



BCT's Pension and Fund Services

# A CUT ABOVE The Rest



BCT  銀聯信託

# BCT - CENTRE OF EXCELLENCE



In today's investment environment marked by growing complexity and increasing demand for disclosure and transparency, focusing on your core competencies while delivering quality services to investors prove to be a major challenge.

At BCT, the Centre of Excellence for trustee, pension administration and fund services, you are assured of innovative solutions and effective risk management, allowing you to focus on your core business and enhancing return as you leave your trustee duty, pension administration and asset servicing to a dedicated team of professionals who understand your needs like no other.

## **Comprehensive Services for Pensions and Investment Funds**

With client-centric, solution-driven servicing culture, we have been offering comprehensive trustee, pension and fund services for Hong Kong and international pension plans as well as global investment funds, building on our solid foundation in the arena of pension and investments operation.

Being an independent provider with no affiliation with fund management firms by way of ownership or partnership, we are focused in our business, equipped with a cutting-edge technology platform that encompasses global investment administration capability.

Leveraging on our multi-disciplinary strengths, experience and expertise in the industry, we provide one-stop solution that allows asset managers and plan sponsors to delegate their onerous fiduciary duty and heavy administration work to an effective third party service provider that helps them increase control and efficiency, mitigate risks and drive down costs while enhancing service quality.

BCT – your trusted partner in trustee and fund services.

## Integrated Solution

At BCT, a full range of back- and middle-office services are available for pension plans and investment funds, from record keeping, transfer agency and trade support through to fund accounting & valuation and regulatory reporting – and a lot more.

Our integrated platform is designed to handle customised requirements in monitoring compliance and compliance checking is automated as much as practicable. The process covers pre-settlement, post-settlement and at valuation of funds. An end-to-end tracking system also enables you to identify and manage compliance risks.

## Best Practices

ISO 27001 Certification for the company's data centre, attesting to the effectiveness of its data security control in minimising possible risk of fraud, information loss and disclosure.



SAS 70 Auditing Report, evidencing BCT's effectiveness in the design and execution of internal control measures in the administration of pension schemes and funds, fund accounting, trustee and custodian services as well as information technology.

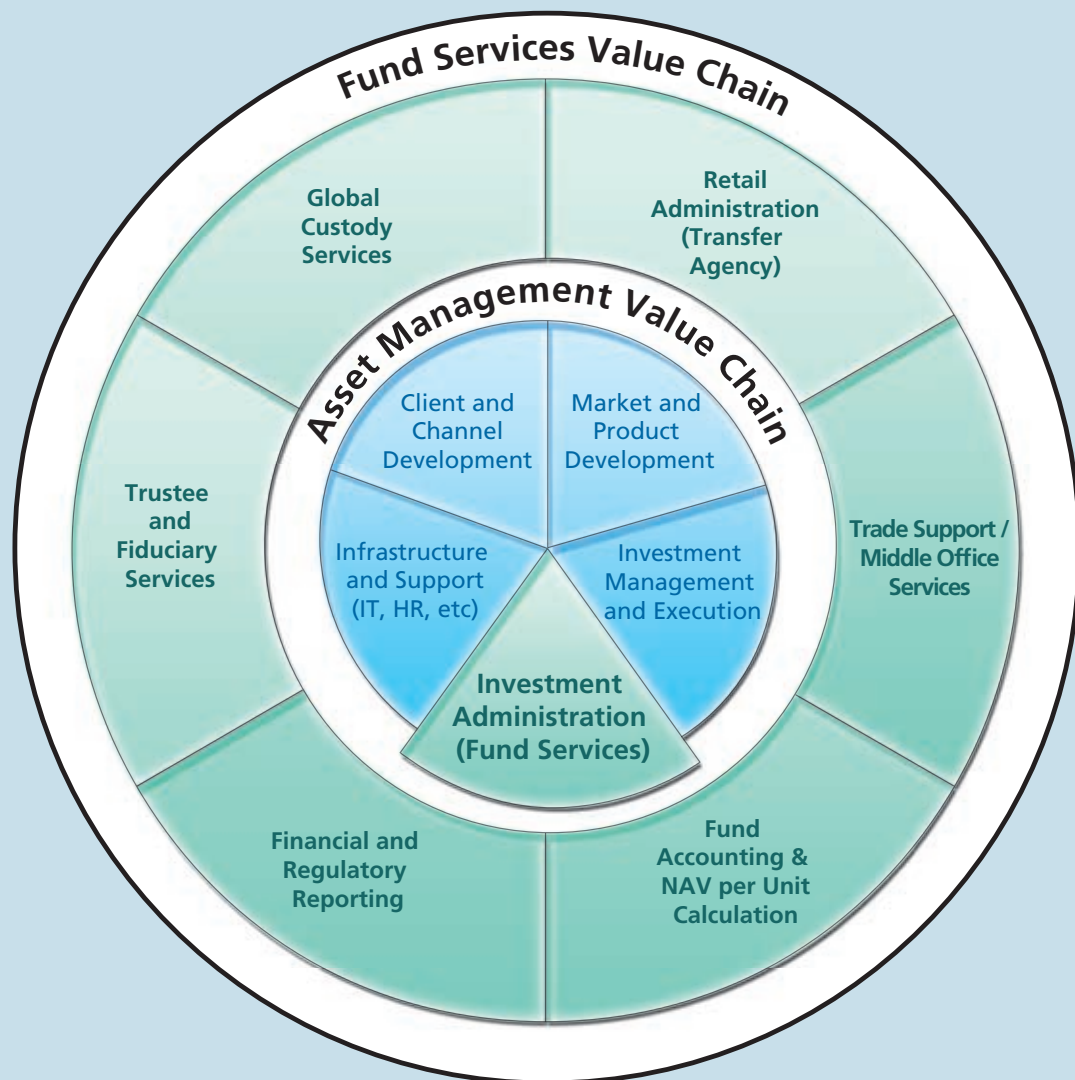
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## Multi-tier system architecture

