Funds targeting different levels of risk and potential return. We use our M&G Treasury and Investment Office (T&IO) for asset allocation and Morningstar OBSR for fund selection. <i>When managing these portfolios, T&IO work within M&G Treasury and Investment Office (T&IO), part of the M&G Group.</i> | |
| Risk Managed Passive Funds | Two Risk Managed Passive Funds using expert active and passive fund management approaches. We aim to give customers access to M&G Treasury and Investment Office's (T&IO), active asset allocation expertise. <i>When managing these portfolios, T&IO work within M&G Treasury and Investment Office (T&IO), part of the M&G Group.</i> | |
| SIPP Options | SIPP is accessed through the Self-Invested Fund (SIF) which can be switched on/off at any time when in the personal pension and/or drawdown. It's not possible to self-invest without an FRP contract being in place. One SIF account is held covering all plans within the FRP. There are different fees for the SIPP depending on the range of investments required. Full SIPP option <ul style="list-style-type: none"> • Access to a wide range of investments including stocks and shares, unit trusts and commercial property. FundSIPP option <ul style="list-style-type: none"> • Lower cost option for clients who only want access to the Cofunds range of funds (subject to a maximum of 20). | |
| Lifestyle Options | Option to select a pre-defined investment switching strategy for the run up to Selected Retirement Age (SRA). | Lifestyle rebalancing stops on the first plan anniversary on or after your clients' 75th birthday. Drawdown Lifestyle Option can't be selected if clients are aged 74 or over, or within 10 years of their Anticipated Annuitisation Age (AAA). |

| Income withdrawals | Drawdown |
|---|--|
| Income frequency | Monthly, quarterly, half-yearly and yearly. Ad hoc income also available. |
| Income payment date | This can be any day of the month except 29th, 30th and 31st of the month. Ad hoc income may be taken on any day of the month. |
| Fund choice for income payment | Proportionately across all funds or individually selected fund(s). All income from the SIF is taken from the bank account only. Restrictions apply to the With-Profits Fund and to the PruFund Funds (Capped drawdown only). Where a Lifestyle Option is chosen, income must be taken proportionately across all funds. |
| Maximum income limit (for Capped Drawdown only) | 150% of an annuity value calculated using annuity rate tables produced by the Government Actuary Department (GAD). |
| Minimum income limit | No minimum. |
| Income reviews (for Capped Drawdown only) | Three yearly until age 75. Reviews on anniversary may be agreed individually. From age 75, reviews are required every year. |

| Annuity purchase | Personal Pension | Drawdown |
|------------------|---|---|
| Prior to age 75 | The minimum amount that can be vested to purchase an annuity plan is £1,000. | |
| From age 75 | If you wish to remain invested beyond your 75th birthday you will need to move to an arrangement with another provider, or you can choose to switch to drawdown or purchase an annuity. | You can remain invested until your 99th birthday. You can choose to purchase an annuity or switch to another drawdown provider at any time. |

| Death Benefits | |
|-----------------|---|
| Death before 75 | <p>We offer flexible death benefits.</p> <p>There are a few main ways clients' pensions can be passed onto their beneficiaries:</p> <ul style="list-style-type: none"> • Lump sum – a lump sum that is normally tax free unless it exceeds the available lump sum and death benefit allowance. • Drawdown – the beneficiary 'takes over' the pension and can take out as much or as little as they wish. • Annuity – the beneficiary can buy a secure income for life from an insurance company. <p>The clients expression of wish is important and should be kept up to date as this will be used by us in deciding the beneficiaries and who we might pay income benefits.</p> <p>The beneficiary of the client will normally receive the proceeds of the account tax-free when taken either as a lump sum or by withdrawing income.</p> |
| Death after 75 | <p>If the client dies at or after age 75 or payment is made two years or more after notification of the death the beneficiary will be taxed on any payments at their marginal rate.</p> <p>Where the benefit is paid to a non-individual e.g. to a trust or your clients' estate then we'll deduct 45% tax before payment. The ultimate beneficiary of the payments might be able to reclaim some or all of this tax back depending on their circumstances.</p> |

