

When an M&G investor dies

We have produced this guide to help those handling financial arrangements after an M&G investor has died.

We intend this guide to support, rather than replace, our personal service to you.

Information guide

Here to support you

You don't need to make any decisions about the M&G holdings until you are ready to, but this guide is designed to support you when you are. In addition, our bereavement team is available to answer any questions you may have and to guide you through the process.

To speak to one of our bereavement team, please call **0800 390 390** to arrange an appointment at a time of your convenience.

Over the course of this guide, we will take you through the three main steps you need to take following the death of an M&G investor.

Who is M&G?

Since the very beginning, our investors and their goals have been our focus. In 1931, we launched Britain's very first unit trust, giving every investor the opportunity to benefit from the growth potential of 'blue-chip' companies. So not only are we one of the country's most experienced investment managers, we also offer a level of fund management expertise rivalled by very few.

When it comes to managing your money, you are in experienced hands.

The value of the fund's assets will go down as well as up. This will cause the value of your investment to fall as well as rise and you may get back less than you originally invested.

Glossary

Accumulation shares A type of share where distributions are automatically reinvested and reflected in the value of the shares.

Asset Anything having commercial or exchange value that is owned by a business, institution or individual.

Distribution Distributions represent a share in the net income of the fund and are paid out to income shareholders or reinvested for accumulation shareholders at set times of the year (monthly, quarterly, half-yearly or annually). They may either be in the form of interest distributions or dividend distributions.

Income shares A type of share where distributions are paid out as cash on the payment date.

ISA The M&G Individual Savings Account (ISA) is a tax-efficient investment vehicle in which you can hold a range of M&G OEICs.

Open-Ended Investment Company (OEIC) A type of managed fund, whose value is directly linked to the value of the fund's underlying investments.

Savings Plan The M&G Savings Plan is designed to help you make regular investments in an M&G OEIC in an account outside of The M&G ISA.

Share class Each M&G fund has different share classes, such as A, I and R.

Valuation The worth of an asset or company based on its current price.

Step 1

Inform us of the death

While you can phone us to inform us of the investor's death, we also require written notification and the original death certificate so we can be sure we have recorded all the details accurately.

What to send us is detailed on **page 2**.

Step 2

Confirm who is responsible for distributing the estate

We need to confirm who has legal responsibility for distributing the investor's estate. Depending on the overall value of the investor's estate including their M&G investments we will either require a Grant of Representation or a Small Estates Form.

The documentation you'll need to send us is on **page 4**.

Step 3

Distribute the estate

Once you're ready, we'll accept the Executors' or Administrators' instructions and either transfer or sell the investments.

Your options are on **page 5**.

Information about Additional Permitted Subscription (APS) ISA allowance is on **page 10-11**.

Useful contacts is on **page 12**.

Contact us information is on the back cover.

How we use your personal information

We collect personal information from you that is necessary for us to provide you with the product or service you've requested and to comply with legal or contractual requirements.

We will use the information provided to confirm your identity and permanent residential address.

For a copy of our full Privacy Notice, please visit www.mandg.co.uk/privacynotice This gives further information about how and why we use your personal information, who we may share it with and your individual rights. Alternatively if you would like a hard-copy version please contact our [Customer Relations](#) team on 0800 390 390 or request in writing to M&G Securities Limited, PO Box 9039, Chelmsford, CM99 2XG or email info@mandg.co.uk

If you are not the named Executor/Personal Representative of this investment, or you are one of many, please ensure this information is passed to all relevant parties.

Step 1

Inform us of the investor's death

The death certificate

To ensure we have the correct details, we need to see the investor's original death certificate and receive a covering letter from you.