Striving to deliver the lowest possible operating unit cost by leveraging on the synergy derived from a robust and flexible software platform, we have adopted a multi-tier architecture that embraces applications of different technologies. Our “open” architecture enables effective collaboration with applications of different clients (e.g. client’s web portal can allow for real time requests for member information from our system).

With our high levels of automation through straight-through processing, we meet tight industry standards through innovative fund services.

# FUND SERVICES



## Transfer Agency Services (Shareholder Services)

Catering to the needs of institutional investors and asset managers, BCT offers shareholder or transfer agency service for investment funds. With relevant experience, our service team is dedicated to providing timely services to shareholders.

### Key services include:

- Processing of unitholder application, subscription, redemption and transfers;
- Dividend payments and re-investments;
- Death case and probate handling;
- Fund compliance monitoring;
- Monitoring of anti-money laundering; and
- Client-defined reporting.

## Trade Support / Middle Office Services

In facilitating effective retail administration, a full range of middle office solutions is on offer:

- Pre-settlement compliance monitoring & compliance breach reporting;
- Issuance of security trade instructions to global sub-custodians;
- Failed trade monitoring and resolution;
- Corporate action processing; and
- Cash management.

## Fund Compliance Services

With a team of seasoned fund compliance professionals, BCT offers integrated portfolio / fund compliance monitoring with:

- Customised, fund specific tests for investment restrictions specified in fund prospectus and regulations;
- Daily testing covering security type, issuer, security maturity and ratings;
- Timely update provided to asset managers on regulatory changes impacting funds; and
- Regular compliance training on investment and regulatory changes relating to funds for BCT's internal compliance and fund administration professionals.

## Fund Accounting & NAV per Unit Calculation

BCT offers complete fund accounting and support services for funds investing in a wide range of instruments (equities, fixed income, etc.) in global markets. With a scalable and flexible technology system, we can cater for funds with multi-class, multi-layer, multi-currency and multi-manager structure, as well as mutual funds, unit trusts, pensions, endowments, ETFs, QFII funds and Shariah-compliant products.

### Key services include:

- Providing multi-currency general ledgers as well as detailed trial balances;
- Books and records maintenance;
- Security pricing and fair valuation;
- Accounting and valuation of investment fund and pension schemes, including NAV per unit calculation;
- Cash and stock reconciliation;
- Preparation of financial statements;
- Monitoring of investment compliance and regulatory compliance;
- Reporting of investment breaches;
- Preparation of returns as required by regulators;
- Filing of statutory reports and returns to Hong Kong as well as offshore regulatory bodies; and
- Client-defined reporting.

## Financial and Regulatory Reporting

In the face of increasing demand from regulators and investors for more disclosure and greater transparency, BCT works closely with clients and provides reports according to their requirements.

