中銀國際英國保誠信託有限公司
BOCI-Prudential Trustee Limited

中銀國際 BOC INTERNATIONAL

PRUDENTIAL 英國保誠

My Choice Mandatory Provident Fund Scheme

Notice to Participating Employers and Members

Attention: This notice is important and requires your immediate attention. If you are in any doubt about the contents of this document, you should seek independent professional advice. BOCI-Prudential Trustee Limited (the "Trustee") accepts responsibility for the information contained in this document.

12 August 2021

Dear Sir/Madam,

Re: My Choice Mandatory Provident Fund Scheme (the "Scheme")

Thank you very much for your participation in the Scheme. We would like to inform you of the following changes to the Scheme.

We would like to inform you of the following changes to the Scheme Brochure of the Scheme (the "MPF Scheme Brochure"). The changes will be made by way of the First Addendum to the Scheme Brochure (the "First Addendum") and will be effective from the date as specified in the summary box below.

Unless otherwise defined, capitalised terms used herein shall have the same meaning as defined in the MPF Scheme Brochure of the Scheme.

Summary of key changes (the "Changes") effective from 20 September 2021 ("Effective Date"):

Changes

(a) **As a result of our recent review of the fund offering on the Scheme's platform, with a view to enhancing the Scheme's competitiveness, we have decided that My Choice Hong Kong Tracking Fund ("HKT"), in the form of a feeder fund, will cease to invest in the existing index-tracking collective investment scheme ("ITCIS") ("Existing ITCIS") and instead invest in a new ITCIS ("New ITCIS") as more particularly described in section 1.1 below.**

(b) **Corresponding to the change of underlying fund outlined in (a) above, the investment manager at the constituent fund level and underlying fund level of the HKT will be changed from State Street Global Advisors Asia Limited ("Existing Manager") to CSOP Asset Management Limited ("New Manager") as more particularly described in section 1.2 below.**

(c) **The investment objective and balance of investment of HKT will be changed correspondingly to reflect the investment policy of the New ITCIS as a result of the change of underlying ITCIS from the Existing ITCIS to the New ITCIS and the change of investment manager at the constituent fund level and underlying fund level. Rest assured that HKT will continue its investment focus to track the performance of the Hang Seng Index of Hong Kong.**

(d) **In respect of the constituent fund level of HKT, there is no change in the trustee fee, the investment management fee and management fees (in total). As for the New ITICS, the underlying fund level of HKT, (i) the trustee fee and the investment management fee employ a single flat fee of 0.10% per annum; and (ii) the management fees (in total) will change to 0.10% inclusive of manager's fee, trustee fee, custodian fee, registrar fee and other fees incurred except for brokerage and transaction costs relating to investment of the New ITCIS. The aggregate management fees of HKT will remain unchanged as more particularly described in section 1.3 below.**

(e) **The board of directors of the Trustee has endorsed the Changes.**

Impacts on members

(f) The Trustee believes that the Changes will provide a more stable investment environment on the HKT in the long run, thus enhancing its competitiveness. In addition, the risk profile will remain the same and the aggregate management fees will not be increased after the Changes. The Trustee therefore believes that the Changes will be in the members' interests.

(g) The costs of the Changes will be borne by the Trustee. As such, no expenses relating to the Changes will need to be borne by the scheme participants.

Actions required of the scheme participants

(h) Scheme participants who are participating employers, self-employed persons, personal account members, SVC members or TVC members may, according to the normal procedures set out in section 6.13 of the MPF Scheme Brochure, transfer out of the Scheme to another MPF scheme if they do not wish to be involved in the Changes.

(i) Scheme participants who are employee members and do not wish to be involved in the Changes may, again, according to the normal procedures set out in the MPF Scheme Brochure, transfer their accrued benefits derived from their employee mandatory contributions under their current employment to another MPF scheme of their choice once every year.

(j) Alternatively, scheme participants may switch their existing investments out of the HKT to other Constituent Fund(s) under the Scheme and/or change their investment mandate in respect of new contributions/transfer-in benefits to other Constituent Funds under the Scheme.

