

Retail Fund Closures

11 September 2020

We regularly review the funds we offer, and we've decided to close the following Series 2 (S2) Life funds on 11 September 2020.

- Prudential BNY Mellon Multi-Asset Balanced Life Fund
- Prudential HC Verbatim Portfolio 3 Life Fund
- Prudential HC Verbatim Portfolio 4 Life Fund
- Prudential HC Verbatim Portfolio 5 Growth Life Fund
- Prudential HC Verbatim Portfolio 5 Income Life Fund
- Prudential HC Verbatim Portfolio 6 Life Fund
- Prudential HC Verbatim Portfolio 7 Life Fund
- Prudential Jupiter Merlin Balanced Portfolio Life Fund
- Prudential Jupiter Merlin Growth Portfolio Life Fund

We're closing funds where the fund is too small for us to continue to offer it, or where we have other similar funds available.

When we close a fund we offer our selected replacement fund, with the most similar investment objective. The replacement funds all have lower charges than the funds we're closing.

| The fund we're closing | | Our selected replacement fund | |
|---|-------|--|-------|
| Prudential BNY Mellon Multi-Asset Balanced Life Fund S2 | | Prudential Risk Managed Active 4 Life Fund S2 | |
| <p>Objective: The investment strategy of the fund is to purchase units in the BNY Mellon Multi-Asset Balanced Fund – the underlying fund.</p> <p>Underlying Fund Objective: The fund aims to achieve a balance between income and capital growth over the long term (5 years or more). The fund is actively managed and invests at least 75% of the portfolio in UK and international securities across a range of global asset classes including, without limitation, equities (company shares), fixed income securities (bonds), infrastructure, renewable energy, property, commodities and near cash.</p> | | <p>Objective: The investment strategy of the fund is to buy units in the LF Prudential Risk Managed Active 4 Fund – the underlying fund.</p> <p>Underlying Fund Objective: The fund aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit the average volatility per annum over rolling 5 year periods to 14.5%. There is no guarantee the objective will be achieved over any time period and the actual volatility, at any time, may be higher or lower than 14.5%. Capital invested is at risk.</p> | |
| Prudential potential reward and risk indicator | | Prudential potential reward and risk indicator | |
| 4 | | 4 | |
| <p>Our risk ratings are based on our expectation of future volatility (the chance of short-term fluctuations up and down in the value of a fund). They don't take into account other types of investment risks you may face such as the effects of inflation. We rate funds on a scale of 1-6 with 1 being the lowest risk rating and 6 being the highest. We regularly review our risk ratings and we may change them in the future.</p> | | | |
| Fund costs and charges | | Fund costs and charges | |
| AMC: | 1.40% | AMC: | 1.34% |
| Further Costs: | 0.12% | Further Costs: | 0.07% |
| Yearly Total: | 1.52% | Yearly Total: | 1.41% |

We take an AMC (annual management charge) from each of the funds you invest in. Some funds also have Further Costs. Any charges will impact the overall performance of the fund. We may vary charges in future and they may be higher than they are now. Fund costs and charges above are correct as at 30 June 2020.

Our selected replacement fund has a higher Prudential potential reward and risk indicator

| The fund we're closing | | Our selected replacement fund | |
|---|-------|--|-------|
| Prudential HC Verbatim Portfolio 3 Life Fund S2 | | Prudential Risk Managed Active 2 Life Fund S2 | |
| <p>Objective: The investment strategy of the fund is to purchase units in the HC Verbatim Portfolio 3 Fund – the underlying fund.</p> <p>Underlying Fund Objective: The fund aims to achieve capital growth over the medium to long term by using a risk based investment strategy that is broadly defensive.</p> | | <p>Objective: The investment strategy of the fund is to buy units in the LF Prudential Risk Managed Active 2 Fund – the underlying fund.</p> <p>Underlying Fund Objective: The fund aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit the average volatility per annum over rolling 5 year periods to 10%. There is no guarantee the objective will be achieved over any time period and the actual volatility, at any time, may be higher or lower than 10%. Capital invested is at risk.</p> | |
| Prudential potential reward and risk indicator 2 | | Prudential potential reward and risk indicator 3 | |
| <p>Our risk ratings are based on our expectation of future volatility (the chance of short-term fluctuations up and down in the value of a fund). They don't take into account other types of investment risks you may face such as the effects of inflation. We rate funds on a scale of 1-6 with 1 being the lowest risk rating and 6 being the highest. We regularly review our risk ratings and we may change them in the future.</p> | | | |
| Fund costs and charges | | Fund costs and charges | |
| AMC: | 1.55% | AMC: | 1.34% |
| Further Costs: | 0.64% | Further Costs: | 0.07% |
| Yearly Total: | 2.19% | Yearly Total: | 1.41% |

