

Fund switching – Q&A

What is a unit-linked fund?

Your pension or life insurance policy with us may be invested in unit-linked funds. A unit-linked fund is a type of investment fund. Like most types of investment fund, it works by pooling together lots of people's money to invest in a range of assets, such as shares, bonds and property.

It is called a unit-linked fund because when you pay into it, your money is converted from pounds and pence into a number of 'units', which make up the fund. How many units you get will depend on what a unit is worth when you put your money in. When you want to take money out, you sell some or all of your units.

The fund is looked after by an investment expert called a fund manager. It is their job to choose which assets the fund invests in. They will do this by looking at what the fund needs to achieve – for example, creating growth in the medium to long term. They will then choose the mix of assets that they think will work best for that goal.

The price of a unit is re-calculated and updated regularly – usually every day. The value of your units is linked to the performance of the assets in the fund and can go either up or down. You can change the funds you are invested in at any time.

How do I know which funds I should invest in?

The funds you choose to invest in will depend on how much risk you want to take and how much you need the money in your funds to grow. Any investment involves risk because it is not possible to predict exactly what will happen over time – share prices fluctuate and global market conditions can change.

Some investments are more risky than others but that also means they could be more rewarding, with greater potential to grow. They could also lose more money than less risky investments. You should check in with your investments regularly to make sure they are still giving you what you need.

Can you help me decide where to invest?

We can give you general information about the funds and tell you which funds are available to you. We have taken on lots of other companies over the years and the funds you can choose from will depend on the type of policy you have and who you bought it from.

You can also get fund information and see the latest unit prices on our website sloc.co.uk

For advice that is specific to you or for help deciding, you will need to speak to a financial adviser. You can find one near you at unbiased.co.uk, they will probably charge you for their time.

What are my options?

You can choose to move the money you have already invested into a different fund – this is called 'switching' funds. Or you can leave your existing investment where it is and invest the money you pay into your policy in future into a different fund – this is called a 'redirection'.

How do I change where my money is invested?

The easiest way to change where your money is invested is to fill in our [fund switch and redirection form](#) and return it to us. You can use the form to tell us where to invest your money and whether you would like to switch your existing funds or redirect the money you pay in future, or both.

If you want to invest your money in more than one fund, you can tell us how to split your investment – making sure that the choices you make add up to 100%. If you have more than one policy with us, you can make changes to all your policies' investments on one form – you will just need to give us all the relevant policy numbers.

How can I send you my form?

To protect you and your money, we need your signature before we can make any changes to your policy. You can send us your form by fax or in the post. If you fax it to us, you will also need to post the form. Please post it as soon as possible after sending the fax. If we have not received the posted copy within two weeks, we will reverse the changes to where your money is invested.

How long will it take to change where my money is invested?

We will usually make the changes you ask for within two working days of receiving your completed form. If we have any questions about your form, we will get in touch with you.