The covering letter should include:

- Deceased's full name
- Deceased's full address
- Deceased's date of birth
- Deceased's M&G client reference(s)
- Name and address of the individual sending the death certificate
- Address the death certificate should be returned to

Please send the original death certificate and covering letter to:

M&G Customer Relations
PO Box 9039
Chelmsford
CM99 2XG

Upon receipt of an original death certificate we will:

- Update our client records to acknowledge the investor has passed away. For sole holdings, this includes removing any financial adviser details
- Return the death certificate to the address provided. We will send the certificate by recorded delivery and by close of business the following working day
- For sole holdings, we will send you a valuation of the investments for probate purposes. The valuation will be taken as of the date the investor died

For queries regarding tax, please speak to a financial adviser or accountant as we are not able to offer tax advice.

What happens after we have received the death certificate

Once we have received the death certificate, our team will continue to manage the investments as before. Please remember that prices will go down as well as up and you may get back less than you originally invested.

During this time, we manage different investments in slightly different ways. So you're clear what's happening, we've outlined the processes below:

ISAs

1. We will update our client records to show that the investor has died.
2. If we have been collecting regular Direct Debit contributions we will stop these as soon as we have received the original death certificate.
3. We will no longer pay out distribution income, instead distributions will be reinvested until we have confirmed who is responsible for distributing the estate and received their instructions.
4. If the date of death is before 6 April 2018, the tax-efficient status of an ISA will be removed, however the underlying investments remain the same.
5. Where the date of death is on or after 6 April 2018, any ISAs held may remain open until the earlier of:
 - The ISA is closed; or
 - Three years after the date of death
6. Please contact us when you have:
 - Grant of Representation; or
 - A completed Small Estates Form*

For more information on Grant of Representation and Small Estates Form please see **page 4**.

Sole Accounts (OEIC or Savings Plan)

1. We will update our client records to show that the investor has died.
2. For any **M&G OEICs** where income shares are held and not reinvested, we will convert these to Accumulation shares.
3. Where Accumulation shares are held all distribution income will continue to be added daily within the fund's price.
4. If we have been collecting regular Direct Debit contributions we will stop these as soon as we have received the original death certificate, or the bank notifies us that the bank account is closed.
5. Please contact us when you have:
 - Grant of Representation; or
 - A completed Small Estates Form*

For more information on Grant of Representation and Small Estates Form please see **page 4**.

Joint Accounts (OEIC or Savings Plan)

1. The holding will be transferred to the remaining client(s) without need for further documentation such as a Grant of Representation or Small Estates Form.
2. We will amend our client records to remove the deceased's name. The M&G client reference of the investment will not change.
3. A valuation of a joint investment is not automatically sent. If you require one please call us on **0800 390 390** to request one.
4. We will continue to collect any existing Direct Debits for **The M&G Savings Plan** as before, unless the bank account we are collecting from is in the name of the deceased investor. In this case, we will stop collecting Direct Debits as soon as we have received the original death certificate or the bank notifies us that the bank account is closed.
5. We will pay any distribution income as before, unless the receiving bank account is closed. If this is the case income payments will be held until we have received and verified bank account details for the remaining holder(s).
6. To replace the bank details for any closed accounts you'll need to complete and send us the following forms:
 - For Direct Debits: The M&G Savings Plan Direct Debit/Additional Contribution Form
 - For Income payments: Request for income payments by direct credit form.

*Please visit www.mandg.co.uk/literature or call our **Customer Relations** team on **0800 390 390** for the Small Estates Form.

Step 2

Confirm who is responsible for distributing the estate (Grant of Representation or Small Estates Form required)

Depending on the size of the estate, you'll need to arrange either a Grant of Representation (Grant of Probate or similar) or complete a Small Estates Form. The process flow below is designed to help you identify which documents you need to send us, and what to do next.

For ease where we state Grant of Representation, this should also be taken to mean a Grant of Probate, Letters of Administration, a Confirmation (for Scottish residents) or equivalent documents issued in other countries which have been resealed in England.

Please note

If the Grant of Representation was obtained abroad

If authority to act for the late investor was granted abroad (including the Channel Islands, Isle of Man and the Republic of Ireland), we'll need to discuss your specific situation with you, so please contact our [Customer Relations](#) team on 0800 390 390.

