

15 December 2023

Dear Investor

### Closure of the M&G Property Portfolio

**This letter has been sent to you because you are invested in the above fund. We recommend that you read it, along with the enclosed documentation, carefully.**

We wrote to you on 19 October 2023 to advise you of the suspension of the M&G Property Portfolio (the “Fund”) and of our intention to seek regulatory approval to close the Fund. I can now confirm that we have completed the required regulatory process, and we will therefore commence the termination of the Fund on Friday 29 December 2023.

#### Why is M&G closing the Fund?

Property funds have been less popular with investors over the last few years. Investors have sold their holdings, and the Fund is smaller. We believe withdrawals from the Fund are likely to continue, and there is a risk this may accelerate in the future. As the Fund reduces in size, it becomes necessary to sell some of its larger properties and buy smaller ones. Doing this will incur high transaction costs which will negatively impact the performance of the Fund.

As we believe that the Fund will continue to reduce in size, after considering a number of options, we have decided that it is in the best interests of investors to close the Fund as soon as practicable to allow for an orderly disposal of the Fund’s assets and to return the proceeds to investors.

#### What do I need to do?

The options available to you are detailed in the enclosed brochure. The brochure also provides details on how we’ll be returning proceeds to investors, along with answers to the most commonly asked questions. You should read this brochure carefully before sending your instructions.

- For shares held **within The M&G ISA or The M&G Junior ISA**, find out about your options on **page 4**.
- For shares held **outside of The M&G ISA or The M&G Junior ISA**, find out about your options on **page 6**.

You can then use the enclosed Option Form(s) to **give us your instructions**. Either return the Form(s) in the reply-paid envelope provided or use our Document Upload facility – please see details on page 7 of the brochure, under “How can I give my instructions?”

**We must receive your instructions before Friday 19 January 2024 for us to apply them when we make the first payment of proceeds to investors.**

continued overleaf

### What if I don't do anything?

- **Investments held in The M&G ISA or The M&G Junior ISA**

Every time a payment occurs, we will automatically switch your share of the proceeds into the M&G Short Dated Corporate Bond Fund to preserve your investment's ISA tax-efficient status. For further details, please see page 4 of the brochure.

- **Investments held outside of The M&G ISA or The M&G Junior ISA**

We will send the proceeds of your investments to you every time a payment occurs, either by cheque or direct to your nominated bank account. For further details, please see page 6 of the brochure.

### For more information

If you have any questions about the closure of the Fund, please contact our **Customer Relations** team by calling **0800 390 390**. The team is available from 08:00 to 18:00, Monday to Friday, and from 09:00 to 13:00 on Saturday. To help us deal with your enquiry as quickly as possible please have your M&G client reference when calling us. For your security and to improve the quality of our service, calls may be recorded.

Please be aware that we are not in a position to give you investment advice. If you are uncertain as to how the changes may affect you, you should consult a financial adviser. You can find information on how to access financial advice on our website [www.mandg.co.uk/getfinancialadvice](http://www.mandg.co.uk/getfinancialadvice)

Yours faithfully



Laurence Mumford  
Director  
M&G Securities Limited

# Important information relating to the closure of the M&G Property Portfolio

If you are in any doubt as to the action to be taken please call our **Customer Relations** team free on **0800 390 390** or consult your **financial adviser**, if you have one, immediately.

**Your options and answers to questions you may have about the closure**



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## Key information

Action	Date
Commencement of closure of the M&G Property Portfolio	Friday 29 December 2023
Cut-off point for receiving any switch or withdrawal instructions for first payment to investors	Friday 19 January 2024
First payment to be made	Thursday 8 February 2024
Cut-off point for receiving any switch or withdrawal instructions before subsequent payments	14 business days before each payment

### Why is M&G closing the M&G Property Portfolio?

The M&G Property Portfolio (the “Fund”) aims to provide investors with a total return (the combination of capital growth and income) through investment in UK commercial property, whilst allowing them to manage their investment on a daily basis. Property funds have been less popular with investors over the last few years. Investors have sold their holdings, and the Fund is smaller. We believe withdrawals from the Fund are likely to continue, and there is a risk this may accelerate in the future. As the Fund reduces in size, it becomes necessary to sell some of its larger properties and buy smaller ones. Doing this will incur high transaction costs which will negatively impact the performance of the Fund.

