

Key product information for the Marks & Spencer UK 100 Companies Fund

Simplified Prospectus

- The Financial Services Authority is the independent financial services regulator. It requires us, Marks and Spencer Unit Trust Management Limited, to give you this important information to help you decide whether our UK 100 Companies Fund is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.
- It is important that you understand this stock market investment, in particular the risks involved. If you have any questions or do not understand anything you have read, please contact us.
- Please also read the documents entitled 'Unit Trust Funds - Important Information for Investors' and 'Stocks and Shares ISA Information' and the 'Stocks and Shares ISA Terms and Conditions'.

FUND MANAGEMENT

What is the objective of the Fund?

- The Fund objective is to provide long term capital growth by matching the performance of the FTSE[®] 100 Index as closely as practically possible.

What is the investment policy of the Fund?

- The Fund seeks to achieve this objective by replicating the FTSE[®] 100 Index. It will invest in the shares of companies that make up the FTSE[®] 100 Index. This means if a company's shares make up 5% of the index at any point in time, 5% of the Fund will be invested in that company's shares. The Fund may also invest in other types of investment that will assist the Fund achieve its objective.
- The Fund may use certain types of investment (e.g. futures and options) to reduce risk and costs, or to generate extra capital or income at no or low levels of risk. This is called Efficient Portfolio Management.
- Full details of the objective and investment policy of the Fund are contained in the Full Prospectus. Visit www.marksandspencer.com/unittrusts to view the Full Prospectus, or telephone us to obtain a copy.

Who manages my money?

- The investment adviser to the Fund is HSBC Global Asset Management (UK) Limited.

RISKS

Full details of the risks given below can be found in the Full Prospectus of the Fund.

Is my investment guaranteed?

- No. As with any investment where the underlying investments are stocks and shares, the price of units and the income from them can go down as well as up, and you may get back less than the amount originally invested. Investment in the Fund should be considered a medium to long term investment (5 years or more).

What are the specific risks of the UK 100 Companies Fund?

- The Fund invests in shares. Share prices go up or down, meaning you may get back less than you invested.
- Although your investment is spread across the 100 companies that make up the FTSE[®] 100 Index, some companies and/or sectors can grow so large that they make up a large percentage of the index which increases risk.
- The Fund will not track the FTSE[®] 100 Index exactly. In other words there will be a difference between the performance of the Fund and the FTSE[®] 100 Index.
- When the Fund buys shares there is a risk that the firm we have bought them from will not deliver the shares. Likewise when selling shares there is a risk that the firm we have sold them to will not deliver the cash.

What other risks should I be aware of?

- Past performance is no guarantee of future performance.
- If you apply to invest in the Fund following investment advice, you will have the right to cancel your application. If you exercise your right to cancel, the amount returned may be less than the amount you invested if there has been a downward movement in the stock market from the date of investment to the date your instruction to cancel was received.
- Inflation will reduce what you could buy in the future.
- The regulatory and taxation regime under which the Fund operates may change in the future.

TYPICAL INVESTOR

What type of investor is the Fund aimed at?

- The Fund is aimed at investors who are looking to build up capital by participating in a limited portfolio investing in the largest companies on the UK stock market. They will be willing to invest for a period of at least 5 years and are aware that returns are not guaranteed.

TAXATION

How is the Fund taxed?

- Capital gains made within the Fund are not liable to tax. Income received by the Fund, without tax deducted, is liable to Corporation Tax at a rate of 20% after allowing for Fund expenses.
- When you withdraw money from the Fund we have to buy your investments back from you. Stamp Duty Reserve Tax of up to 0.5% of the value of the investments we buy back is payable. Currently we do not pass this tax on to the investor when they buy or sell units; we pay it in full.

What tax will I pay?