Inheritance Tax liabilities

As Inheritance Tax must be paid prior to a Grant of Representation being issued, we cannot send investment proceeds directly to HM Revenue & Customs (HMRC), instead we will send them to the Executors.

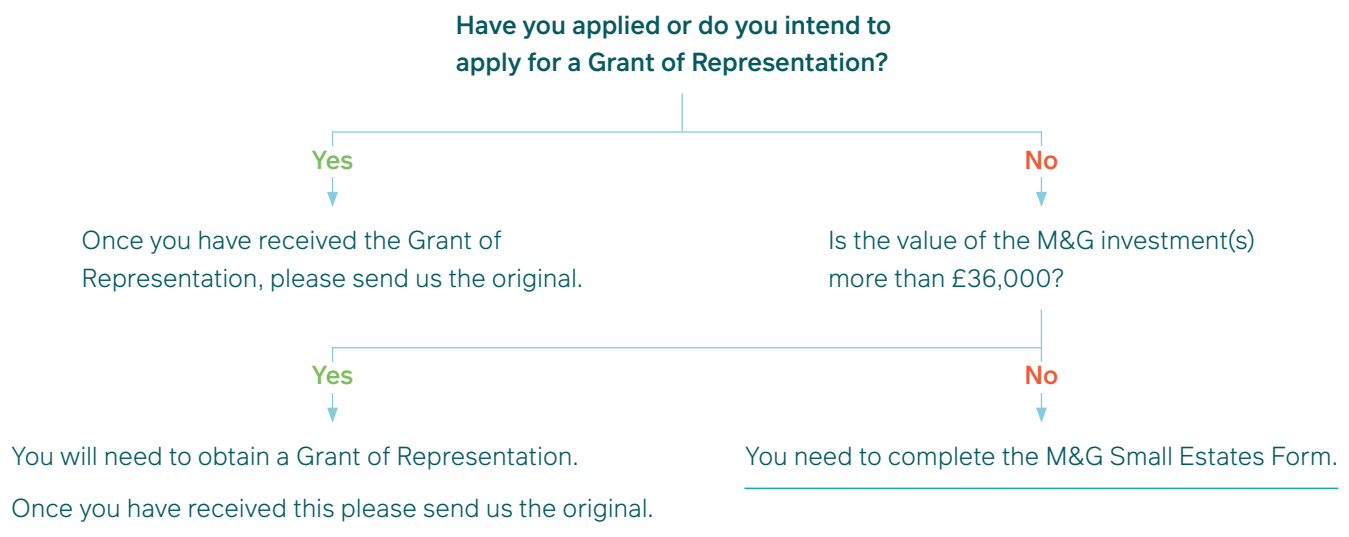
Verifying Your Identity

We are required to verify the identity of investors and beneficial owners in order to comply with UK anti-money laundering legislation. This involves obtaining independent documentary evidence confirming identity and permanent residential address.

In the case of an estate of a deceased person in the course of administration, the beneficial owner is the Executor, original or by representation, or administrator for the time being of deceased person.

Financial advisers

If a financial adviser has been assisting with the estate, and you'd like this to continue please send us a letter of authority signed by the Executors. Otherwise, once we've received the Grant of Representation or Small Estates Form we will only provide information about the investments to the Executors/people confirmed as responsible for distributing the estate.



Step 3

Distributing the Estate

Once the Executors/Personal Representatives' details have been confirmed either by the Grant of Representation or the Small Estates Form, and we have all the required documentation and verified their identity, we are then able to distribute the estate.

To do this, we'll need instructions on what you'd like to do. You're able to transfer or sell the investments or do a combination of both. We've outlined the options available to you below although you may find it easier to review the diagrams on [page 6-9](#).

Option 1 – Transfer OEIC or Savings Plan funds directly to Beneficiaries

To do this you'll need to send us the following forms:

1. Stock Transfer Form(s), one for each fund/share class to be transferred. Each Stock Transfer Form needs to be signed by all the Executors/Personal Representatives.
2. M&G OEIC/M&G Savings Plan Application Form, which needs to be completed by the Beneficiary/New Investor.