| Charges | Personal Pension | Drawdown |
|---|--|--|
| Ongoing charges | | |
| Annual Management Charge (AMC) | Depends on fund size across all FRPs, funds selected and length of time plans held. | |
| Fund unit type | Accumulation units only. | |
| Charge for Guarantees – With-Profits Fund | There is a charge to pay for all guarantees the With-Profits Fund supports. The total deduction for the guarantee charge over the lifetime of the plan is not currently more than 2% of any payment made from the fund. We'll review the amount of the charge from time to time. The charge is taken by making small adjustments to regular and final bonuses. | |
| Discontinuance charges and deductions | | |
| Market Value Reduction (MVR)* | We might apply an MVR if there is any investment in the With-Profits Fund and money (including Ongoing or ad hoc Adviser Charges) is taken out at any time other than the Selected Retirement Age (SRA) or on death. | We might apply an MVR if there is any investment in the With-Profits Fund and money (including Ongoing or ad hoc Adviser Charges) is taken out at any time other than the Anticipated Annuitisation Age (AAA) or on death. |

* On move from personal pension into drawdown, other than at the Personal Pension Plan SRA or in the month before the plan SRA, we might apply MVR. More details can be found in "MVR – a clear explanation" – PRUS6165 which is available from pruadviser.co.uk

Discounts

Discounts are applied to the basic Annual Management Charges for the amount of time invested in the FRP (Loyalty Discount) and based on the size of the fund (Fund Size Discount). Both discounts can apply at the same time. The total fund value of all units invested in Insured Funds across all personal pension and drawdown plans under FRP will determine the fund size discount applicable at any given time.

| Loyalty Discount | <ul style="list-style-type: none"> Discount to the AMC will apply to all money invested in Insured Funds. Based on period of continuous investment in FRP, normally starts from the date the first plan starts. The discount does not apply to investments held under the SIF, however the period of continuous investment includes any period in the SIF. Any period in the FRP holding account does not count towards the periods of continuous investment. | |
|---------------------------|---|--------------|
| | Elapsed time | AMC discount |
| | 0-9.99 years | 0.05% |
| | 10-14.99 years | 0.10% |
| | 15-19.99 years | 0.20% |
| 20 years and over | 0.25% | |
| Fund Size Discount | <ul style="list-style-type: none"> Discount to the AMC will apply to all money invested in Insured Funds. When determining the Fund Size Discount we include the value of all of your client's FRPs (excluding any SIF value or the FRP holding account or any Final Bonus or MVR applicable to With-Profits Fund investment). The Fund Size Discount is calculated monthly, so will move up and down with changes in the Insured Fund on a monthly basis. | |
| | Total non-SIF fund value | AMC discount |
| | £0-£249,999.00 | 0.25% |
| £250,000 and over | 0.30% | |

| Investment limits and fund switching | |
|--|---|
| Switch charge | None, however we do reserve the right to do so in the future. |
| Number of free switches | Currently unlimited. |
| Minimum switch amount | No minimum amount, but it must be a whole percentage. |
| Maximum number of funds which a client can invest in | 20. |
| Switches into PruFund | Investments into PruFund are initially held in the PruFund holding account before being switched to the smoothed fund on the next quarter date. |

