

**BCT****銀聯集團**

## Third Addendum to the Principal Brochure of the BCT (MPF) Industry Choice

This is the third addendum (the **“Third Addendum”**) to the principal brochure of the BCT (MPF) Industry Choice (the **“Plan”**) dated December 2016, as amended by the first addendum dated 12 December 2016 and the second addendum dated 19 March 2018 (the **“Principal Brochure”**). This Third Addendum must be read in conjunction with and forms part of the Principal Brochure.

We have drawn up this list of consolidated incremental changes to supplement the information contained in the Principal Brochure. Bank Consortium Trust Company Limited (the **“Trustee”**) accepts responsibility for the information contained in this Third Addendum as being accurate as at the date hereof. The Principal Brochure can be accessed via the website of the Trustee ([www.bcthk.com](http://www.bcthk.com)) or obtained by contacting the Trustee.

The numbers on the left column of the below table refer to the relevant pages of the current version of the Principal Brochure. Unless otherwise defined herein, terms used in this Third Addendum bear the same meanings as in the Principal Brochure.

### Changes taking immediate effect

Page 10	<p>The second paragraph under “(viii) Asian Equity Fund” in the sub-section headed “3.1 Investment Policy” in the section headed “3. INVESTMENT AND BORROWING” is deleted and replaced with the following:</p> <p>“The underlying APIF will seek to achieve its objective through investing its non-cash assets primarily in Asian (ex-Japan) equities in a range of 60 – 100%. The underlying APIF may invest up to 10% of its net asset value in shares listed on a stock exchange that is not an approved stock exchange as defined in the Regulation, including without limitation shares of companies listed on the stock exchange(s) of the People’s Republic of China (the “PRC”) via the Stock Connect. The underlying APIF holds a minimum of 30% of its assets in Hong Kong dollars investments. As the underlying APIF will be mainly invested in the stock markets in Asia, the inherent risk and return of the Asian Equity Fund will be associated with the Asian stock markets.”</p>
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Page 12	All references to “Citi MPF World Government Bond Index” under section 3.1 (xi) entitled “Core Accumulation Fund” and section 3.1 (xii) entitled “Age 65 Plus Fund” shall be deleted and replaced with “FTSE MPF World Government Bond Index”.
Page 13	<p>The following are inserted as the ninth to fifteenth paragraphs under the sub-section headed “3.2 Risk Factors” in the section headed “3. INVESTMENT AND BORROWING”:</p> <p>“To the extent that a constituent fund or its underlying APIF invests in China A shares listed on the PRC stock exchange(s) via the Stock Connect, investors will be subject to the risks associated with the Stock Connect and the China A shares market. Currently, a constituent fund or its underlying APIF may invest up to 10% of its net asset value in shares listed on a stock exchange that is not an approved stock exchange as defined in the Regulation, including without limitation, China A shares listed on the PRC stock exchange(s).</p> <p>The Stock Connect is a securities trading and clearing linked program with an aim to achieve mutual stock market access between the PRC and Hong Kong. The Stock Connect enables a constituent fund or its underlying APIF to trade eligible China A shares listed on the relevant stock exchange(s) in the PRC.</p> <p>The Stock Connect is novel in nature. The relevant regulations are untested and subject to change which may have potential retrospective effect. The programme is subject to quota limitations which may restrict the ability of a constituent fund or its underlying APIF to invest in China A shares through the programme on a timely basis and as a result, the ability of a constituent fund or its underlying APIF to access the China A shares market (and hence to pursue its investment strategy) may be adversely affected. In addition, the PRC regulations impose certain restrictions on selling, therefore a constituent fund or its underlying APIF may not be able to dispose of holdings of China A shares in a timely manner. A stock may be recalled from the scope of eligible stocks for trading via the Stock Connect. This may adversely affect the investment portfolio or strategies of a constituent fund or its underlying APIF. Due to the differences in trading days, a constituent fund or its underlying APIF may be subject to a risk of price fluctuations in China A shares on a day that the PRC market is open for trading but the Hong Kong market is close.</p>

Trading in securities through the Stock Connect may be subject to clearing and settlement risk. If the PRC clearing house defaults on its obligation to deliver securities / make payment, a constituent fund or its underlying APIF may suffer delays in recovering its losses or may not be able to fully recover its losses. The underlying APIF may encounter difficulties or delays in any action to enforce its rights as the China A shares are held by the Hong Kong Securities and Clearing Company Limited as a nominee on behalf of the underlying APIF.