Besides financial reporting and regulatory reporting services covering reporting of investment breaches, preparation of returns as required by regulators and filing of statutory reports and returns to Hong Kong as well as offshore regulatory bodies, our reporting services can satisfy a wide range of requirements (including GAAP and IFRS), and unit trust and pension fund financial reporting for fund accounting operations and auditing.

### Reports we provide include, but not limited to:

- Cash projection;
- Security holding;
- Trade settlement report;
- Portfolio / fund valuation report;
- NAV per unit calculation report;
- Shareholder monthly holding report; and
- Compliance report.

## Trustee and Fiduciary Services

As one of the largest trust companies in Hong Kong, BCT has the capability to offer top-tier trustee and fiduciary services for both local and international pension plans as well as global investment funds.

### As a corporate trustee, services offered include:

- Safekeeping the trust property;
- Holding title to trust assets and bank accounts;
- Reviewing and approving all receipts and payments in accordance with the rules and provisions of the trust deed and in accordance with relevant laws across jurisdictions;
- Monitoring to ensure the investment manager invests according to investment guidelines as stated in the funds' constituent documents and regulatory requirements and that the asset manager complies with the set investment objectives;
- Reporting investment breach to relevant regulators;
- Preparing and filing returns to relevant regulatory bodies;
- Monitoring service providers, including asset managers and sub-custodians, and conducting due diligence visits where appropriate;
- Advising on regulatory and technical issues; and
- Attending trustee meetings as and when necessary.

## Global Custody Services

BCT works with global sub-custodians, whenever possible, to give clients contractual settlements for trades in different markets. We meet the varying needs of clients with best-in-class service through automation and straight-through-processing (with our STP rates averaging more than 95%), allowing clients to get the latest available information and mitigate risks in their global investments. Our failed trade rate is below 0.5%, hence the possibility of failed trades that deny trading at critical investment opportunity are substantially reduced.

### Our key services include:

- Safekeeping of assets;
- Monitoring of global sub-custodians on a regular basis;
- Trade settlement, failed trade monitoring and timely resolution;
- Income collection, corporate action processing and voluntary corporate action notification;
- Comprehensive portfolio reporting including cash projection report;
- Providing support during Hong Kong holidays;
- Client-defined reporting with information on transaction status, and securities and cash positions.

# PENSION PLAN SERVICES



As an experienced provider with a number of its own sponsored plans, BCT provides pension administration services for MPF master trust schemes, pooled ORSO and individual ORSO schemes as well as international pension plans. We service both DB / DC pensions and hybrid plans, with sponsors given flexible, accurate and efficient services from BCT.

**MPF Schemes**

**Individual / Pooled  
ORSO Schemes**

**International  
Pension Plans**

## Key services include:

- Scheme set up / restructuring;
- Employer and employee enrolment processing;
- Contribution receipts and settlement;
- Termination and benefit payments;
- Fund switching and investment mandate redirection;
- Member and scheme transfer processing;
- Member record keeping;
- Employer and member websites for easy management of accounts and retirement investments;
- Member benefit statements as required by regulators including the Mandatory Provident Fund Schemes Ordinance; and
- Filing of statutory reports and returns to regulators.

## MPF / ORSO Scheme Transfer

With a specialised team dedicated to ORSO scheme conversion and MPF scheme take-on, BCT ensures smooth transfer / transition of schemes through thorough preparation and professional execution in a risk-controlled environment.

Throughout the process, regularly meetings / teleconference with employers / sponsors are conducted to monitor the transfer progress. The process involves:

- Reviewing trust deeds;
- Preparing the deed of variation or deed of retirement and appointment, and administrative agreement where appropriate;
- Conducting on-site implementation meetings with employers to explain processes, clarify issues and answer questions;
- Participating in member briefing sessions conducted by the employer;
- Agreeing on transfer dates;

- Converting scheme / fund / employer / member information from the existing administrator or trustee to BCT's systems;
- Agreeing with existing trustees / administrators the transfer of physical documents relating to the scheme, such as member enrolment forms, member switching forms, termination notices, etc.;
- Performing the physical transfer of scheme assets (including cash and securities);
- Performing post-conversion reconciliation of scheme and fund assets; and
- Dispatching transfer statements to members.

## **Fast Time-to-market Scheme Feature Enhancement**

BCT's technology platform is designed to handle different requirements for pensions and investment funds administration, allowing for fast time to market in adding funds or fund managers to a plan.