As we believe that the Fund will continue to reduce in size, after considering a number of options, we have decided that it is in the best interests of investors to close the Fund as soon as practicable to allow for an orderly disposal of the Fund’s assets and to return the proceeds to investors.

### What happens next?

We will commence the closure of the Fund on Friday 29 December 2023 (the “Effective Date”). We intend to pay the available cash held in the Fund on a pro-rata basis with an initial payment to investors on or around Thursday 8 February 2024 . (Note that we will need to retain some cash to deal with the daily running of the Fund, such as property maintenance and operating costs.)

However, properties typically take some time to sell, so the proceeds of the remaining assets won’t be immediately available on the Effective Date. The fund manager will therefore initiate an orderly sale of the Fund’s properties from the Effective Date, seeking to achieve fair market prices for investors. We intend to make further payments as asset sales are completed, and anticipate these payments to take place on a quarterly basis. Note however, that if the amount of cash raised from the sale of assets during a specific quarterly period is not sufficient to make a material payment, then any cash held by the Fund will be carried forward with a view to making a payment as soon as practicable. We currently believe that between £40m and £50m will need to be raised in cash for a material payment to be made. We will keep this figure under review and keep you updated via our website

[www.mandg.com/propertyclosure](http://www.mandg.com/propertyclosure)

Based on the current market environment, we expect it will take approximately 18 months for the majority of the portfolio to be sold, although there is no guarantee that this can be achieved within this timeframe. There may also be some properties in the Fund’s portfolio that will take longer to sell. Once all the assets in the Fund have been sold, the closure of the Fund will be finalised.

We will keep you updated on the progress of the sales via our website [www.mandg.com/propertyclosure](http://www.mandg.com/propertyclosure)

Fund reports and updates will continue to be produced until the Fund closes.

### What are the options for Shareholders?

The different options available to you are outlined in the following pages, and depend on whether you hold your shares inside or outside The M&G ISA or The M&G Junior ISA. Please read the information carefully and send us your instructions using the Instruction Form(s) provided.

Please note that we need to receive your instructions no later than **Friday 19 January 2024** in order to implement them for the first payment.

**If you do not send us any instructions, what will happen to your investment will depend on whether you hold your shares inside or outside The M&G ISA or The M&G Junior ISA. We have highlighted differences for ISA and Junior ISA Shareholders where applicable.**

### Important information

All stated tax implications are based on our current understanding of UK tax legislation and will depend on your personal tax status. If you are in any doubt as to your own position in regard to this issue, you should consult a tax adviser or financial adviser.

## Your options

### Shares held within The M&G ISA or The M&G Junior ISA

**Please note: Option IV below (“receive payments as cash”) is not available to investors in The M&G Junior ISA; all other information and options given below apply to both The M&G ISA and The M&G Junior ISA.**

Whichever option you choose from below, the outcome will be completed in phases as and when the Fund makes payments from the proceeds of sales as part of the Fund’s closure process. You can change your mind and provide alternative instructions at any point in the closure process (see “What if I change my mind?” section on page 8) otherwise the original instructions you provide will apply to all payments made by the Fund as part of its closure.

If you choose to withdraw your investment and receive a cash payment from The M&G ISA, you will lose the tax-efficient ISA status associated with your holding. However, switching your investment to another fund or funds within The M&G ISA or The M&G Junior ISA, or transferring your holding to another ISA or Junior ISA manager would maintain its tax-efficient status. To maintain your tax-efficient status, you should choose from Options I, II or III below.

#### **Option I: switch to the M&G Short Dated Corporate Bond Fund (the default option – no action required)**

This option ensures that any investors in The M&G ISA and The M&G Junior ISA who do not send instructions to us by **Friday 19 January 2024** can retain the tax advantages attached to their investment. To that end, every time a payment takes place, the proceeds will be used automatically to purchase equivalent shares in the ‘default’ fund within The M&G ISA or The M&G Junior ISA: the M&G Short Dated Corporate Bond Fund.