Direct investment in the Fund (outside an ISA):

- Dividends distributed will have a tax credit of 10% attached to the payment. Non taxpayers cannot reclaim the 10% tax credit. Basic rate taxpayers will have no further tax liability. Higher rate taxpayers will have to pay an extra 22.5% tax, giving a total liability of 32.5% tax. The highest rate tax payers will have to pay an extra 32.5% tax giving a total tax liability of 42.5%
- If you make a gain when selling your investment you could be liable to capital gains tax. Individuals can make up to £10,600 worth of gains in the tax year 2011/2012 before they would be liable to capital gains tax.
- The rates and basis of taxation may change in the future.
- You should remember that the tax law applicable depends on your own personal situation and residency status.
- If you are unclear as to your tax position, you should seek professional advice or contact your local tax office for further information.

Tax advantages of a stocks and shares ISA:

- Stocks and shares ISAs are free from any personal liability to UK income tax and capital gains tax.
- The 10% tax credit on dividends distributed from the UK 100 Companies Fund cannot be reclaimed.
- The value of the stocks and shares ISA tax benefits depends on your own personal circumstances.
- The tax benefits of a stocks and shares ISA are subject to government legislation and may change in the future.

CHARGES AND EXPENSES

What charges will I pay?

Initial Charge

- There is no initial charge. Therefore there is no difference between the buying and selling price of units.

Annual Management Charge

- The annual management charge for the Fund (based on the Fund's net asset value) is 1.0%. It is calculated on a daily basis and deducted from the income of the Fund monthly, reducing the amount of income reinvested or paid out.

Fund Expenses

- Fund expenses are not deducted from the Fund, but are paid by Marks and Spencer Unit Trust Management Limited. These expenses include the Trustee, Auditors, Financial Services Authority, our fees for maintaining the register of investors, together with certain other fees and expenses (plus VAT if applicable) permitted by the regulations governing unit trust funds (these are set out in the Full Prospectus for the Fund).

Withdrawals

- No charge for withdrawing your investment.

EFFECT OF CHARGES TABLES

- The tables use a standard rate of growth of 6.0% for direct unit trust investment, and 7.0% for ISA investment. The figures in the tables are not guaranteed, but demonstrate the effect of the Fund's charges and expenses on an investment. The tables help you compare the charges for this Fund with other funds.
- Please note, the last row shows the amount of deductions in total by the 10th year, not the amount paid in the 10th year alone.
- The figures given in the 'Effect of deductions to date' column do not include dealing costs associated with the buying and selling of shares.

Direct Investment

Lump sum – investment of £1,000 directly into the Fund assuming a growth rate of 6.0% per year.

		Accumulation Units		Income Units		
At the end of year	Investment to date	Effect of deductions to date	What you might get back at 6.0%	Effect of deductions to date	Income	What you might get back at 6.0%
1	1,000.00	10.49	1,049.51	10.44	21.66	1,027.58
3		35.02	1,155.99	34.12	66.79	1,085.05
5		64.94	1,273.29	61.98	114.45	1,145.73
10		169.59	1,621.26	153.96	245.57	1,312.71

The last line of the table shows that over 10 years the effect of total charges and expenses could amount to £169.59 for accumulation units and £153.96 for income units.

Putting it another way, this would have the same effect as bringing investment growth from 6.0% a year down to 4.95% a year for accumulation units and 4.95% for income units.

Regular savings – investment of £50 per month, directly into the Fund assuming a growth rate of 6.0% per year.

		Accumulation Units	
At the end of year	Investment to date	Effect of deductions to date	What you might get back at 6.0%
1	600.00	3.36	615.97
3	1,800.00	30.78	1,940.91
5	3,000.00	90.93	3,400.27
10	6,000.00	433.42	7,729.79

The last line of the table shows that over 10 years the effect of total charges and expenses could amount to £433.42.

Putting it another way, this would have the same effect as bringing investment growth from 6.0% a year down to 4.94% a year.

ISA Investment

Lump sum – investment of £1,000 via a stocks and shares ISA assuming a growth rate of 7.0% per year.

Accumulation Units

At the end of year	Investment to date	Effect of deductions to date	What you might get back at 7.0%
1	1,000.00	10.65	1,059.35
3		36.22	1,188.82
5		68.43	1,334.12
10		187.27	1,779.88

The last line of the table shows that over 10 years the effect of total charges and expenses could amount to £187.27.

Putting it another way, this would have the same effect as bringing investment growth from 7.0% a year down to 5.93% a year.