Trading in securities through the Stock Connect is subject to operational risk. Further, investments by the underlying APIF are not covered by the Hong Kong's Investor Compensation Fund.

China A share market may be less liquid and more volatile as compared with other developed financial markets. The net asset value of a constituent fund or its underlying APIF may be adversely affected if trading markets for China A shares are limited or absent. Market volatility and settlement difficulties in the China A share markets may also result in significant fluctuations in the prices of the securities traded on such markets and may affect the value of a constituent fund or its underlying APIF which invests in the China A shares market.

Securities exchanges in China typically have the right to suspend or limit trading in any security traded on the relevant exchange. In particular, trading band limits may be imposed where trading in any China A share security on the relevant stock exchange may be suspended if the trading price of the security has increased or decreased to the extent beyond the trading band limit. A suspension will render it impossible for the manager of the constituent fund or its underlying APIF to liquidate positions and can thereby expose the constituent fund or its underlying APIF which invests in the China A share market to significant losses. Further, when the suspension is subsequently lifted, it may not be possible for the manager of the constituent fund and its underlying APIF to liquidate positions at a favourable price."

Page 17	<p>The second paragraph of the sub-sub-section headed “Fees and out-of-pocket expenses of the DIS Funds” under the sub-section headed “3.6 Default Investment Strategy” under the section headed “3. INVESTMENT AND BORROWING” is deleted and replaced with the following:</p> <p>“The above aggregate payments for services include, but is not limited to, the fees paid or payable for the services provided by the trustee, the administrator, the investment manager(s), the custodian and the sponsor of the Plan and the underlying fund(s) of the respective DIS Fund and any of the delegates from these parties and such fees are calculated as a percentage of the net asset value of each of the DIS Fund and its underlying fund(s), but does not include any out-of-pocket expenses incurred by each DIS Fund and its underlying fund(s). For further details, please refer to section 7 entitled “Fees and Charges”.”</p>
Page 43	<p>The first paragraph of the sub-section headed “7.1 Fees and Charges” in the section headed “7. FEES AND CHARGES” are deleted and replaced with the following:</p> <p>“The following table describes the fees, charges and expenses that participating employers and members may pay upon and after joining the Plan. Explanatory notes and definitions are set out at the bottom of the table [Remark: “Trustee, administration and custodian fee” and “sponsor fee” as used in this Principal Brochure shall mean respectively the “Trustee and Administration Fee” and “Sponsor Fee” as defined in the Trust Deed.]”</p>

The fee table entitled “(C) FEES, EXPENSES AND CHARGES OF CONSTITUENT FUNDS (INCLUDING FEES, EXPENSES AND CHARGES OF THE UNDERLYING FUNDS)” in sub-section headed “7.1 Fees and Charges” in the section headed “7. FEES AND CHARGES” is deleted and replaced with the following:

(C) FEES, EXPENSES AND CHARGES OF CONSTITUENT FUNDS (INCLUDING FEES, EXPENSES AND CHARGES OF THE UNDERLYING FUNDS)			
Type of fees, expenses & charges	Name of constituent fund	Current level (% per annum of net asset value)	Deducted from
Management Fees	BCT (Industry) Hong Kong Equity Fund	Up to 1.535%	Relevant constituent fund and APIF assets
	BCT (Industry) Asian Equity Fund	1.6%	
	BCT (Industry) Global Equity Fund	1.59% – 1.6%	
	BCT (Industry) E70 Mixed Asset Fund	1.53%	
	BCT (Industry) E50 Mixed Asset Fund		
	BCT (Industry) E30 Mixed Asset Fund		
	BCT (Industry) Flexi Mixed Asset Fund	Up to 1.52%	
	BCT (Industry) Core Accumulation Fund	0.75%	
	BCT (Industry) Age 65 Plus Fund	0.75%	
	BCT (Industry) RMB Bond Fund	1.175%	
	BCT (Industry) Global Bond Fund	1.49% – 1.5%	
	BCT (Industry) MPF Conservative Fund	0.88%	
Other Expenses	Each constituent fund would also bear various costs and expenses that are related to the operations and continuation of the fund, such as compensation fund levy (if any), establishment cost of the scheme (although no establishment costs will be charged in respect of the DIS Funds), indemnity insurance, sub-custodians' fees (where applicable), auditor's fees and legal charges, etc. Certain recurrent out-of-pocket expenses relating to the Core Accumulation Fund and the Age 65 Plus Fund are subject to a statutory annual limit of 0.2% of the net asset value of those funds and will not be charged to or imposed on the fund in excess of that amount.  (For details, please refer to Part III of the Explanatory Notes below).		Relevant constituent fund and APIF assets (where such expenses are not directly attributable to a fund, each fund will bear such expenses in proportion to its respective net asset value)