| SIPP specific fees (These fees only apply when the SIPP option is used) | |
|---|---|
| Administration fees | |
| Establishment Fee | Full SIPP £300 or FundSIPP £150* (this will be applied when the investor first sets up the SIF). |
| Annual Administration Fee | Full SIPP £425 or FundSIPP £200* (only applies where there is investment held or funds held in the bank account). |
| Annual Drawdown Fee | £100 (applies regardless of the level of income taken). |
| Widening the investment requirements | <ul style="list-style-type: none"> • Clients can change from investing in the FundSIPP option to the full SIPP option once in each 12 month period starting from the date the SIF was activated. • If your client wishes to invest in the full SIPP option we'll require written notification from you that this change is to be made. • We'll increase the Establishment Fee to bring it up to the full cost. • We'll increase the Annual Administration Fee to bring it up to the full cost and apply it on a monthly pro-rata basis depending on the date the SIF was activated. |
| Narrowing the investment requirements | <ul style="list-style-type: none"> • Clients can change from investing in the full SIPP option to the FundSIPP option once in each 12 month period starting from the date the SIF was activated. • If your client wishes to invest in the FundSIPP option we'll require written notification from you that this change is to be made. • No change will be made to the Establishment Fee. • We'll decrease the normal Annual Administration Fee and apply it on a monthly pro-rata basis depending on the date the SIF was activated. |
| Self-Invested Fund charges | |
| Annual Management Charge (AMC)† | Any AMC will be specific to the individual assets within the fund. We don't apply an AMC on the fund. |
| Bid-offer spread | Any bid-offer spread will be specific to the individual assets within the fund. We don't apply this on the fund. |

* Subject to all of the following conditions:

- The only available assets are the bank account and funds from the Cofunds range.
- Clients hold up to a maximum of 20 funds from the Cofunds range.
- All trading must be done online via the Curtis Banks website (consequently, the investor must have authorised you to give investment instructions).

We reserve the right to increase these charges appropriately if we become aware of any breach of these conditions.

† We'll use a notional AMC for our illustrations. More details can be found in the Key Features Document.

| SIPP specific fees | |
|--|---|
| Investment related fees | |
| Ad hoc valuations | Valuations of the SIF are available online free of charge and statements are issued each year with detailed investment information. Any requests for additional detailed valuation statements will be charged based on the costs incurred and the time spent producing the statement (minimum £100). Any costs incurred in valuing individual assets within the fund will be deducted from the SIF. |
| HMRC Valuations | Required when benefits are taken or GAD limits are reviewed. Charged to the SIF as per ad hoc valuations above (applies to capped drawdown only). |
| Property transactions^{††} | <p>Property Facility Fee: £100 each year, per SIF, per property.</p> <p>Additional Annual Fee for VAT Elected Properties: £150 each year.</p> <p>The £150 each year VAT election fee is per property, so if a group of investors share one property, the £150 relates to the property, not the member. Similarly, where a group of investors own a shared property, the solicitor's fees, etc, apply to the property so are split between the members.</p> <p>The fees for all other property related transactions, including the solicitor's fees, the surveyor's fees, insurance costs, our acquisition fee, our management fees etc, will vary depending on the costs incurred and the time spent on the transaction. Our fees include:</p> <p>Purchase/transfer in specie acquisition fee: principally time cost payable upon completion estimated at around £1,700 to £1,900.</p> <p>Annual property accounting fee: principally time cost payable in arrears (only for properties partly owned by Curtis Banks) estimated at around £600.</p> <p>Annual property management fee: principally time cost payable in arrears (only for properties wholly owned by Curtis Banks) estimated at around £700.</p> <p>Sale, or disposal, or transfer out in specie: principally time cost payable upon completion estimated at around £600 to £800.</p> <p>Variation of proportion of property ownership: principally time cost payable upon completion estimated at around £500 to £700.</p> |
| Borrowing other than for a property purchase | <p>Borrowing Facility Fee: £100 each year.</p> <p>The establishment fee will vary dependent on the costs incurred and principally the time spent on the transaction.</p> |
| Paperless investment transactions^{††} | Nil transaction charge. |
| Quoted paper based dealing and investments held direct with a UK fund provider^{††} | £25 transaction charge. |
| Investments held direct with an offshore fund provider | £75 transaction charge. |
| Deals placed via Cofunds fund supermarket | Nil transaction charge (many fund charges at a discounted rate). |
| Other investment transactions | Will vary depending on the costs incurred and principally the time spent on the transaction. |
| Appointment of an investment manager | Nil charge. |
| In specie transfers | <p>Basic fee: £100.</p> <p>Charge per investment: £0-£25.</p> <p>Maximum in specie transfer charge: £300.</p> |

We reserve the right to alter the fees that apply to the SIF at any time.

