

# Key product information for the Marks & Spencer Worldwide Managed 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 Worldwide Managed 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', '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 and a reasonable income.

### **What is the investment policy of the Fund?**

- The Fund seeks to achieve its objective by investing in UK and overseas shares and bonds.
- The Fund may invest in both corporate and government bonds of any duration, but they must have a Standard and Poor's risk rating of "A" and above, meaning they are considered to be low risk.
- 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](http://www.marksandspencer.com) 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. They directly manage a proportion of the fund and sub delegate the remaining portion to:
  - Insight Investment Management (Global) Limited
  - GMO UK Limited
  - Axiom International Investors LLC
  - Sanders Capital, LLC
  - Wellington Management International Limited
- The percentage of the Fund allocated to each of the above advisers will be published in both the Annual and Interim Report and Accounts and the six monthly Short Report of the Fund.
- This is an actively managed fund, where the fund advisers select the investments the Fund holds to achieve its objective. This may result in frequent changes to the shares and bonds held in the Fund.

## 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 shares and bonds, 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 Worldwide Managed Fund?**

- The Fund invests in bonds and shares. Share and bond prices go up or down, meaning you may get back less than you invested.
- The Fund has an initial charge of 3%. If you withdraw early the value of your investment may not have grown enough to cover this charge, meaning you will get back less than you invested.
- As part of the Fund is invested overseas the value of your investment may be affected by changes in currency exchange rates.
- Changes in interest rates may affect the value of the bonds held in the Fund. If interest rates go up, the value of bonds may fall. If interest rates go down, the value of bonds may rise.
- A small part of the Fund may invest in emerging markets. This may involve greater risk in buying and selling investments, settlement arrangements and the safekeeping of the investments held.
- When the Fund buys shares or bonds there is a risk that the firm we have bought them from will not deliver the investments. Likewise when selling shares or bonds 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.
- The performance of the Fund will depend on the investments selected by the fund advisers.
- If you apply to invest in the Fund following investment advice, you will have the right to cancel your application. If you exercise the 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 diversified portfolio investing in stock markets around the world. 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. This is deducted from the capital of the Fund.

## 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 taxpayers 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 Worldwide Managed 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 have to pay?

### Initial Charge

- The initial charge is 3.0%. The charge is not included in the single price for buying and selling units, but is calculated separately and deducted from the amount invested. The initial charge applies to lump sum investments and each monthly investment made by Direct Debit.

### Annual Management Charge

- The annual management charge for the Fund (based on the Fund's net asset value) is 1.5%. 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

- These are estimated to be 0.18% of the Fund's net asset value. They are deducted from the income in the Fund and include the fees of 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

- There is no charge for withdrawing your investment.

## What other charges may I have to pay?

### Dilution Levy

- The Fund operates on a single pricing basis. This means it has one price for buying and selling units based on a mid market valuation of the stocks and shares held in the Fund.
- The unit price does not include the costs of buying and selling investments (the difference between the buying price and selling price of shares, stockbroker commission and stamp duty) for the Fund as a result of investors buying and selling units. These costs will normally be charged direct to the Fund.
- However, when the value of the deals received on any day to buy or sell units represent a significant proportion of the overall value of the Fund, these charges could lower the value of an existing investor's holding. This effect is called "Dilution". In order to avoid this we reserve the right to recover these costs by charging a Dilution Levy when investors buy or sell units. Dilution Levy will be paid into the Fund for the benefit of all investors and will not be retained by us.
- If a Dilution levy is charged the details will appear on any contract note and/or six monthly statement issued to you. Full details of our current Dilution Levy Policy are set out in the full prospectus of the Fund which is available free of charge.

## 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.**

AT THE END OF YEAR	INVESTMENT TO DATE	Accumulation Units		Income Units		
		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	46.01	1,013.99	45.96	14.42	999.41
3		82.98	1,108.04	82.14	44.59	1,060.92
5		127.42	1,210.81	124.67	76.61	1,126.22
10		279.44	1,511.40	264.97	165.57	1,307.59

The last line of the table shows that over 10 years the effect of total charges and expenses could amount to £279.44 for accumulation units and £264.97 for income units.

Putting it another way, this would have the same effect as bringing investment growth from 6.0% a year down to 4.21% a year for accumulation units and 4.17% for income units.