(k) No action is required of the scheme participants if they do not object to the Changes.

(l) Please refer to section 3 "Actions required of the scheme participants" of this notice for details.

(m) No fees or penalty, bid/offer spread or transfer fee will be imposed on any transfer out of the Scheme or switching existing investments out of the HKT.

With effect from 2 August 2021, the Registered Address of the Trustee and Custodian and the address of the Customer Service Centre have been changed as follows:

(i) Registered Address of the Trustee and Custodian will be relocated to Suites 1501-1507 & 1513-1516, 15/F, 1111 King's Road, Taikoo Shing, Hong Kong

(ii) Customer Service Centre will be relocated to Suite 1507, 15/F, 1111 King's Road, Taikoo Shing, Hong Kong.

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To preserve the environment by reducing paper usage, the First Addendum and FAQ related to the Changes have been uploaded to our website, you can review the electronic version of the First Addendum and FAQ by simply scanning the below QR codes. Besides, you can also view the First Addendum and FAQ in "My Choice MPF – Download Corner" at our website www.bocpt.com.

First Addendum	FAQ

If you have any queries in relation to the Changes set out in this notice, please contact our Customer Service Centre at Suite 1507, 15/F, 1111 King's Road, Taikoo Shing, Hong Kong or call our Customer Services Representative at (+852) 2929 3366.

1. What are the Changes?

1.1 From the Effective Date, the HKT in the form of a feeder fund will cease to invest in its Existing ITCIS and will invest in a New ITCIS instead. Correspondingly, there will be a change of investment manager at the constituent fund level and underlying fund level. The details are as follows:

	Existing ITCIS of HKT	Managed by	New ITCIS of HKT	Managed by
HKT	Tracker Fund of Hong Kong (Stock Code: 2800.HK)	State Street Global Advisors Asia Limited	CSOP ETF Series III - CSOP Hang Seng Index ETF (Stock Code: 3037.HK)	CSOP Asset Management Limited

1.2 Also, because of the changes of the underlying ITCIS, there will be change to the investment objectives and balance of investment of HKT, as illustrated below:

HKT	Before Effective Date	On and after the Effective Date
Investment objective	• Investing into the Existing ITCIS, an ITCIS managed by the Existing Manager.	• Investing into the New ITCIS, an ITCIS managed by the New Manager.
Balance of investments	• Holding stocks in the constituent companies of the Hang Seng Index in substantially similar composition and weighting as they appear in the Hang Seng Index.	• Adopting a full replication strategy by directly investing all, or substantially all assets in securities constituting the Hang Seng Index (the "Index Securities") in substantially the same weightings as these Index Securities have in the Hang Seng Index.

The Trustee performed a review on the ITCISs available in the market with similar objective and noted that the New ITCIS is achieving its objective by fully replicating the Hang Seng Index. Also, the new Manager will be able to manage the investing in the New ITCIS using the net asset value of the ITCIS instead of the secondary market price as traded on the Hong Kong Stock Exchange. Hence, the valuation of HKT would not be subjected to the supply and demand of units traded in the Hong Kong Stock Exchange.

The Trustee believes that the Changes will be in the members' interests.

1.3 At the underlying fund level of HKT, the trustee fee and investment management fee will be changed from "0.025 - 0.050%" each respectively to a single flat fee of "0.10%" as shown in the table below.

My Choice Hong Kong Tracking Fund – underlying fund level	**Trustee fee**	**Investment management fee**	**Management fees (in total)**
	% of NAV per annum		
Before Effective Date	0.025-0.05%	0.025-0.05%	0.05-0.10%
On and after Effective Date	The Underlying fund employs a single flat fee of 0.10% per annum. The investment management fee of such single flat fee is inclusive of the trustee fee.		0.10%

The fee structure of HKT at the underlying fund level in relation to (i) the trustee fee and investment manager fee will be changed to a single flat fee of 0.10% per annum and the investment management fee of such single flat fee is inclusive of the trustee fee; and (ii) the Management fees (in total) will be changed to 0.10% includes but not limit to the manager's fee, trustee fees, custodian fee, registrar fee and other fees except for brokerage and transaction costs relating to investment of the New ITCIS. This is different from the Existing ITCIS and therefore, we cannot compare the fee structure between the Existing ITCIS and the New ITCIS.