M&G doesn’t offer another fund that invests directly in ‘bricks and mortar’ property within The M&G ISA or The M&G Junior ISA. We have selected the M&G Short Dated Corporate Bond Fund as it’s at the lower end of the risk spectrum in our range of funds and, like the Fund, distributes income quarterly. The annual charge (which forms part of the Ongoing Charge figure) for the M&G Short Dated Corporate Bond Fund is also lower than the Fund’s annual charge. However, you should note that being at the lower end of the risk spectrum does not mean it is risk free and the value of an investment in the M&G Short Dated Corporate Bond Fund may fall as well as rise.

The M&G Short Dated Corporate Bond Fund aims to provide a combination of capital growth and income through investment in investment grade fixed income securities. These are issued by a government or company with a medium or high credit rating from a recognised credit rating agency. They are considered to be at lower risk of default than those issued by issuers with lower credit ratings. Default means that a borrower is unable to meet interest payments or repay the initial investment amount at the end of a security’s life.

If you wish to remain invested in a property strategy similar to the one run by the Fund, this may be available from other investment managers – Option III below provides details on how to transfer your investment to another manager without losing its ISA status.

You can find more information on the M&G Short Dated Corporate Bond Fund in the enclosed Key Investor Information Document(s) (KIIDs). If you wish to switch your holding to this fund, you do not need to do anything. The

first switch into the M&G Short Dated Corporate Bond Fund will take place on Thursday 8 February 2024, and further switches will be made into this fund every time a payment occurs, unless you amend your instructions at least **14 business days** before the payment is due to take place. We will send you confirmation of your new holding(s) within three days of each switch being made.

Your investment will retain its tax-efficient status and the transaction will not incur any charges. Once your first payment is switched into the M&G Short Dated Corporate Bond Fund, you will be able to make changes to your investment in that fund from Friday 9 February 2024, subject to our usual Terms and Conditions.

**Option II: switch to an alternative M&G fund(s) within The M&G ISA and The M&G Junior ISA – please complete the enclosed Instruction Form**

You can choose to switch your investment to another fund or funds within The M&G ISA and The M&G Junior ISA. The first switch into the fund(s) of your choosing will take place on Thursday 8 February 2024, and further switches will be made into this/these fund(s) every time a payment is made, unless you amend your instructions at least **14 business days** before the payment is due to take place.

Information on our full range of funds can be found at [www.mandg.co.uk/funds](http://www.mandg.co.uk/funds) or by contacting our **Customer Relations** team. Before selecting this option, you must read the relevant Key Investor Information Document (KIID) for your chosen fund(s), along with the Important Information for Investors document, which will provide you with details of share classes that are available for investment, and minimum investment limits associated with those share classes.

In order for a switch to be made when the first payment takes place, your instructions must reach us before **Friday 19 January 2024**. You can instruct us by completing the enclosed Instruction Form, selecting **Option II**. You can either send the form to us using the reply-paid envelope, or use our Document Upload facility through My Account – details for this can be found on “How can I give my instructions?” on page 7. We are not permitted to provide investment advice, but we are happy to talk you through the various options. Alternatively, please contact a financial adviser.

We will send you confirmation of your new holding(s) in your chosen fund(s) every time a switch has taken place.

Switching to other funds within The M&G ISA or The M&G Junior ISA range will mean your investment will retain its tax-efficient status and the transaction will not incur any charges. If you need investment advice before making a decision, please contact a financial adviser.

**Option III: transfer your ISA or Junior ISA investment to another manager – you may need to complete the enclosed Instruction Form**

You may transfer your investment to another ISA/Junior ISA manager – this will maintain its tax-efficient status.

To initiate your ISA transfer, you will need to contact your chosen ISA manager in the first instance. As your holding will need to be transferred through a number of payments and over a period of time, you will need to confirm with them that they can do this. They will then be responsible for arranging the transfer on your behalf. Once we have received the fully completed ISA transfer form from your new ISA manager, we will begin transferring your ISA to them.

Additionally, in order for such a transfer to take place, the proceeds from your investment in the Fund will first need to be invested in another M&G fund. In order to do this, you can either:

- allow your investment to be switched by default into the M&G Short Dated Corporate Bond Fund as per Option I above; the transfer to your chosen ISA manager will take place once we receive their instructions; or
- choose a different M&G fund(s) to switch into using the enclosed Instruction Form, selecting Option II; the transfer to your chosen ISA or Junior ISA manager will take place once we receive their instructions.