See Option 1 process flow on [page 6](#) for full details of the steps involved.

Option 2 – Sell and reinvest into an M&G ISA

To sell and reinvest the estate, we'll need either:

- A Withdrawal Form completed and signed by all Executors/Personal Representatives
- **OR** a letter dated and signed by all Executors/Personal Representatives including:
 - Name of the deceased
 - Deceased's M&G client reference
 - Details of the shares to be sold, and from which funds

We also require an M&G ISA Application Form signed by the Beneficiary/New Investor.

See Option 2 process flow on [page 7](#) for full details of the steps involved.

Option 3 – Transfer or sell ISA(s) and reinvest into an M&G Additional Permitted Subscription (APS) ISA

If the surviving spouse or civil partner inherits some or all of the assets they can use these to invest into an M&G APS ISA, subject to their APS ISA allowance. To do this you'll need to send the following:

1. A letter of instruction signed by all Executors/Personal Representatives.
2. An M&G APS ISA Application Form completed by the spouse.

See Option 3 process flow on [page 8](#) for full details of the steps involved.

Further information about APS ISA's can be found on [page 10](#).

Option 4 – Sell the investment

To sell the investment we'll need either:

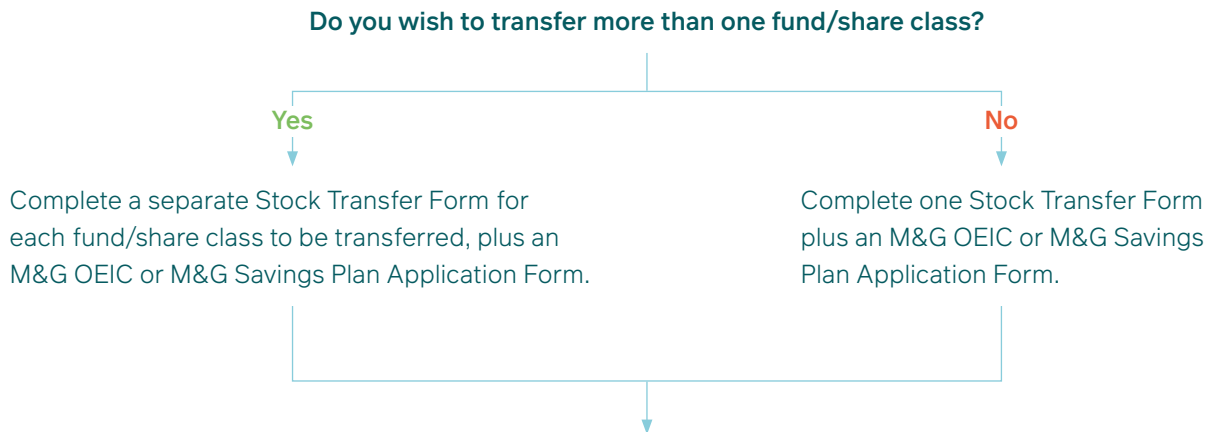
- A Withdrawal Form completed and signed by all Executors/Personal Representatives
- **OR** a letter dated and signed by all Executors/Personal Representatives including:
 - Name of the deceased
 - Deceased's M&G client reference
 - Details of the shares to be sold, and from which funds

See Option 4 process flow on [page 9](#) for full details of the steps involved.

Please visit www.mandg.co.uk/literature or call the Customer Relations team on 0800 390 390 to obtain these forms and additional details about our funds.

Option 1

Transfer OEIC or Savings Plan funds directly to Beneficiaries



The Stock Transfer Form(s) must be signed by the Executors/Personal Representatives as they have responsibility for the existing investment.

The M&G OEIC or M&G Savings Plan Application Form must be signed by the Beneficiary/New Investor.