We take an AMC (annual management charge) from each of the funds you invest in. Some funds also have Further Costs. Any charges will impact the overall performance of the fund. We may vary charges in future and they may be higher than they are now. Fund costs and charges above are correct as at 30 June 2020.

| The fund we're closing | | Our selected replacement fund | |
|---|-------|--|---|
| Prudential HC Verbatim Portfolio 4 Life Fund S2 | | Prudential Risk Managed Active 2 Life Fund S2 | |
| <p>Objective: The investment strategy of the fund is to purchase units in the HC Verbatim Portfolio 4 Fund – the underlying fund.</p> <p>Underlying Fund Objective: The fund aims to achieve capital growth over the medium to long term by using a risk based investment strategy that is broadly cautious.</p> | | <p>Objective: The investment strategy of the fund is to buy units in the LF Prudential Risk Managed Active 2 Fund – the underlying fund.</p> <p>Underlying fund Objective: The fund aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit the average volatility per annum over rolling 5 year periods to 10%. There is no guarantee the objective will be achieved over any time period and the actual volatility, at any time, may be higher or lower than 10%. Capital invested is at risk.</p> | |
| Prudential potential reward and risk indicator | | 3 | Prudential potential reward and risk indicator |
| | | 3 | |
| <p>Our risk ratings are based on our expectation of future volatility (the chance of short-term fluctuations up and down in the value of a fund). They don't take into account other types of investment risks you may face such as the effects of inflation. We rate funds on a scale of 1-6 with 1 being the lowest risk rating and 6 being the highest. We regularly review our risk ratings and we may change them in the future.</p> | | | |
| Fund costs and charges | | Fund costs and charges | |
| AMC: | 1.55% | AMC: | 1.34% |
| Further Costs: | 0.70% | Further Costs: | 0.07% |
| Yearly Total: | 2.25% | Yearly Total Charge: | 1.41% |

We take an AMC (annual management charge) from each of the funds you invest in. Some funds also have Further Costs. Any charges will impact the overall performance of the fund. We may vary charges in future and they may be higher than they are now. Fund costs and charges above are correct as at 30 June 2020.

| The fund we're closing | | Our selected replacement fund | |
|---|-------|--|--------|
| Prudential HC Verbatim Portfolio 5 Growth Life Fund S2 | | Prudential Risk Managed Active 3 Life Fund S2 | |
| <p>Objective: The investment strategy of the fund is to purchase units in the HC Verbatim Portfolio 5 Growth Fund – the underlying fund.</p> <p>Underlying Fund Objective: The fund aims to achieve capital growth over the medium to longer term by using a risk based investment strategy that is broadly cautious balanced.</p> | | <p>Objective: The investment strategy of the fund is to buy units in the LF Prudential Risk Managed Active 3 Fund – the underlying fund.</p> <p>Underlying Fund Objective: The fund aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit the average volatility per annum over rolling 5 year periods to 12%. There is no guarantee the objective will be achieved over any time period and the actual volatility, at any time, may be higher or lower than 12%. Capital invested is at risk.</p> | |
| Prudential potential reward and risk indicator 4 | | Prudential potential reward and risk indicator 3 | |
| <p>Our risk ratings are based on our expectation of future volatility (the chance of short-term fluctuations up and down in the value of a fund). They don't take into account other types of investment risks you may face such as the effects of inflation. We rate funds on a scale of 1-6 with 1 being the lowest risk rating and 6 being the highest. We regularly review our risk ratings and we may change them in the future.</p> | | | |
| Fund costs and charges | | Fund costs and charges | |
| AMC: | 1.55% | AMC: | 1.34% |
| Further Costs: | 0.72% | Further Costs: | 0.07% |
| Yearly Total: | 2.27% | Yearly Total Charge: | 1.41%% |