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

AT THE END OF YEAR	INVESTMENT TO DATE	Accumulation Units	
		EFFECT OF DEDUCTIONS TO DATE	WHAT YOU MIGHT GET BACK AT 6.0%
1	600.00	23.33	595.99
3	1,800.00	102.62	1,869.07
5	3,000.00	232.73	3,258.47
10	6,000.00	850.15	7,313.06

The last line of the table shows that over 10 years the effect of total charges and expenses could amount to £850.15.

Putting it another way, this would have the same effect as bringing investment growth from 6.0% a year down to 3.94% 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	48.43	1,021.57
3		91.97	1,133.08
5		145.80	1,256.76
10		338.87	1,628.29

The last line of the table shows that over 10 years the effect of total charges and expenses could amount to £338.87.

Putting it another way, this would have the same effect as bringing investment growth from 7.0% a year down to 5.00% 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	23.89	598.63
3	1,800.00	108.27	1,893.05
5	3,000.00	251.16	3,328.76
10	6,000.00	959.35	7,641.59

The last line of the table shows that over 10 years the effect of total charges and expenses could amount to £959.35.

Putting it another way, this would have the same effect as bringing investment growth from 7.0% a year down to 4.69% a year.

## Total Expense Ratio

- The Total Expense Ratio measures the total annual charges and expenses of a fund. This ratio helps you 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 31 December 2010 is **1.68%**.

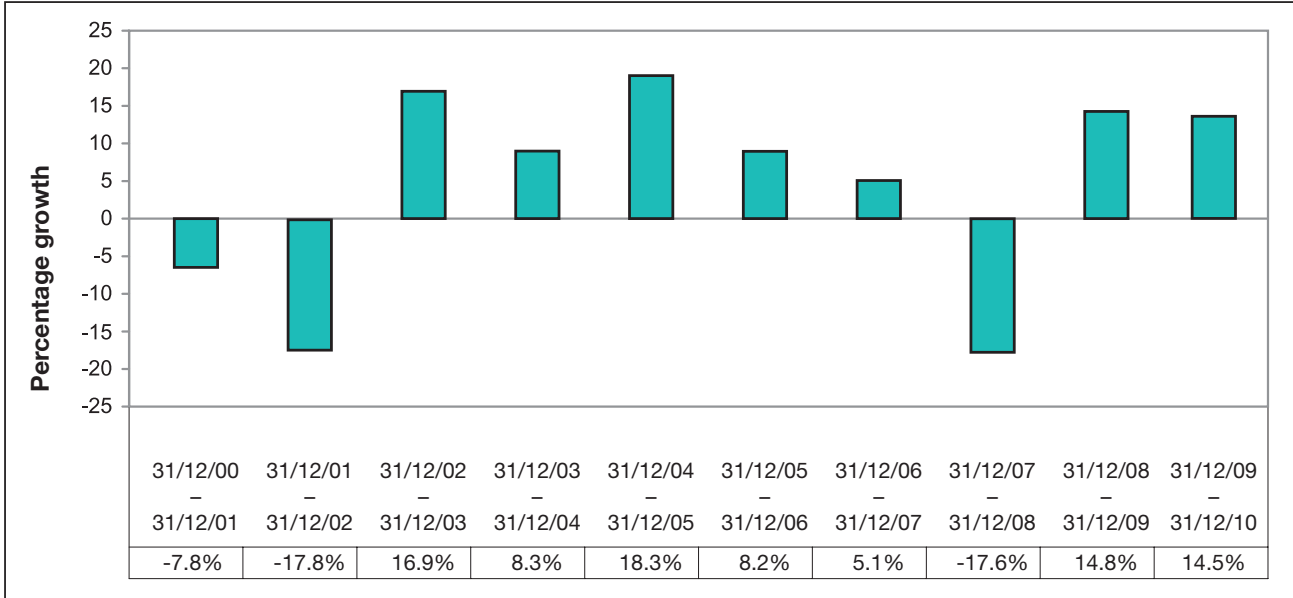
## Portfolio Turnover Rate

- 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 31 December 2010 is **256%**.