The above mentioned forms together with the M&G Stock Transfer Guide can be requested by phoning our [Customer Relations](#) team on 0800 390 390. They can also provide the latest number of shares held as this often varies due to regular payments being made into the investment and/or income being reinvested. Alternatively, the guide and forms can be downloaded at www.mandg.co.uk/literature

If there are no queries with the forms received and we have all the required documentation and completed the verification of the Executors/Personal Representatives, we will transfer the fund(s) within five working days.

We will send the Beneficiary a welcome brochure and transfer confirmations.

We will send the Executors/Personal Representatives transfer confirmations.

Option 2

Sell and reinvest into an ISA

To instruct us to transfer the ISA, please send us a completed M&G Individual Savings Account (ISA) Application Form, with a covering letter including:

- the name of the deceased
- the M&G client reference (if known)
- details of the shares to be sold (how much and from which funds)
- dated signatures of all Executors/Personal Representatives.



The Letter must be signed and dated by the Executors/Personal Representatives as they are responsible for the existing investments.

The application form must be signed by the Beneficiary/New Investor.



If there are no queries with the letter and form received and we have all the required documentation and completed the verification of the Executors/Personal Representatives, the new investment will be in place within two working days.

We will send the Beneficiary a welcome brochure and the purchase confirmations.

We will send the Executors/Personal Representatives individual withdrawal confirmations.

Option 3

Transfer or sell ISA(s) and reinvest into an M&G APS ISA allowance

Confirm your APS ISA entitlement by completing a Request for the M&G Additional Permitted Subscription (APS) ISA Allowance Valuation.

This is separate from any other aspect of dealing with the deceased's estate so can be done before obtaining probate etc.

We will send confirmation to the spouse of their M&G APS ISA valuation as at the date of death within five working days.

Ready to use your APS ISA allowance?

Yes

No

Do you want to transfer the shares currently held in the deceased's ISA directly to the M&G APS ISA (subject to allowance)?

You may use your APS ISA allowance when you are ready, but please note it must be used within three years of the date of death or 180 days of completion of the estate, whichever is sooner.

Yes

No

We require a completed M&G APS ISA Application Form. Take care to complete section 3B – in specie in full. Both spouse and all Executors need to sign sections 3 and 7.

We require a letter of instruction plus a completed M&G APS ISA Application Form.

Executors

Instruct us to sell and reinvest in writing, making sure to include in your letter:

- name of the deceased
- deceased's M&G client reference (if known)
- details of the shares to be sold (how much, which funds) that you wish to invest as per the APS ISA Application Form
- all Executors/Personal Representatives to sign and date.

Spouse

Complete an M&G APS ISA Application Form.

Take care to complete section 3A – cash subscription.

Spouse to sign and date application.