Page 45	<p>The paragraphs after the fee table and preceding the heading “DEFINITIONS” in the section headed “7. FEES AND CHARGES” are deleted and replaced with the following:</p> <p>“There is a cap on the Fund Expense Ratio (“FER”) of BCT (Industry) RMB Bond Fund set by the Trustee / Sponsor, which is 1.3% per annum of the net asset value. Since the FER is historical, in that it is based on data from previous financial period, the Trustee / Sponsor will, if necessary, adjust its fees or expenses to keep the FER at or below the cap when calculating the FER.”</p>
Page 46	<p>The seventh bullet point headed “Management fees” in respect of “<b>Definitions</b>” under sub-section headed “7.1 Fees and Charges” of section headed “7. FEES AND CHARGES” is deleted and replaced with the following:</p> <p>“7. “<b>Management fees</b>” include trustee, administration and custodian fee, sponsor fee and investment management fee paid to the trustee, administrator, custodian, sponsor and investment manager of a scheme for providing their services to the relevant fund. They are usually charged as a percentage of the net asset value of a fund. In the case of the Core Accumulation Fund and the Age 65 Plus Fund, management fees payable to the parties named above, or their delegates, can only (subject to certain exceptions in the MPFS Ordinance) be charged as a percentage of the net asset value of the DIS Fund. These management fees are also subject to a statutory daily limit equivalent to 0.75% per annum of the net asset value of the DIS Fund which applies across both the DIS Fund and its underlying funds.”</p>
Page 47	<p>The first paragraph headed “<i>Management Fees</i>” in respect of Part I “<b>Constituent Funds</b>” of the “EXPLANATORY NOTES” is deleted and replaced with the following:</p> <p>“<i>Management Fees</i>: Management fees include trustee, administration and custodian fee, sponsor fee and investment management fee paid to the trustee, administrator, custodian, sponsor and investment manager. For each constituent fund, the investment management fee, the trustee, administration and custodian fee and the sponsor fee will be payable on a monthly basis and accrued on each dealing day.”</p>

The two bullet points under *Management Fees* in respect of Part I “**Constituent Funds**” of the “EXPLANATORY NOTES” are deleted and replaced with the following:

- A breakdown of the current investment management fee, trustee, administration and custodian fee and sponsor fee payable out of the assets of each constituent fund is as follows:

Name of constituent fund	Sponsor fee	Trustee, administration and custodian fee	Investment management fee
<i>(% p.a. of net asset value)</i>			
BCT (Industry) Hong Kong Equity Fund	0.10%	0.585%	Nil*
BCT (Industry) Asian Equity Fund	0.10%	0.775%	Nil*
BCT (Industry) Global Equity Fund	0.10%	0.68%	Nil*
BCT (Industry) E70 Mixed Asset Fund	0.10%	0.88%	0.45%
BCT (Industry) E50 Mixed Asset Fund	0.10%	0.88%	0.45%
BCT (Industry) E30 Mixed Asset Fund	0.10%	0.88%	0.45%
BCT (Industry) Flexi Mixed Asset Fund	0.10%	0.90%	Nil*
BCT (Industry) Core Accumulation Fund	Nil	0.59%	Nil*
BCT (Industry) Age 65 Plus Fund	Nil	0.59%	Nil*
BCT (Industry) RMB Bond Fund	0.10%	0.525%	0.45%
BCT (Industry) Global Bond Fund	0.10%	0.68%	Nil*
BCT (Industry) MPF Conservative Fund	0.10%	0.58%	0.20%