Note that the investment will only be transferred when we receive instructions from your chosen ISA or Junior ISA manager.

If you transfer your holding to a new manager, you will not be charged for the transfer by M&G but your new ISA manager may levy a charge. Please note that if you choose to transfer your M&G ISA or M&G Junior ISA to another manager your monies may not be invested for a period of time.

#### **Option IV: receive payments as cash (not available to investors in The M&G Junior ISA) – please complete the enclosed Instruction Form**

**Please note that choosing this option would result in the loss of the tax-efficient ISA status associated with your holding.**

If you would like to receive the proceeds in cash every time a payment takes place, you will need to complete and return the enclosed Instruction Form, selecting **Option IV**. We will send you the relevant proportion of your investment in the Fund every time a payment takes place. You will be sent your proceeds within three business days of a payment taking place, with the first proceeds issued to you no later than Tuesday 13 February 2024. We will continue to pay proceeds to you every time a payment is made unless you amend your instructions at least **14 business days** before the next payment is due to take place.

If we don't hold bank or building society account details for you, the payments will be made by cheque. If you wish to receive them into a bank or building society account instead, please complete and return the "Bank Account Verification" form using the reply-paid envelope provided. If you are also returning an Instruction Form, please send both forms together.

For your protection, and to minimise the risk of financial crime, we are required by law to verify the identity of all our customers. If we have not been able to verify your identity we will not be able to release the proceeds of the sale of your holding to you and will need to contact you to obtain verification.

#### **The default option on Fund closure**

If we have not received instructions from you by **Friday 19 January 2024** we will automatically use your share of the first payment to buy Shares in the M&G Short Dated Corporate Bond Fund as described in Option I on page 4, and unless we receive alternative instructions from you we will do this every time a payment takes place. Your investment will retain its tax-efficient status and the transaction will not incur any charges.

### **Shares held outside of The M&G ISA or The M&G Junior ISA**

Whichever option you choose from below, the outcome will be completed in phases as and when the Fund makes payments from the proceeds of property sales as part of the Fund's closure process. You can change your mind and provide alternative instructions at any point in the closure process (see "What if I change my mind?" section on page 8) otherwise the original instructions you provide will apply to all payments made by the Fund as part of its closure.

#### **Option A: receive payments as cash – (the default option – no action required)**

If we don't receive any instructions from you, we will send you the relevant proportion of your investment in the Fund every time a payment takes place. Proceeds will be paid to you within three business days of a payment taking place, with the first proceeds issued to you no later than Tuesday 13 February 2024. We will continue to pay proceeds to you every time a payment is made unless you amend your instructions at least **14 business days** before the next payment is due to take place.

If we don't hold bank or building society account details for you, the payments will be made by cheque. If you wish to receive them into a bank or building society account instead, please complete and return the "Bank Account Verification" form using the reply-paid envelope provided. If you are also returning an Instruction Form, please send both forms together.

For your protection, and to minimise the risk of financial crime, we are required by law to verify the identity of all our customers. If we have not been able to verify your identity we will not be able to release the proceeds of the sale of your holding to you and will need to contact you to obtain verification.



## Option B: switch to an alternative M&G fund – please complete the enclosed Instruction Form

You can choose to switch your investment to another fund or funds from M&G's Open-Ended Investment Company (OEIC) range. The first switch into the fund(s) of your choosing will take place on Thursday 8 February 2024, and further switches will be made into this/these fund(s) every time a payment is made, unless you amend your instructions at least **14 business days** before the next payment is due to take place.

Information on our full range of funds can be found at [www.mandg.co.uk/funds](http://www.mandg.co.uk/funds) or by contacting our **Customer Relations** team. Before selecting this option, you must read the relevant Key Investor Information Document (KIID) for your chosen fund(s), along with the Important Information for Investors document, which will provide you with details of share classes that are available for investment, and minimum investment limits associated with those share classes.

In order for a switch to be made when the first payment takes place, your instructions must reach us before Friday 19 January 2024. You can instruct us by completing the enclosed Instruction Form, selecting **Option B**. You can either send the form to us using the reply-paid envelope, or use our Document Upload facility through My Account – details for this can be found on “How can I give my instructions?” below. We are not permitted to provide investment advice, but we are happy to talk you through the various options. Alternatively, please contact a financial adviser.