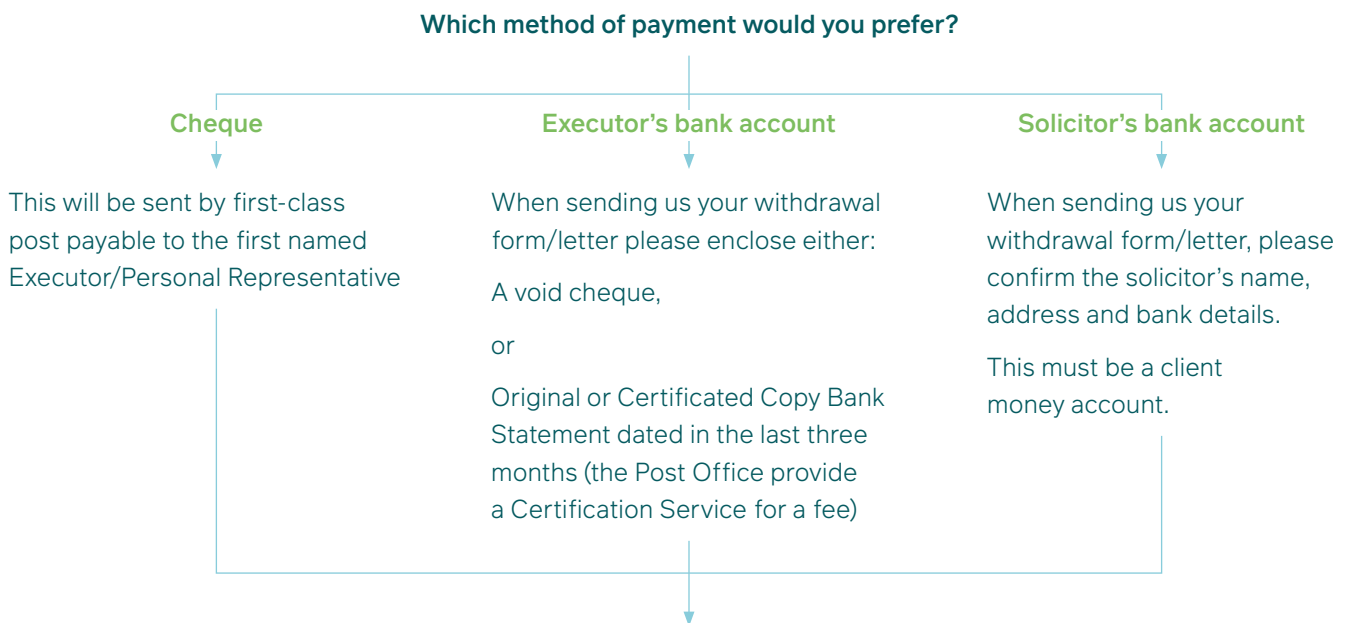
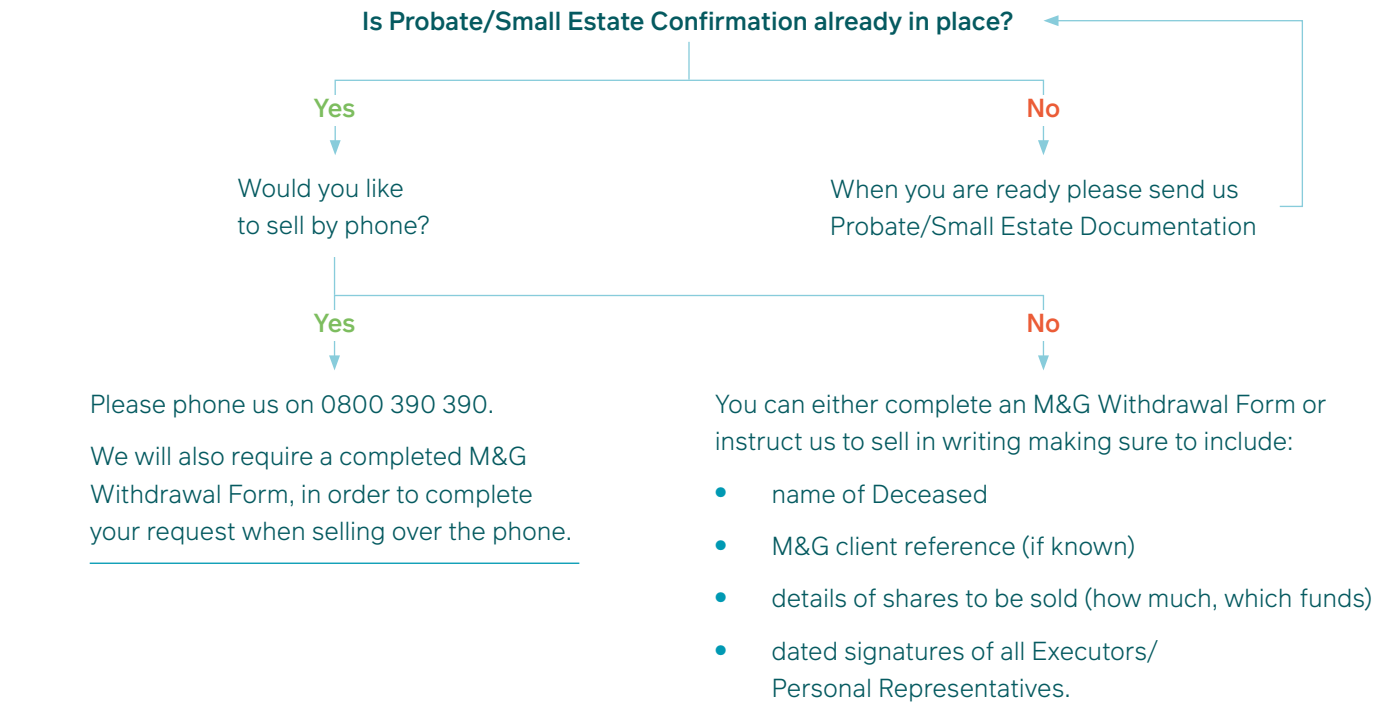
Please send the letter and application form together.