^{††} 3rd party investment charges such as stockbroker's commission, stamp duty etc are payable in addition.

Adviser Charging

Different Adviser Charging instructions may be given each time a personal pension or drawdown plan is set up, including moving from personal pension to drawdown.

Set-up Adviser Charge (Personal Pension)

If you agree a Set-up Adviser Charge, this charge can be taken from the Plan by us and paid to you. It's deducted from the Plan immediately after the contribution is invested. The Set-up Adviser Charge is taken from the gross contribution, after basic rate tax relief has been applied.

Set-up Adviser Charge (Transfer & Drawdown)

If you agree a Set-up Adviser Charge with your client, this charge can be taken from the Plan by us and paid to you. It's deducted from the Plan immediately after the transfer is invested. The Set-up Adviser Charge is taken from the transfer value after the deduction of any tax free cash.

Ongoing Adviser Charge

Adviser Charges will be taken evenly across all funds. For Ongoing Adviser Charges and ad hoc Adviser Charges where a PruFund Protected Fund (existing customers only) and/or the With-Profits Fund is selected with at least one other fund (excluding SIF's), your client can choose not to have these Adviser Charges deducted from the With-Profits Fund. When taking Ongoing or ad hoc Adviser Charges from the With-Profits Fund, a Market Value Reduction may be applied to your fund.

| Options and limits | | |
|---|---|--|
| Regular contributions – Personal Pension only | | |
| | Set-up Adviser Charge | Ongoing Adviser Charges & ad hoc Adviser Charged |
| Initial* period up to 12 months | The maximum set-up adviser charge is 5% of the initial investment or 25% of the first 12 monthly contributions, | The Ongoing Adviser Charge is a maximum charge of 1% of the fund value. The maximum ad hoc charge is 2% of the fund value in a 12 month period. |

| Single contributions and transfer values – Personal Pension and Drawdown | | |
|--|---|---|
| Regular contributions – Personal Pension only | | |
| | Set-up Adviser Charge | Ongoing Adviser Charges & ad hoc Adviser Charged |
| | Either a percentage of contribution (after deduction of any tax free cash) or a specified monetary amount. The maximum to be paid for the adviser charge is 5% of the initial investment. The aggregate of all Set-up Adviser Charges and ad hoc Adviser Charges cannot exceed £30,000 in any 12 month period. | The Ongoing Adviser Charge is a maximum charge of 1% of the fund value. The maximum ad hoc charge is 2% of the fund value in a 12 month period. The aggregate of ad hoc adviser charges together with any Initial Adviser Charges taken on single contributions/transfer values cannot exceed £30,000. |

* The initial period is agreed by you and your client but can't exceed 60 months.

| Support for you | |
|-------------------------------------|--|
| Specialist pension transfer service | Pension Transfer Desk: <ul style="list-style-type: none"> • provides administrative support on transfer business for both personal pension and drawdown. • chases previous providers to ensure prompt payment of funds to plans. |
| Technical and marketing support | <ul style="list-style-type: none"> • Technical Helpline to provide legislative and generic product and/or fund information. • Our Technical section 'Tech Matters' on M&G Wealth has a wide variety of articles on tax, trust, estate planning and pensions legislation. |

If you have any questions or queries then please call your Account Manager.

This is a guide only to the technical details of the Flexible Retirement Plan. The value of any investment can go down as well as up so your client might get back less than they put in.

We might change our charges in the future.

The guide is based on our current contract terms as at date of printing, February 2024.

Full terms & conditions are available on request.



The telephone number for illustrations is **0808 234 0808**

We might record your call to make sure our service is up to standard.