We will send you confirmation of your new holding(s) in your chosen fund(s) every time a switch has taken place.

### Tax consequences

Please be aware both Options A and B set out above will be deemed a disposal of your shares in the Fund for capital gains tax (CGT) purposes and may give rise to a CGT liability every time a payment is made. This will depend upon your individual circumstances. If you are in any doubt as to the taxation consequences of your action you should contact a tax adviser or financial adviser.

## Your questions answered

We realise that you may have some questions on the closure of the Fund and what your options are. With this in mind we have set out to answer the most commonly asked questions. If you have any further questions, please do not hesitate to contact our **Customer Relations** team using the contact details on the back cover. We will also publish regular updates on the progress of the closure on our website [www.mandg.com/propertyclosure](http://www.mandg.com/propertyclosure)

Please be aware that we are not in a position to give you investment or tax advice, so if you are uncertain as to how to proceed, you should consult a financial adviser. You can find Information on how to access financial advice on our website [www.mandg.co.uk/getfinancialadvice](http://www.mandg.co.uk/getfinancialadvice)

### Giving your instructions

#### Q. How can I give my instructions?

You can use the enclosed Instruction Form(s) to provide your instructions. Either:

- return the form(s) in the reply-paid envelope provided to The M&G Group, PO Box 9039, Chelmsford, Essex, CM99 2XG, or
- use our Document Upload facility available through My Account. Once logged in, go to the Help Centre via the left-hand menu, then click on the coral/orange ‘Help&Upload’ button on the bottom left of the screen. The Help Centre article ‘Can I send documents electronically when I am logged into My Account?’ will provide you with the steps to follow. You will need to use access code PP2023 for your upload.

If you are not registered for My Account, please visit [www.myaccount.mandg.com](http://www.myaccount.mandg.com) and select the ‘Help&Upload’ coral/orange button in the bottom left hand corner of the screen. Select ‘Document Upload Facility’. The access code required is PP2023.

If you are instructing us to switch your investment to an alternative M&G fund, please ensure that you have read the KIID(s) for the fund(s) you have chosen. For free up-to-date copies of the KIIDs please visit [www.mandg.co.uk/kiids](http://www.mandg.co.uk/kiids) or call our **Customer Relations** team.

Please note that in order for your instructions to be valid when the first payment takes place, we need to receive your instructions by **Friday 19 January 2024**. For subsequent payments, instructions must reach us at least **14 business days** before a payment takes place for them to be applied to that payment.

#### **Q. What if I don't do anything?**

What happens will depend on whether you hold your investment in the Fund inside or outside of The M&G ISA or The M&G Junior ISA. Please refer to the 'default' option relevant to you on pages 4 and 6.

#### **Q. What if I change my mind?**

You can change your mind and provide alternative instructions at any point in the closure process. You can do this by completing and returning a new Instruction Form, available on our website at [www.mandg.com/propertyclosure](http://www.mandg.com/propertyclosure)

Please note that we need to receive any change of instruction at least **14 business days** before a payment takes place in order for it to be applied to that payment.

Please also note that any change of instruction will apply to future proceeds only and will not affect switches or payments that have already been made in line with your previous instructions.

#### **Q. Can I sell or switch my investment before the first payment, or in between payments?**

No. As the Fund has begun its closure, switches or sales will only occur when a payment takes place.

### **If you are switching to another M&G fund**

#### **Q. Do I have to switch to the M&G Short Dated Corporate Bond Fund?**

No. We have provided information about this fund as it is the 'default' fund which we have selected for The M&G ISA and The M&G Junior ISA Shareholders who do not provide us with any instructions. However you are welcome to select any other fund(s) in our range. Please ensure that you have read the KIID(s) for the fund(s) you have chosen. For further information on our full range of funds, including free up-to-date copies of the KIIDs, please visit [www.mandg.co.uk/funds](http://www.mandg.co.uk/funds) or call our **Customer Relations** team on **0800 390 390**. We are not permitted to provide investment advice, but we are happy to talk you through the various options. Alternatively, please contact a financial adviser.

#### **Q. Will I hold the same number of shares?**

When switching to another fund or funds, you will not receive the same number of shares. The proceeds from each payment will be used to buy new shares in your chosen fund(s), based on the published price of that/those fund(s) on the day of each payment.