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| The fund we're closing | | Our selected replacement fund | |
|---|-------|--|---|
| Prudential HC Verbatim Portfolio 5 Income Life Fund S2 | | Prudential Risk Managed Active 3 Life Fund S2 | |
| <p>Objective: The investment strategy of the fund is to purchase units in the HC Verbatim Portfolio 5 Income Fund – the underlying fund.</p> <p>Underlying Fund Objective: The fund will use a broadly cautious balanced investment strategy with the aim of achieving income with some potential for capital growth over the medium to longer term.</p> | | <p>Objective: The investment strategy of the fund is to buy units in the LF Prudential Risk Managed Active 3 Fund – the underlying fund.</p> <p>Underlying Fund Objective: The fund aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit the average volatility per annum over rolling 5 year periods to 12%. There is no guarantee the objective will be achieved over any time period and the actual volatility, at any time, may be higher or lower than 12%. Capital invested is at risk.</p> | |
| Prudential potential reward and risk indicator | | 4 | Prudential potential reward and risk indicator |
| | | | 3 |
| <p>Our risk ratings are based on our expectation of future volatility (the chance of short-term fluctuations up and down in the value of a fund). They don't take into account other types of investment risks you may face such as the effects of inflation. We rate funds on a scale of 1-6 with 1 being the lowest risk rating and 6 being the highest. We regularly review our risk ratings and we may change them in the future.</p> | | | |
| Fund costs and charges | | Fund costs and charges | |
| AMC: | 1.55% | AMC: | 1.34% |
| Further Costs: | 0.52% | Further Costs: | 0.07% |
| Yearly Total: | 2.07% | Yearly Total Charge: | 1.41% |

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| The fund we're closing | | Our selected replacement fund | |
|---|-------|--|-------|
| Prudential HC Verbatim Portfolio 6 Life Fund S2 | | Prudential Risk Managed Active 4 Life Fund S2 | |
| <p>Objective: The investment strategy of the fund is to purchase units in the HC Verbatim Portfolio 6 Fund – the underlying fund.</p> <p>Underlying Fund Objective: The fund aims to achieve capital growth over the medium to long term by using a risk based investment strategy that is broadly balanced.</p> | | <p>Objective: The investment strategy of the fund is to buy units in the LF Prudential Risk Managed Active 4 Fund – the underlying fund.</p> <p>Underlying Fund Objective: The fund aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit the average volatility per annum over rolling 5 year periods to 14.5%. There is no guarantee the objective will be achieved over any time period and the actual volatility, at any time, may be higher or lower than 14.5%. Capital invested is at risk.</p> | |
| Prudential potential reward and risk indicator | | Prudential potential reward and risk indicator | |
| 4 | | 4 | |
| <p>Our risk ratings are based on our expectation of future volatility (the chance of short-term fluctuations up and down in the value of a fund). They don't take into account other types of investment risks you may face such as the effects of inflation. We rate funds on a scale of 1-6 with 1 being the lowest risk rating and 6 being the highest. We regularly review our risk ratings and we may change them in the future.</p> | | | |
| Fund costs and charges | | Fund costs and charges | |
| AMC: | 1.55% | AMC: | 1.34% |
| Further Costs: | 0.77% | Further Costs: | 0.07% |
| Yearly Total: | 2.32% | Yearly Total Charge: | 1.41% |

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| The fund we're closing | | Our selected replacement fund | |
|---|-------|--|-------|
| Prudential HC Verbatim Portfolio 7 Life Fund S2 | | Prudential Risk Managed Active 5 Life Fund S2 | |
| <p>Objective: The investment strategy of the fund is to purchase units in the HC Verbatim Portfolio 7 Fund – the underlying fund.</p> <p>Underlying Fund Objective: The fund aims to achieve capital growth over the medium to long term by using a risk based growth investment strategy.</p> | | <p>Objective: The investment strategy of the fund is to buy units in the LF Prudential Risk Managed Active 5 Fund – the underlying fund.</p> <p>Underlying Fund Objective: The fund aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit the average volatility per annum over rolling 5 year periods to 17%. There is no guarantee the objective will be achieved over any time period and the actual volatility, at any time, may be higher or lower than 17%. Capital invested is at risk.</p> | |
| Prudential potential reward and risk indicator | | Prudential potential reward and risk indicator | |
| 5 | | 5 | |
| <p>Our risk ratings are based on our expectation of future volatility (the chance of short-term fluctuations up and down in the value of a fund). They don't take into account other types of investment risks you may face such as the effects of inflation. We rate funds on a scale of 1-6 with 1 being the lowest risk rating and 6 being the highest. We regularly review our risk ratings and we may change them in the future.</p> | | | |
| Fund costs and charges | | Fund costs and charges | |
| AMC: | 1.55% | AMC: | 1.34% |
| Further Costs: | 0.83% | Further Costs: | 0.08% |
| Yearly Total: | 2.38% | Yearly Total Charge: | 1.42% |