If there are no queries with the form received and we have verified the identity of the Executors/Personal Representatives, the new investment will be in place within five working days.

We will send the Beneficiary a welcome brochure and individual transfer confirmations.

We will send the Executors/Personal Representatives transfer confirmations.

Option 4 Sell the investment



We will sell the investment at the next available valuation point and send you confirmation of the withdrawal by post, by close of business on the following working day.

We may perform a check of each Executor's identity and address for anti-money laundering purposes; this will be carried out electronically where required.

Where this does not prove sufficient, we may write to the Executors to request additional documentation.

We will send the proceeds no later than three working days following receipt of a completed withdrawal form or once anti-money laundering checks have been satisfactorily completed.

Information about APS ISA allowance

What is an Additional Permitted Subscription (APS) ISA allowance?

If your spouse or civil partner held an Individual Savings Account (ISA) and died on or after 3 December 2014, you are able to inherit an additional ISA allowance called the Additional Permitted Subscription (APS) ISA allowance. This APS ISA allowance is in addition to your personal annual ISA allowance and you qualify for it regardless of whether you inherit the assets from your spouse or civil partner's ISA as cash or shares.

Who is eligible for an APS ISA allowance?

Most people with spouses or civil partners who held an ISA and who died on or after 3 December 2014 will be eligible for an APS ISA. The only reason you might not qualify is if you were not living with your spouse or civil partner when they died because you were separated under a court order or a deed of separation, or in circumstances where your marriage or civil partnership had broken down.

How long do APS ISA allowances last?

If investing cash, subscriptions can be made within three years of the date of death, or 180 days from completion of the administration of the estate, whichever is later.

If you inherit your spouse or civil partner's ISA you can transfer the investment directly into your APS ISA. You need to do this within 180 days of the ownership passing to you.

How much is the APS ISA allowance?

If your spouse or civil partner died between 3 December 2014 and 5 April 2018 the APS ISA allowance equals the value of the ISA(s) at the date of death.

If your spouse or civil partner died on or after 6 April 2018, the APS ISA allowance equals the higher of the value of the ISA(s) at the date of death or the value of the ISA(s) at the date the ISA(s) cease to be a continuing ISA (ISA closure or third anniversary after death). Please be aware that if you make an APS ISA payment (either in full or in part) or you transfer your APS ISA allowance before the ISA ceases to be a continuing account, your APS ISA allowance will be set as the date of death value. This is regardless of whether the value has risen or not on account closure.

Can I simply use my spouse or civil partner's M&G ISA to invest in an M&G APS ISA?

Yes, if you have inherited your spouse or civil partner's ISA. As long as the specific funds and share types already held in the M&G ISA are available within the M&G APS ISA a share transfer can take place. There will be no requirement to sell, and buy back the shares in the new product. An M&G APS ISA Application Form will need to be completed, with section 3 signed by the Executors and the remainder completed by you.

If your spouse or civil partner died between 3 December 2014 and 5 April 2018 HMRC require that the shares are valued on transfer and that this value is compared to the APS ISA allowance. If the value of shares transferred is greater than the APS allowance we will send you a cheque for the excess (values up to £500) or invest it in an M&G OEIC. If you'd like us to do something different, please include the details of this in a covering letter with your APS ISA Application Form.