## Invesco Improves Efficiency with BCT Services since 2006



Mr Desmond Ng, Chief Operating Officer and Head of Sales and Marketing of Invesco Hong Kong Limited (Invesco), said that over the four years since the group outsourced its trustee and administration services to BCT in 2006, they have witnessed improved operational efficiency combined with lowered costs.

“Fund management is the sole business of Invesco, and we were among the firsts to participate in the MPF arena. We have been outsourcing our administration work as we are determined to concentrate on our only business,” said Mr Ng.

To better serve the changing needs brought about by market development, Invesco regularly reviews the quality of third party service providers with the aim of choosing the best provider in the provision of quality services with competitive fees.

After a thorough review, which lasted for more than a year, Invesco decided to appoint BCT as the trustee and administrator of its MPF scheme and AIFs. “Invesco chose BCT because its team of seasoned professionals is able to meet our needs and rigorous statutory requirements,” said Mr Ng. “Also, BCT’s scalable IT management system allows for greater flexibility in future expansion.”

The switching of trustees and administrators by Invesco was one of the most significant undertakings of its kind in the market. As it involved massive amounts of client data, the company was concerned that unforeseeable problems could arise in the process. However, as Mr Ng said, BCT communicated with Invesco in great detail before the execution and proper arrangements were made. Consequently, the whole process ran without a hitch and, after the take-on, BCT continues its close communication with Invesco in further improving its operation.

Mr Ng added that Invesco launched two new funds for its MPF scheme in 2007 and he said BCT managed the entire process smoothly. “Another reason for choosing BCT is that there is ongoing improvement in its systems and procedures to ensure a smoother operation of administration services,” said Mr Ng. “To focus on the development of our own business, especially at times when regulations are increasingly stringent, a professional and independent service provider is more needed than ever.” In 2010, Invesco also appointed BCT as the trustee and administrator of its first RMB fixed income product.

# CONTACT US

If you are interested in any of the following services:

**Fund Services**

**Trustee and Fiduciary Services**

**Transfer Agency Services**

**Pension Plan Services**

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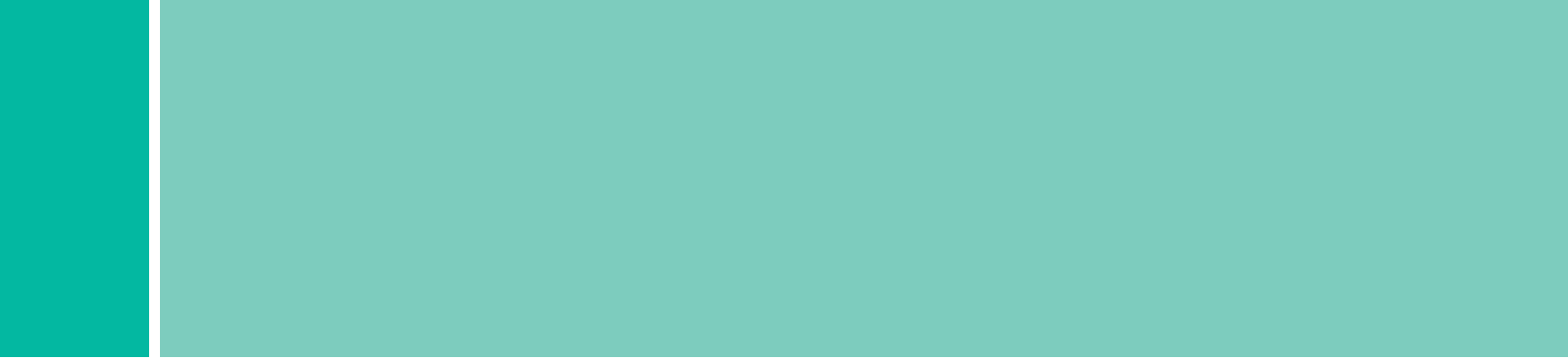
**General**

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## ABOUT BCT

Established in 1999, Bank Consortium Trust Co. (BCT) is a major provider of pension and fund services in Hong Kong with a client base comprising multinational corporations, renowned education institutes and world-class fund managers as well as small and medium enterprises. It is an independent provider with no affiliation with fund management firms by way of ownership or partnership, possessing multi-disciplinary strengths, experience and expertise in the provision of pension administration and fund services.



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