

This document provides you with key investor information about this Fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this Fund. You are advised to read it so you can make an informed decision about whether to invest.

M&G Feeder of Property Portfolio

Sterling Class I – Income shares ISIN no. GB00B842HT59

Sterling Class I – Accumulation shares ISIN no. GB00B7SX7S61

Managed by M&G Securities Limited, which is part of the Prudential Group

Objective and investment policy

Objective

To deliver income and capital growth over the long term (that is, over five years or more) solely through investment in the M&G Property Portfolio.

Investment policy

To invest close to 100% in the M&G Property Portfolio, a Property Authorised Investment Fund.

The objective of the M&G Property Portfolio is to deliver income and capital growth over the long term (that is, over five years or more) and its investment policy is to invest at least 70% in UK commercial property.

Other information

The investment returns of the Fund and the M&G Property Portfolio may differ because the Fund may hold cash for operational reasons.

This Fund allows the fund manager(s) to make discretionary choices when deciding which investments should be held in the Fund.

You can buy and sell shares in the Fund on any business day. Provided we receive your instructions before 12 noon, shares will be bought at that day's price.

If you hold income shares, any income from the Fund may be paid out to you quarterly.

If you hold accumulation shares, any income from the Fund will be rolled up into the value of your investment.

In addition to the charges set out in the charges section, the Fund will incur portfolio transaction costs which are paid from the assets of the Fund.

Risk and reward profile

The main risks that could affect performance are set out below:

- The value of investments and the income from them will fluctuate. This will cause the fund price to fall as well as rise. These fluctuations may be more extreme in periods of market disruption and other exceptional events. There is no guarantee the fund objective will be achieved and you may not get back the original amount you invested.
- As mentioned below in the risks of the M&G Property Portfolio, the price of shares in M&G Property Portfolio may be subject to significant "swings" in value. As the price of Units in the M&G Feeder of Property Portfolio is largely based on the price of shares in M&G Property Portfolio, a swing in the price of shares in M&G Property Portfolio will therefore result in a similar swing in the price of Units of M&G Feeder of Property Portfolio.
- For large deals, the dealing price investors receive may be different from the published price. If investors are buying Units, they may receive a price that is higher than the quoted offer price. If investors are selling Units, they may receive a price that is lower than the quoted bid price.

The following are additional risks that apply to the M&G Property Portfolio:

- The Fund invests mainly in one type of asset. It is therefore more vulnerable to the market sentiment of that specific type of asset. This type of fund can carry a higher risk and can experience larger than average price fluctuations when compared to a fund with a broader investment universe.
- The Fund is valued daily on both an 'offer' basis (how much its assets would cost to buy) and a 'bid' basis (how much the fund would receive if assets were sold). The difference between the two, known as the 'spread', is currently around 6.25%. The published dealing prices are based on either the offer or bid valuation, depending on whether investors are generally buying fund shares (the fund is in 'net inflow') or selling shares (the fund is in 'net outflow'). Should fund flows move from net inflow to net outflow, the dealing prices may 'swing' from an offer basis to a bid basis and fall by the extent of the spread. On the other hand, the dealing prices may rise by the same extent should fund flows move from net outflow to net inflow.
- If significant numbers of investors withdraw their investments from the Fund at the same time, the manager may be forced to dispose of property investments. This may result in a less than favourable price being obtained in the market.
- Property valuations are provided by an independent valuer and are therefore subjective.
- In difficult market conditions the value of certain fund investments may be less predictable than normal and, in some cases, this may make such investments harder to sell at the last quoted market price, or at a price considered to be fair.
- The fund manager will place transactions, hold positions and place cash on deposit with a range of counterparties (institutions). There is a risk that they or occupational tenants on properties may default on their obligations or become insolvent.
- All of the above risks could have an adverse effect on the value of your investment.

A more detailed description of the risk factors that apply to the Fund can be found in the Fund's Prospectus.

Charges

The charges shown in the table are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest	
Entry charge	2.00%
Exit charge	0.00%
The entry charge is the maximum that might be taken out of your money before it is invested.	

Charges taken from the Fund over a year	
Ongoing charge	1.15%

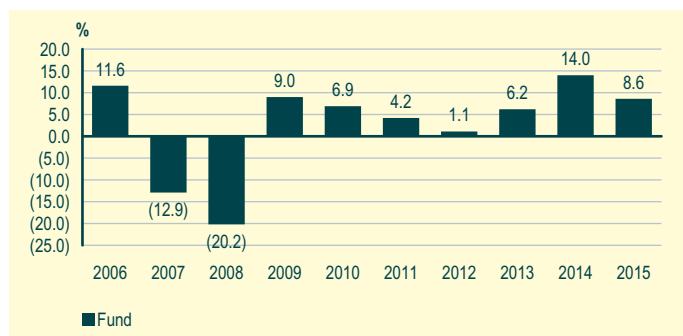
Charges taken from the Fund under certain specific conditions	
Performance fee	None

The entry and exit charges shown are the maximum figures and, in some cases, you may pay less. You can find out the specific charges which apply to your investment by contacting your financial adviser, distributor, or if you have invested directly with us, by contacting us using the details given in the practical information section.

The ongoing charge is based on expenses for the year ending 30 September 2015. This figure may vary from year to year. It excludes portfolio transaction costs.

For more information on charges, please refer to the relevant sections of the Prospectus which can be found by visiting www.mandg.co.uk/literature

Past performance



- Past performance is not a guide to future performance.
- The past performance calculation is inclusive of UK taxes. It does not take into account the entry and exit charges but does take into account the ongoing charge, as shown in the Charges section.
- The Fund launched on 18 January 2013. The Sterling Class I Accumulation share class and Sterling Class I Income share class launched on 18 January 2013.
- M&G Feeder of Property Portfolio Sterling Class I shares do not have 10 complete years of past performance information available as they launched on 18 January 2013. Therefore, past performance information for M&G Property Portfolio Sterling Class S units (a unit trust which commenced termination on 18 January 2013) has been used for the period shown prior to this date.

Practical information

The trustee is National Westminster Bank plc.

For further information about this Fund, please visit www.mandg.co.uk/literature where you can obtain a copy of the Prospectus, and latest annual or interim Investment Report and Financial Statements, in English, free of charge. Our website also provides other information not contained in the above documents such as share prices.

This Fund is subject to UK tax laws, which may have an impact on your personal tax position. Please speak to an adviser for further information.

Other share classes may exist for the Fund as set out in the relevant Prospectus.

This Fund is authorised in the UK and regulated by the Financial Conduct Authority. M&G Securities Limited is authorised in the UK and regulated by the Financial Conduct Authority. This key investor information is accurate as at 11 May 2016.