#### **Q. Will I hold shares of the same class and type?**

- If you switch into the M&G Short Dated Corporate Bond Fund as part of the 'default' option for investors in The M&G ISA and The M&G Junior ISA (see page 4)
  - Sterling Class R Shares aren't available in the M&G Short Dated Corporate Bond Fund. Sterling Class R Shareholders in the Fund will therefore receive Sterling Class A Shares of the same type (income or accumulation) in the M&G Short Dated Corporate Bond Fund.
  - All other Shareholders will receive shares of the same class and type as they currently hold in the Fund. We have enclosed an M&G Short Dated Corporate Bond Fund KIID for the share class(es) you may switch into.
- If you switch into a different fund (see page 5)

You will be able to choose a share class and type from those available in the fund you have selected. Please ensure that you have read the relevant KIID(s) for the fund(s) you have chosen. For free up-to-date copies of the KIIDs please visit [www.mandg.co.uk/kiids](http://www.mandg.co.uk/kiids) or call our **Customer Relations** team.

**Q. Will the investment retain its tax-efficient status?**

If you hold shares in the Fund through The M&G ISA or The M&G Junior ISA and choose Options I, II or III, then the investment will retain its tax efficiency.

**Q. What will happen to my income instructions?**

If you switch to income shares in another M&G fund, your existing income instructions will remain in force. However, if you already are a shareholder in the fund you are switching into, your existing income instruction for the fund you are switching into will take precedence.

**Your investment****Q: What are you doing to return proceeds to investors as quickly as possible?**

The Fund will sell assets as quickly as it can but in an orderly manner to achieve fair market prices and return money to investors.

**Q: How quickly will I get my money back?**

The first payment to investors will take place on Thursday 8 February 2024, and investors who have chosen to receive cash will be issued their first proceeds no later than Tuesday 13 February 2024. How quickly you get the rest of your investment will depend on how quickly the properties held in the Fund are sold. In the current market conditions, we anticipate selling the majority of the portfolio within 18 months, although there may be some properties in the Fund's portfolio that will take longer to sell.

After the first payment, depending on the progress of the sales programme, we anticipate allocating payments to investors on a quarterly basis. We will keep you fully informed if and when we make these payments on our website at [www.mandg.com/propertyclosure](http://www.mandg.com/propertyclosure)

**Q: At what share price will I switch/sell my shares in the Fund?**

The switch or sale of your shares in the Fund will happen in a number of phases. All transactions will use the share price on the date the transaction takes place. As each switch/sale will take place at a different date, it is likely that each switch/sale will use a different share price. We will send you a confirmation each time we sell your shares and each time you switch money to another fund which will inform you of the share price that was used.

**Q: How will I be notified about payments taking place?**

We will keep customers informed on the progress of the closure via our website at [www.mandg.com/propertyclosure](http://www.mandg.com/propertyclosure) including when we make payments. We anticipate making payments quarterly, but it will depend on the progress of the overall sales programme.

You will also receive a contract note with the details of your switch/sale every time a payment takes place.

**Q: Does the closure affect my other investments with M&G?**

No – it does not affect any other investment(s) you have with us.

**Q. I invest by Direct Debit. What will happen to that?**

Dealing in the Fund was permanently suspended on 19 October 2023 and it has therefore not been possible to purchase any shares in the Fund after that date, by Direct Debit or otherwise. Direct Debit payments in the Fund were therefore cancelled after the date of the suspension.

If you currently also invest by Direct Debit in any other M&G fund(s), these payments will not be affected, but your total Direct Debit payments will be reduced by the amount you were investing in the Fund each month.

**Q: Will the Fund continue to distribute income?**

Yes. The Fund will continue to pay income to shareholders on the usual payment dates.

**Q: Will the value of my income distributions be affected?**

The amount of income paid largely depends on the rental income received from tenants who occupy the properties owned by the Fund. As property sales are completed, the rental income will reduce accordingly and therefore distribution payments are likely to reduce in value.

**Q: Will the Fund earn any interest on the cash it holds, and what will happen to that?**

Any interest earned on cash held by the Fund will form part of the income payments to customers.