Regular savings – investment of £50 per month via a stocks and shares ISA assuming a growth rate of 7.0% per year.

Accumulation Units

At the end of year	Investment to date	Effect of deductions to date	What you might get back at 7.0%
1	600.00	3.40	619.12
3	1,800.00	31.55	1,969.77
5	3,000.00	94.43	3,485.49
10	6,000.00	465.38	8,135.56

The last line of the table shows that over 10 years the effect of total charges and expenses could amount to £465.38.

Putting it another way, this would have the same effect as bringing investment growth from 7.0% a year down to 5.94% a year.

Total Expense Ratio

- The Total Expense Ratio measures the total annual charges and expenses of a fund. This ratio helps you to compare the annual charges and expenses of different funds.
- The Total Expense Ratio takes no account of the dealing costs incurred by the Fund when buying and selling shares for the Fund.
- The Total Expense Ratio of the Fund for the 12 month period ending 28 February 2011 is **1.04%**.

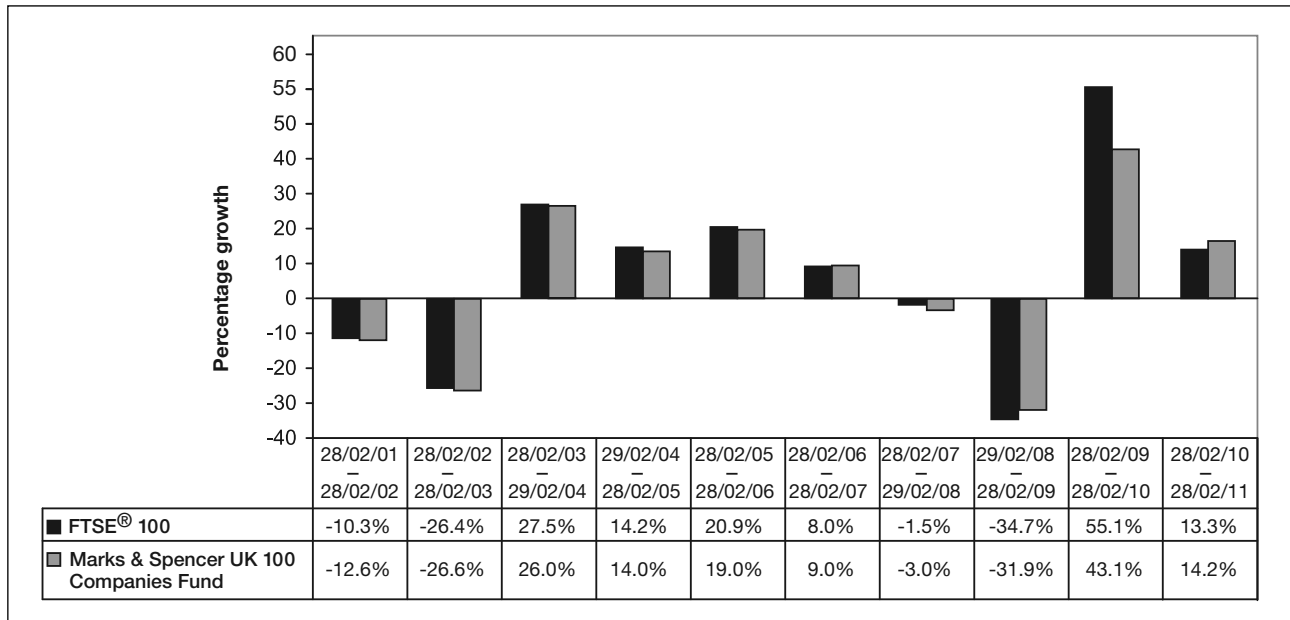
Portfolio Turnover Rate

- The Portfolio Turnover Rate of the Fund is the percentage of the Fund that has changed during the 12 month accounting period of the Fund as a result of buying and selling shares. The more shares the Fund buys and sells the higher the Portfolio Turnover Rate. A high Portfolio Turnover Rate will result in the Fund incurring more dealing costs than a fund with a lower Portfolio Turnover Rate.
- The Portfolio Turnover Rate of the Fund for the 12 month period ending 28 February 2011 is **6%**.