Although there will be changes on the trustee fees, investment management fee and management fees (in total) of the underlying fund level of HKT as mentioned above, the aggregate management fees consisting of the trustee fees, investment management fee and management fees (in total) of the constituent fund level of HKT will remain the same.

1.4 The Trustee confirms that the risk profile and the aggregate management fees of HKT will remain unchanged.

2. How will the Changes be effected?

2.1 On the Effective Date, the New Manager of HKT will arrange to redeem the position held in the Existing ITCIS and apply the redemption proceeds to subscribe into the New ITICS. The process will be exercised through an execution broker using the NAV price of the respective ITCISs as of the Effective Date.

2.2 The redemption of the Existing ITCIS and the subscription of the New ITCIS at NAV price may be different from both ITCISs' trading prices in the secondary market as traded on the Hong Kong Stock Exchange. Hence, there is no guarantee that the NAV price is better than the trading prices of the respective ITCISs. Nevertheless, the NAV prices reflect the actual value of the underlying ITCISs and would not be subjected to the supply and demand conditions in the secondary market as traded on the Hong Kong Stock Exchange.

2.3 It is expected the Changes would be effected within the Effective Date, hence, there is no suspension in dealing is required and members could assume normal trading of HKT on the Effective Date.

2.4 The Trustee confirms that proper arrangements with the related parties, including the Existing Manager and the New Manager, will be in place to ensure that there will be smooth transition for the HKT, and the Trustee has sufficient resources and capability to effect the Changes such that the scheme participants' interests will be adequately protected.

3. Actions required of the scheme participants

3.1 A scheme participant who is a participating employer, self-employed person, TVC member, SVC member or personal account member and who does not wish to be involved in the Changes may transfer out of the Scheme to another MPF scheme by completing the following forms:

Types of scheme participant	Form(s)
Participating employer	Notice of Scheme Termination (for Employer Only) [MY ER-SCH TERM] and Employer's Request for Fund Transfer Form [FORM MPF(S) - P(E)]
Self-employed person	Notice of Scheme Termination (for Self-employed Person Only) [MY SEP TERM] and Scheme Member's Request for Fund Transfer Form [FORM MPF(S) - P(M)]
TVC member	Notice of Change of Scheme Member's Regular Tax Deductible Voluntary Contributions [MY EE CHG RTVC] and Scheme Member's Request for Transfer of Tax Deductible Voluntary Contributions [FORM MPF(S) - P(T)]

SVC member	Special Voluntary Contribution Redemption Instruction [MY-SVC-REDEMPTION]
Personal account member	Scheme Member's Request for Fund Transfer Form [FORM MPF(S) - P(M)]

3.2 Any instructions to transfer out of the Scheme will be processed in accordance with the normal procedures set out in section 6.13 of the MPF Scheme Brochure applicable to transferring accrued benefits out of the Scheme.

3.3 However, an employee member will not be entitled to transfer out of the Scheme unless his participating employer elects to do so. However, an employee member may transfer his accrued benefits derived from employee mandatory contributions under his current employment to another MPF scheme of their choice once every year under the Employee Choice Arrangement.

3.4 Alternatively, a scheme participant who does not wish to be involved in the Changes may: (i) switch their existing investment in the HKT to other Constituent Fund(s) under the Scheme, and/or (ii) change his investment mandate in respect of any new contributions and transfer-in benefits by submitting to the Trustee a validly completed fund switching form as follows:

- Fund Switching Instruction Form (for Existing Account Balance Only) [MY SWITCHING]
- Change of Investment Fund Instruction Form (for Future Contribution and/or Existing Account Balances) [MY MC RB]
- Change of Investment Fund Instruction of Tax Deductible Voluntary Contributions Form [MY TVC RB] (for TVC member only).