# PAST PERFORMANCE INFORMATION

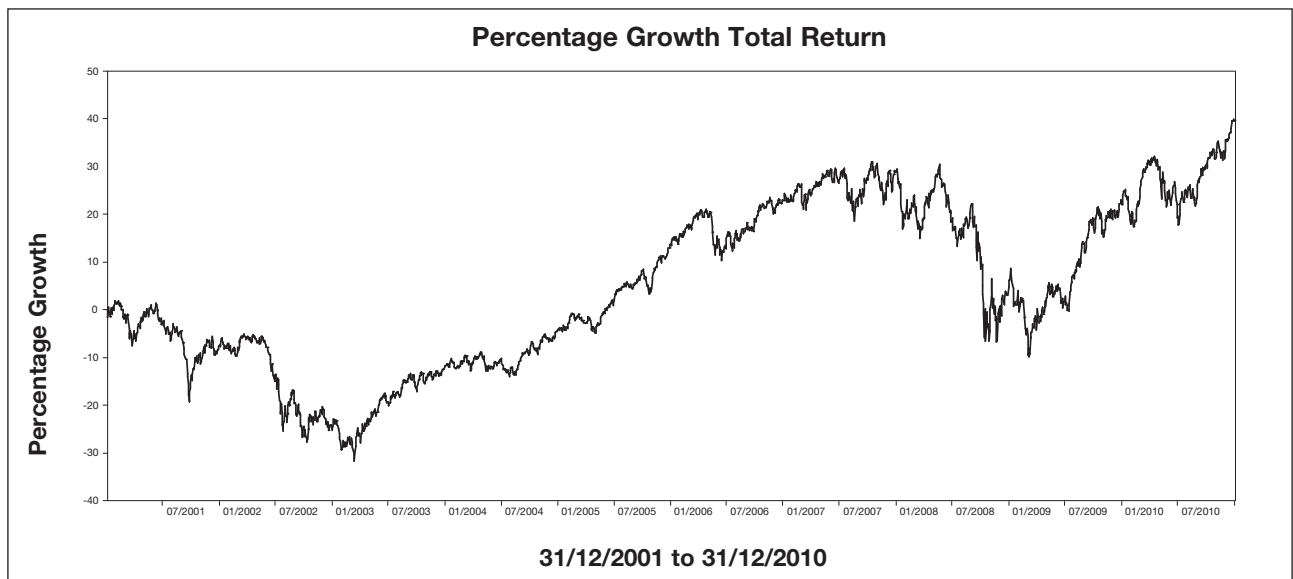
**This information relates to the past and past performance is not a reliable indicator of future returns.**

**What have the annual returns of the Fund been over the past 10 years?**



**What has the cumulative performance of the Fund been over the past 10 years?**

The Fund has grown by **39.7%** over the past 10 years.



All the above figures are on a mid to mid market basis, net income reinvested. The performance figures exclude the initial charge of the Fund. 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 31 December 2010.

## 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](http://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 or more. 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](http://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 28 February and 31 August.

### 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](http://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 UK 100 Companies 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:** If you have queries on any of the funds, would like to discuss buying or selling units, or if you would like a brochure for any of the funds please call: **0808 005 5555**. Lines are open 8am to 8pm Monday to Friday, and 9am to 5pm Saturday. Calls may be recorded.

**Email:**

[internet.investments@mandsmoney.com](mailto:internet.investments@mandsmoney.com)

**Fax: 01244 686116**

## GENERAL INFORMATION

The Fund is called The Marks & Spencer Worldwide Managed Fund (“The Fund”). It is an authorised unit trust scheme.

### **Authorisation:**

The Fund is authorised in the United Kingdom.

### **Date of Fund Authorisation:**

30 September 1988.

### **Manager:**

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

### **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 08/12/2011

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

Marks & Spencer Money and Your M&S are trading names of Marks and Spencer Unit Trust Management Limited. Registered in England No: 2253009. Registered Office: Kings Meadow, Chester CH99 9FB. Authorised and regulated by the Financial Services Authority. A wholly owned subsidiary of HSBC Bank plc. Marks & Spencer, Marks & Spencer Money and Your M&S are registered trademarks of Marks and Spencer plc and are used under licence. © Marks and Spencer Unit Trust Management Limited 2011. All Rights Reserved. Marks and Spencer Unit Trust Management Limited is entered in the FSA register. FSA registration no. 141662.