PAST PERFORMANCE INFORMATION

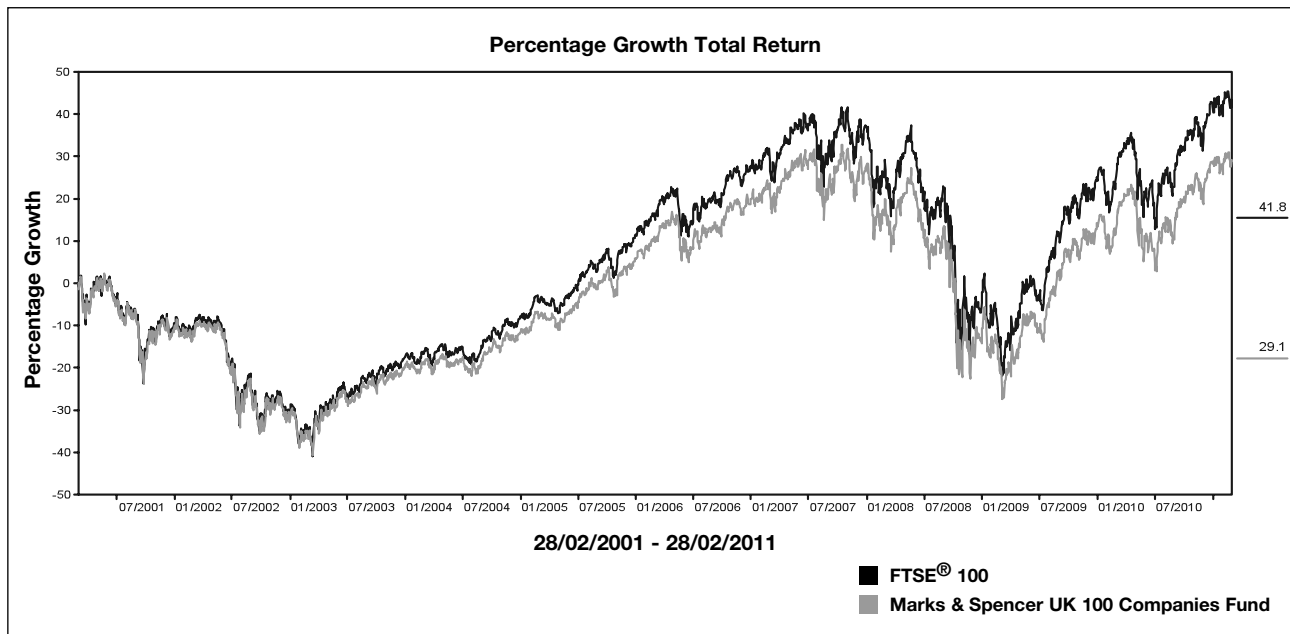
This information relates to the past and past performance is not a reliable indicator of future returns.

What have the annual returns of the Fund been over the past 10 years, and how does this compare to the performance of the FTSE® 100 Index?



What has been the overall performance of the Fund over the past 10 years, and how does this compare to the FTSE® 100 Index?

The Fund has increased by **29.1%** over the past 10 years. Over the same period the FTSE® 100 Index has increased by **41.8%**.



All the above figures are on a bid to bid basis, net income reinvested. Source: Lipper Hindsight.

All the figures in this document are up to the end of the latest 12 month annual accounting period of the Fund as at 28 February 2011.

BUYING AND SELLING UNITS

How do I invest?

- You can invest in the Fund directly or via a stocks and shares ISA by telephone or by completing a written application form. Application forms are available to download and print out at www.marksandspencer.com/unittrusts
- Each working day at 8am, new unit prices will be calculated for the Fund. This is called the Valuation Point. Instructions to buy units either by telephone, by written application or online, will receive the next 8am buying price following receipt. This is called forward pricing.
- Monthly Direct Debit investments will usually be claimed on the 4th day of each month, or the next working day if the 4th is not a working day, and units will be bought at the buying price on this day.

What is the minimum I can invest?