**Q: What happens if I have previously chosen to reinvest income to buy additional shares in the Fund?**

As all dealing in the Fund has now ceased, it is not possible to reinvest income payments to purchase further shares. Any income available to distribute from the Fund will be paid to all investors by cheque or directly to your bank on the usual income payment dates.

If you currently reinvest income you can provide your bank or building society account details to have future payments credited directly to your account. Please complete and return the enclosed "Request for Income Payments by Direct Credit" form. If you are also returning an Instruction Form, please send both forms together.

The value of income relating to Accumulation Shares will continue to be reflected in the price of the underlying shares.

**Q: Will I still receive statements?**

Statements will continue to be issued in the usual way.

**Q: How can I find out what the value of my investment in the fund is?**

You can find out the value of your investment by calling our **Customer Relations** team on **0800 390 390**. Alternatively, you can use our **My Account** service at [www.myaccount.mandg.com](http://www.myaccount.mandg.com) for an online valuation – you will need to register to use this service.

**Q: Can I convert my shares?**

No. We are unable to offer conversions of shares.

**Costs of the closure****Q. Will I be charged for the Fund closure?**

Administrative or publishing charges incurred in the closure of the Fund will be borne by M&G. Transaction and legal costs associated with selling the portfolio will be paid by the Fund. None of the options detailed above carry any associated charge from M&G.

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**ISA and Junior ISA Shareholders**

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If you transfer your holding to a new ISA/Junior ISA Manager, you will not be charged for the transfer by M&G, but your new ISA/Junior ISA Manager may levy a charge.

**Q. Will I pay more charges as the Fund reduces in size prior to its closure?**

When a fund reduces in size, investors may have to pay an increased share of any fixed costs associated with running the fund. However, the Fund's annual charge incorporates these fixed costs and will therefore not be impacted by the reduction in the Fund's size.

The Fund's annual charge doesn't include property operating expenses, or the Property Expense Ratio ("PER"). The PER includes costs associated with the operation of the properties held in the Fund, such as repairs and maintenance, insurance and letting costs. These will continue to be charged to the Fund during the termination period and will

fluctuate depending on the activity in the Fund's properties, particularly maintenance/refurbishment activity and the level of vacancies. Details of the most up-to-date PER can be found in the Fund's Report and Financial Statements.

## Tax information

### Q: Will I have to pay capital gains tax (CGT)?

Unless you hold all your shares in the Fund in The M&G ISA or The M&G Junior ISA, you may be liable for CGT, no matter which option you choose. This depends on your personal tax circumstances; please speak to a financial adviser or tax adviser if you are in any doubt.

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ISA and Junior ISA Shareholders

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Shares in an ISA or Junior ISA are not liable for CGT as a result of a switch or sale.

## Other

### Q: Where can I find up-to-date information on the progress of the closure?

Updates on the sales process and information about forthcoming payments will be available on our website at [www.mandg.com/propertyclosure](http://www.mandg.com/propertyclosure)

### Q: Will you still publish reports and accounts?

Yes. We will continue to publish the Interim Report and Unaudited Financial Statements, and the Annual Report and Audited Financial Statements. These documents will be made available in the usual way on the M&G website.

### Q: Will you publish any termination accounts and when will these be available?

We will publish termination accounts on our website within two months of the date termination is completed. Should termination not be completed before the end of any future annual accounting periods ending 30 September each year or half-yearly accounting periods ending 31 March each year, we would additionally publish on our website the financial statements within two months of the end of the half-yearly accounting periods and within four months of the end of the annual accounting periods.

If you would like to receive a paper copy of either report these will be available on request by calling our **Customer Relations** team on **0800 390 390**.

## Further information

If you have any further questions about the closure of the Fund, please contact our **Customer Relations** team by calling **0800 390 390**. The team is available from 08:00 to 18:00, Monday to Friday, and from 09:00 to 13:00 on Saturday. To help us deal with your enquiry as quickly as possible please have your M&G client reference when calling us. For your security and to improve the quality of our service, calls may be recorded.

Please be aware that we are not in a position to give you investment advice. If you are uncertain as to how to proceed, you should consult a financial adviser. You can find Information on how to access financial advice on our website [www.mandg.co.uk/getfinancialadvice](http://www.mandg.co.uk/getfinancialadvice)

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