	<ul style="list-style-type: none"> <li>• Except for the constituent funds marked with * above, the maximum investment management fee payable out of the assets of each constituent fund is 1.00% p.a. of the net asset value of the relevant constituent fund. For the constituent funds marked with * above, the maximum investment management fee is nil, and the investment management fee will be charged at the underlying fund level as shown in Part II of the Explanatory Notes below.</li> <li>• The maximum aggregate of trustee, administration and custodian fee and sponsor fee payable out of the assets of each constituent fund is 1.50% p.a. of the net asset value of the relevant constituent fund (except for the BCT (Industry) Core Accumulation Fund and BCT (Industry) Age 65 Plus Fund). For the BCT (Industry) Core Accumulation Fund and BCT (Industry) Age 65 Plus Fund, the maximum aggregate of trustee, administration and custodian fee and sponsor fee is 0.59% p.a. of the net asset value of the relevant constituent fund.”</li> </ul>
Page 47	<p>The second and third paragraphs under the paragraph headed “<i>DIS Funds</i>” in respect of Part I “<b>Constituent Funds</b>” of the “EXPLANATORY NOTES” are deleted and replaced with the following:</p> <p>“The above aggregate payments for services include, but is not limited to, the fees paid or payable for the services provided by the trustee, the administrator, the investment manager(s), the custodian and the sponsor of the Plan and the APIFs invested into by the respective DIS Fund, and any of the delegates from these parties and such fees are calculated as a percentage of the net asset value of each of the DIS Fund and its underlying fund(s), but does not include any out-of-pocket expenses incurred by each DIS Fund and its underlying fund(s).</p> <p>The Trustee is, in respect of each of the DIS Funds, paid the entirety of the “trustee, administration and custodian fee” for providing trustee services (including the discharge of trustee duties and performance or exercise of trustee functions in relation to the Plan and the DIS Funds as well as the safe-keeping of the investments and assets of the same, all in accordance with the governing rules of the Plan and the MPFS Ordinance) and administrative services (including services of an operational and administrative nature required to allow the proper functioning of the Plan and the DIS Funds in terms of, for example, the processing and recording of member data, the receiving of contributions, the processing of investments and claims, all in accordance with the governing rules of the Plan and the MPFS Ordinance) in its respective roles as the trustee, the administrator and the custodian. The Sponsor does not charge any sponsor fee in respect of the DIS Funds. The Investment Manager does not charge any investment management fee at the level of the DIS Funds. The Investment Manager is, instead, paid the investment management fee for providing investment management services to the APIFs invested into by the DIS Funds.”</p>