- The minimum lump sum is £100. Following this you can make top up investments of £25. The minimum amount that can be invested on a monthly basis by Direct Debit is £25.

Can I change my mind and cancel my investment?

- You only have the right to cancel an investment if you have received investment advice.
- You will have 14 days from the date you receive this notice to change your mind. If you cancel, the amount returned may be less than the amount you invested, if there has been a downward movement in the stock market from the date of investment to the date your instruction to cancel was received.
- If you have received investment advice, you can cancel your investment by writing to us and posting your instructions to us within the 14 day period.

How do I sell units?

- You can sell units held in the Fund directly, or via a stocks and shares ISA, by telephone or by writing to us.
- You can instruct us to withdraw all, or part, of your investment any time.
- Instructions to sell units in the Fund will be carried out at the selling price at the next 8am Valuation Point following receipt.
- We may ask you to confirm instructions given over the telephone in writing. Written instructions to sell must be signed by each unit holder.
- Payment can be by cheque made payable to you, or direct to your bank or building society account. We will carry out any transactions that remain to be completed.

Where are the unit prices for the Fund published?

- The buying and selling prices for the Fund are published daily online at www.marksandspencer.com/unittrusts or you can obtain the Fund prices by telephoning us.

INCOME

What happens to the income from the Fund?

- The dividends received from the stocks and shares held in the Fund will either be reinvested for you, or paid out to you depending on which type of units you hold, i.e. accumulation units or income units.
- With accumulation units, dividends are reinvested back into the Fund. This will not buy additional units, but will be reflected in the price of accumulation units.
- With income units, the dividends are paid direct to your nominated bank or building society account. The payment dates for the Fund are the last working day in April and October.

What type of units are available for each type of investment?

	Income Units	Accumulation Units
Lump sum – Direct investment	Yes	Yes
Lump sum – Stocks and shares ISA	No	Yes
Monthly investment by Direct Debit – Direct investment	No	Yes
Monthly investment by Direct Debit – Stocks and shares ISA	No	Yes

CONTACTING US

What further information is available regarding the Fund?

You can request the following documents, free of charge.

- A copy of the Full Prospectus
- The latest annual or half yearly Full Report and Accounts
- The six monthly Short Report for the Fund

Please call or write to us. Alternatively, these documents are available online at www.marksandspencer.com/investments

How can I contact you?

If you have any questions regarding this Fund, or any of our other products including the M&S Worldwide Managed Fund, UK Selection Portfolio and High Income Fund, please do not hesitate to contact us.

Address: Savings & Investments department Marks & Spencer Money Kings Meadow Chester CH99 9UT	Helpline: 0808 005 5555 General enquiries, buying and selling units and fund prices. Calls may be recorded.
Email: internet.investments@mandsmoney.com	Fax: 01244 686116

Lines are open 8am-8pm Monday to Friday and 9am-5pm Saturdays. Closed Sundays. Opening hours may be restricted over the Christmas period, please contact us for details. Call may be recorded.

GENERAL INFORMATION

The Fund is called the Marks & Spencer UK 100 Companies Fund ("The Fund"). It is an authorised unit trust scheme.

Authorisation:

The Fund is authorised in the United Kingdom.

Date of Fund Authorisation:

8 March 1995.

Manager:

Marks and Spencer Unit Trust Management Limited
Kings Meadow
Chester
CH99 9UT

Authorised and regulated by the Financial Services Authority

Trustee:

State Street Trustees Limited
525 Ferry Road
Edinburgh
EH5 2AW

Authorised and regulated by the Financial Services Authority

Fund Auditors:

KPMG Audit plc
Saltire Court
29 Castle Terrace
Edinburgh
EH1 2EG

Group details:

Marks and Spencer Unit Trust Management Limited is a wholly owned subsidiary of HSBC Bank plc.

Regulator:

The Fund has been authorised by the Financial Services Authority. They can be contacted in writing at Financial Services Authority, 25 The North Colonnade, Canary Wharf, London E14 5HS or by telephone on 0845 606 1234.

This Simplified Prospectus is effective from 23/08/2011

We are also able to provide this document in Braille, large print or audio cassette upon request.

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