No fees or penalty, bid/offer spread or transfer fee will be imposed on any transfer out of the Scheme or switching existing investments out of the HKT.

3.5 The details of the instructions involving the HKT will be as follows:

<table>
<tr><th>Types of instructions that involve units in the HKT</th><th>At or before the relevant time on 17 September 2021 (the "Cut-off Date")*</th></tr>
<tr><td>Instructions which relate to subscription and member enrolment (including contributions and transfer-in monies)</td><td rowspan="2">The instructions (including receipt of cleared funds for subscription instructions) will be processed under the Trustee's normal service benchmark, if the instructions are received at or before: 4:00 p.m. (Hong Kong time) on the Cut-off Date</td></tr>
<tr><td>Instructions which relate to redemption (including withdrawal claims and transfer-out benefits)</td></tr>
<tr><td>Instructions which relate to fund switching or change of investment mandate</td><td>The instructions will be processed under the Trustee's normal service benchmark, if the instructions are received at or before:
• for paper* and fax instructions: 4:00 p.m. (Hong Kong time) on the Cut-off Date
• for electronic instructions via website, mobile App and/or the Interactive Voice Response System: 4:00 p.m. (Hong Kong time) on the Cut-off Date</td></tr>
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Transfer out requests made by employee members, self-employed persons, personal account members or TVC members**	The instructions will be processed under the Trustee's normal service benchmark, if the Trustee (via the trustee of the transferee scheme) received the instructions at or before **4:00 p.m. (Hong Kong time) on the Cut-off Date**
Transfer out requests made by employers**	The instructions will be processed under the Trustee's normal service benchmark, if the Trustee (via the trustee of the transferee scheme) received the instructions at or before **4:00 p.m. (Hong Kong time) on 13 September 2021**

** Paper submission of instructions must reach the Trustee at Suites 1507, 15/F, 1111 King's Road, Taikoo Shing, Hong Kong.*
***Transfer out instruction must be submitted in paper form, and must be (i) accompanied by a transfer form completed by all relevant parties, including the transferee trustee and such other documents as the Trustee may reasonably request and (ii) submitted through the transferee trustee.*

3.6 For any valid transfer out, switching and/or change of investment mandate instruction to be effected before the Effective Date, they must be received by the Trustee by the relevant time on the Cut-off Date indicated above.

3.7 No action is required of the scheme participants if they do not object to the Changes.

4. Costs of the Changes

4.1 All costs and expenses associated with the Changes will be borne by the Trustee and will not be borne by the Scheme or the scheme participants.

4.2 No fees or penalty, bid/offer spread or transfer fee will be imposed on any transfer out of the Scheme or switching existing investments out of the HKT.

5. Change of Registered Address of the Trustee and Custodian and Address of Customer Service Centre

With effect from 2 August 2021, the Registered Address of the Trustee and Custodian will be relocated to Suites 1501-1507 & 1513-1516, 15/F, 1111 King's Road, Taikoo Shing, Hong Kong and the Customer Service Centre has been relocated to Suites 1507, 15/F, 1111 King's Road, Taikoo Shing, Hong Kong. The hotline, fax numbers and email address remain unchanged.

The MPF Scheme Brochure of the Scheme will be amended to reflect the Changes and the ancillary changes. You may access the updated MPF Scheme Brochure and its First Addendum on our website at www.bocpt.com or request a copy of it by contacting our Customer Service Centre at Suite 1507, 15/F, 1111 King's Road, Taikoo Shing, Hong Kong or call our Customer Services Representative at (+852) 2929 3366.

If you have any questions regarding the Changes, please do not hesitate to call our Customer Services Representative at (+852) 2929 3366.

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Yours faithfully,
BOCI-Prudential Trustee Limited

Investment involves risks. Past performance is not indicative of future performance. The value of financial instruments, in particular stocks and shares, and any income from such financial instruments, may go down as well as up. For further details including the product features and risks involved, please refer to the MPF Scheme Brochure.