

Prudential MPAVCs

Video transcript

In this section, we look at when it comes to taking your Money Purchase Additional Voluntary Contributions, or **MPAVCs** with Prudential.

If you have a Prudential Money Purchase AVC pot, you have three options for these savings. First of all, you can leave your money invested with Prudential, and if you choose to do this, you do not have to take any action.

Secondly, you could switch your Prudential pot into the Investment Builder by requesting a voluntary switch. To do this, you'll have to complete a form that's available on the USS website. Or you can transfer your Prudential pot to another arrangement; for more information on this, you'll need to contact Prudential directly.

Note that if you do decide to move your pot out of the Prudential With-Profits Fund, it might be subject to a Market Value Reduction. This would reduce the value of your pot to reflect market conditions at the time you withdraw so the value of the cash you're taking out of the With-Profits Fund does not adversely impact the value of investments made by members who remain in the fund. To find out whether a Market Value Reduction would apply to you, you would need to contact Prudential.

You should speak to Prudential about any charges that might apply and any guarantees that you might lose by moving your investments out of Prudential. Also, if you want to move your savings out of Prudential then you must move the full amount. It's not possible to just move an element and leave some with Prudential.

USS does recommend seeking financial advice before you take any action regarding your investments, and to note your investments can go down as well as up, therefore the value of your pot is not guaranteed. You can visit the guidance and financial advice page on the USS website for a range of resources to support you, along with information on support sources for free, impartial guidance and how to find a regulated financial adviser.

When you come to take your savings from Prudential, if you've still got savings with Prudential, you must take 100% of them, or leave them invested. The first option is to take your Money Purchase AVCs from Prudential alongside your Retirement Income Builder benefits. But as well as using your savings as an additional lump sum, you've also got the option to buy extra pension in the Retirement Income Builder.

Now this is not something that you can do with your Investment Builder savings. Just to note though, any Money Purchase AVCs with Prudential that are switched into the Investment Builder are identified

separately. So the option to buy extra pension with the savings remains available whether you leave the monies in Prudential until the retirement date, or switch them into the Investment Builder prior to your retirement date.

If you want to have a bit more flexibility, like taking some of your savings as cash sums, you will need to switch all your Money Purchase AVCs into the Investment Builder, or you could transfer your savings to another provider outside of USS to access other ways of using your savings.

Finally, you could leave your Prudential Money Purchase AVCs with Prudential until you're ready to take them. But if you do leave them with Prudential, if at the point you want to take your savings and you've already taken your Retirement Income Builder benefits, you would need to switch all of your Prudential savings to the Investment Builder or transfer to another provider to access them. Or you could just leave your savings in Prudential to pass to your beneficiaries after your death.