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| The fund we're closing | | Our selected replacement fund | |
|--|-------|--|-------|
| Prudential Jupiter Merlin Balanced Portfolio Life Fund S2 | | Prudential Risk Managed Active 4 Life Fund S2 | |
| <p>Objective: The investment strategy of the fund is to purchase units in the Jupiter Merlin Balanced Portfolio – the underlying fund.</p> <p>Underlying Fund Objective: The portfolio aims to provide a return, net of fees, that is higher than the IA Mixed Investment 40%-85% Shares Sector average over the long term (at least five years). Jupiter seek to attain the objective by investing at least 70% of the underlying fund in collective investment schemes, such as unit trusts, OEICs, SICAVs, exchange traded funds (ETFs) and closed or open-ended funds (which may include funds managed or operated by Jupiter or an associate of Jupiter). The underlying fund will invest in collective investment schemes, which may have exposure to shares of companies globally, fixed interest securities, derivatives for investment purposes, commodities or Property.</p> | | <p>Objective: The investment strategy of the fund is to buy units in the LF Prudential Risk Managed Active 4 Fund – the underlying fund.</p> <p>Underlying Fund Objective: The fund aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit the average volatility per annum over rolling 5 year periods to 14.5%. There is no guarantee the objective will be achieved over any time period and the actual volatility, at any time, may be higher or lower than 14.5%. Capital invested is at risk.</p> | |
| Prudential potential reward and risk indicator | | Prudential potential reward and risk indicator | |
| 4 | | 4 | |
| <p>Our risk ratings are based on our expectation of future volatility (the chance of short-term fluctuations up and down in the value of a fund). They don't take into account other types of investment risks you may face such as the effects of inflation. We rate funds on a scale of 1-6 with 1 being the lowest risk rating and 6 being the highest. We regularly review our risk ratings and we may change them in the future.</p> | | | |
| Fund costs and charges | | Fund costs and charges | |
| AMC: | 1.60% | AMC: | 1.34% |
| Further Costs: | 0.86% | Further Costs: | 0.07% |
| Yearly Total: | 2.46% | Yearly Total Charge: | 1.41% |

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| The fund we're closing | | Our selected replacement fund | |
|---|-------|--|-------|
| Prudential Jupiter Merlin Growth Portfolio Life Fund S2 | | Prudential Risk Managed Active 5 Life Fund S2 | |
| <p>Objective: The investment strategy of the fund is to purchase units in the Jupiter Merlin Growth Portfolio – the underlying fund.</p> <p>Underlying Fund Objective: The portfolio aims to provide a return, net of fees, higher than the IA Flexible Investment sector average over the long term (at least five years). Jupiter seek to attain the objective by investing at least 70% of the underlying fund in collective investment schemes, such as unit trusts, OEICs, SICAVs, exchange traded funds (ETÉs) and closed or open-ended funds (which may include funds managed or operated by Jupiter or an associate of Jupiter). The underlying fund will invest in collective investment schemes, which will have exposure to shares of companies globally, fixed interest securities, derivatives for investment purposes, commodities or Property.</p> | | <p>Objective: The investment strategy of the fund is to buy units in the LF Prudential Risk Managed Active 5 Fund – the underlying fund.</p> <p>Underlying Fund Objective: The fund aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit the average volatility per annum over rolling 5 year periods to 17%. There is no guarantee the objective will be achieved over any time period and the actual volatility, at any time, may be higher or lower than 17%. Capital invested is at risk.</p> | |
| Prudential potential reward and risk indicator 5 | | Prudential potential reward and risk indicator 5 | |
| <p>Our risk ratings are based on our expectation of future volatility (the chance of short-term fluctuations up and down in the value of a fund). They don't take into account other types of investment risks you may face such as the effects of inflation. We rate funds on a scale of 1-6 with 1 being the lowest risk rating and 6 being the highest. We regularly review our risk ratings and we may change them in the future.</p> | | | |
| Fund costs and charges | | Fund costs and charges | |
| AMC: | 1.60% | AMC: | 1.34% |
| Further Costs: | 0.99% | Further Costs: | 0.08% |
| Yearly Total: | 2.59% | Yearly Total Charge: | 1.42% |

We take an AMC (annual management charge) from each of the funds you invest in. Some funds also have Further Costs. Any charges will impact the overall performance of the fund. We may vary charges in future and they may be higher than they are now. Fund costs and charges above are correct as at 30 June 2020.