

What's happening?

M&G has announced that it has suspended trading in the M&G Property Portfolio. The SL M&G Property Portfolio Pension and Life Funds primarily invest in this fund, so we're also suspending trading on our funds from 5 July 2016.

Why is this happening?

The M&G Property Portfolio invests mainly in physical assets, such as buildings and land. In much the same way as selling residential property can take time, it can take time to sell commercial property. It's important that the fund manager achieves the best price for a property and therefore the best deal for investors in the fund.

When the number of requests to switch or transfer out of a property fund exceeds the rate at which properties can be sold at a favourable price for investors, it can be necessary for the fund manager to either introduce a delay period on transactions or suspend trading. This allows them to sell properties in a controlled way and is generally considered to be in the best interests of both those who wish to leave the fund and those who wish to stay in it.

What does this mean for me if I'm invested in one of these funds?

If you want to switch or transfer out of the funds, we'll place your request in a queue and process it as soon as possible once M&G has lifted the suspension on its fund. Where we have to delay a switch or transfer, we'll use the fund price on the day the transaction takes place – this price could be very different from the price on the day the request is made.

If your selected retirement date falls during the suspension, you won't be affected and we'll pay your benefits on that date as planned. Similarly, you won't be affected if you're already withdrawing money from your pension (also known as drawdown). In addition, we'll continue to process death claims on pension plans as normal.

We'll continue to accept any regular payments into the funds as usual. But we won't invest them until M&G has lifted the suspension on its fund. So you can change your investment instructions for regular payments until the suspension is lifted, if you want.

We won't accept any additional payments into the funds until the suspension is lifted.

We'll shortly be writing to all customers in the SL M&G Property Portfolio Pension and Life Funds to confirm what's happening and how it affects them.

We'll also notify customers when the suspension has been lifted.