If your spouse or civil partner died on or after 6 April 2018 you may transfer all of their ISA investment to an APS ISA, as the APS ISA allowance equals the higher of the value of the ISA at the date of death or the value of the ISA(s) at the date it ceases to be a continuing account.

What if my spouse/civil partner did not leave his/her ISA investments to me?

As the surviving spouse or civil partner, you are still eligible for the additional ISA allowance, even if you don't inherit the cash or shares held within the ISA. You can buy shares in M&G funds, within an APS ISA wrapper, using your own money.

I live outside the UK. Can I still use my APS allowance?

Yes. However, to comply with US law, we cannot accept investment from US residents into M&G funds. If you are a US resident, you will need to find another ISA Manager who is able to accept your investment and then transfer your allowance to that ISA Manager.

My spouse had several ISAs, each with a different ISA Manager. How will APS work for me?

You will have a separate APS ISA allowance for each ISA your spouse or civil partner held, depending on what each ISA was worth at the time he or she died or at the point the ISA ceases to be a continuing account. You can choose to keep each APS ISA allowance with the ISA Manager your spouse/civil partner chose, or you can consolidate some or all of the allowances with one ISA

Manager. There are a number of constraints that govern the transfer of APS ISA allowances which are important to consider:

- An APS ISA allowance can only be transferred to a new ISA Manager once, and only where no subscriptions have already been made under that APS ISA allowance with another ISA Manager
- It is not possible to cancel the transfer of an APS ISA allowance once the deceased's ISA manager has sent the APS ISA allowance transfer declaration
- Only the APS ISA allowance will be transferred and not the assets or cash

We recommend that you consult your financial adviser before requesting a transfer.

I'd like to consolidate all my APS ISA allowances into just one account with one ISA Manager. Can M&G do this?

Yes, we accept transfers in from other ISA Managers. If you want to transfer several APS ISA allowances to us, we'll combine their value to form one APS ISA allowance. Please call us to discuss this, if this is something you think you would like to do.

Will I be taxed on the sale of my spouse's ISA investment?

Everyone's individual tax position is different, and we are not able to provide financial or tax advice. Please speak to a financial adviser or accountant for advice specific to your situation. □

Useful contacts

Age UK

Email: contact@ageuk.org.uk

Website: www.ageuk.org.uk

Telephone: 0800 055 6112

If you live in Wales

Email: advice@agecymru.org.uk

Website: www.ageuk.org.uk/cymru

Telephone: 08000 223 444

If you live in Scotland

Email: helpline@agescotland.org.uk

Website: www.ageuk.org.uk/scotland

Telephone: 0800 12 44 222

If you live in Northern Ireland

Email: advice@ageni.org

Website: www.ageuk.org.uk/northern-ireland

Telephone: 0808 808 7575

Your local Citizens Advice

If you live in England and Wales

Website: www.citizensadvice.org.uk

Telephone: In England call 03444 111 444

In Wales call 03444 77 20 20

TextRelay users should call 03444 111 445

If you live in Scotland

Website: www.cas.org.uk

Telephone: 03454 04 05 06

If you live in Northern Ireland

Website: www.citizensadvice.org.uk/nireland

Telephone: 0800 028 1881

Cruse

Website: www.cruse.org.uk

Telephone: 0808 808 1677

Independent Financial Adviser (IFA)

Website: www.unbiased.co.uk

Money Matters

Email: advice@money mattersweb.co.uk

Website: www.money mattersweb.co.uk

Telephone: 0141 445 5221

Contact

You can contact our Customer Relations team in the following ways:



0800 390 390*

08:00 to 18:00, Monday to Friday

09:00 to 13:00 on Saturday



info@mandg.co.uk**



www.mandg.co.uk/info

Visit our website for the latest performance information, fund prices and literature.



M&G Customer Relations

PO Box 9039

Chelmsford

CM99 2XG

*For your protection calls may be monitored and recorded.

**Please note that information contained within an email cannot be guaranteed as secure. We advise that you do not include any sensitive information when corresponding with M&G in this way.