Page 48	<p>The first paragraph headed “<i>Management Fees</i>” in respect of Part II “<b>Underlying Funds</b>” of the “EXPLANATORY NOTES” is deleted and replaced with the following:</p> <p>“<i>Management Fees</i>: Management fees include sponsor fee, investment management fee, trustee, administration and custodian fee and registrar fee paid to the sponsor, investment manager, trustee, administrator, custodian and registrar of the relevant APIF.”</p>																																																				
Pages 48 to 49	<p>The first and second bullet points under <i>Management Fees</i> in respect of Part II “<b>Underlying Funds</b>” of the “EXPLANATORY NOTES” are deleted and replaced with the following:</p> <p>“• A breakdown of the current investment management fee, trustee, administration and custodian fee and sponsor fee (if any) payable out of the assets of each underlying APIF or the underlying ITCISs is as follows:</p> <table><tr><th>Name of constituent fund</th><th>Sponsor fee</th><th>Trustee, administration and custodian fee</th><th>Investment management fee</th></tr><tr><td></td><td colspan="3">(% p.a. of net asset value)</td></tr><tr><td>BCT (Industry) Hong Kong Equity Fund</td><td>N/A</td><td>Up to 0.10%</td><td>0.75%</td></tr><tr><td>BCT (Industry) Asian Equity Fund</td><td>N/A</td><td>0.10%</td><td>0.625%</td></tr><tr><td>BCT (Industry) Global Equity Fund</td><td>N/A</td><td>0.06-0.07%</td><td>0.75%</td></tr><tr><td>BCT (Industry) E70 Mixed Asset Fund</td><td>N/A</td><td>0.10%</td><td>Nil</td></tr><tr><td>BCT (Industry) E50 Mixed Asset Fund</td><td>N/A</td><td>0.10%</td><td>Nil</td></tr><tr><td>BCT (Industry) E30 Mixed Asset Fund</td><td>N/A</td><td>0.10%</td><td>Nil</td></tr><tr><td>BCT (Industry) Flexi Mixed Asset Fund</td><td>N/A</td><td>Up to 0.07%</td><td>0.45%</td></tr><tr><td>BCT (Industry) Core Accumulation Fund</td><td>N/A</td><td>0.08%<sup>#</sup></td><td>0.08%<sup>##</sup></td></tr><tr><td>BCT (Industry) Age 65 Plus Fund</td><td>N/A</td><td>0.08%<sup>#</sup></td><td>0.08%<sup>##</sup></td></tr><tr><td>BCT (Industry) RMB Bond Fund</td><td>N/A</td><td>0.10%</td><td>Nil</td></tr><tr><td>BCT (Industry) Global Bond Fund</td><td>N/A</td><td>0.06-0.07%</td><td>0.65%</td></tr></table>	Name of constituent fund	Sponsor fee	Trustee, administration and custodian fee	Investment management fee		(% p.a. of net asset value)			BCT (Industry) Hong Kong Equity Fund	N/A	Up to 0.10%	0.75%	BCT (Industry) Asian Equity Fund	N/A	0.10%	0.625%	BCT (Industry) Global Equity Fund	N/A	0.06-0.07%	0.75%	BCT (Industry) E70 Mixed Asset Fund	N/A	0.10%	Nil	BCT (Industry) E50 Mixed Asset Fund	N/A	0.10%	Nil	BCT (Industry) E30 Mixed Asset Fund	N/A	0.10%	Nil	BCT (Industry) Flexi Mixed Asset Fund	N/A	Up to 0.07%	0.45%	BCT (Industry) Core Accumulation Fund	N/A	0.08% <sup>#</sup>	0.08% <sup>##</sup>	BCT (Industry) Age 65 Plus Fund	N/A	0.08% <sup>#</sup>	0.08% <sup>##</sup>	BCT (Industry) RMB Bond Fund	N/A	0.10%	Nil	BCT (Industry) Global Bond Fund	N/A	0.06-0.07%	0.65%
Name of constituent fund	Sponsor fee	Trustee, administration and custodian fee	Investment management fee																																																		
	(% p.a. of net asset value)																																																				
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BCT (Industry) Asian Equity Fund	N/A	0.10%	0.625%																																																		
BCT (Industry) Global Equity Fund	N/A	0.06-0.07%	0.75%																																																		
BCT (Industry) E70 Mixed Asset Fund	N/A	0.10%	Nil																																																		
BCT (Industry) E50 Mixed Asset Fund	N/A	0.10%	Nil																																																		
BCT (Industry) E30 Mixed Asset Fund	N/A	0.10%	Nil																																																		
BCT (Industry) Flexi Mixed Asset Fund	N/A	Up to 0.07%	0.45%																																																		
BCT (Industry) Core Accumulation Fund	N/A	0.08% <sup>#</sup>	0.08% <sup>##</sup>																																																		
BCT (Industry) Age 65 Plus Fund	N/A	0.08% <sup>#</sup>	0.08% <sup>##</sup>																																																		
BCT (Industry) RMB Bond Fund	N/A	0.10%	Nil																																																		
BCT (Industry) Global Bond Fund	N/A	0.06-0.07%	0.65%																																																		

# The current trustee fee payable by the relevant underlying APIF (namely the Invesco Pooled Investment Fund – Core Accumulation Fund in the case of the Core Accumulation Fund and the Invesco Pooled Investment Fund – Age 65 Plus Fund in the case of the Age 65 Plus Fund) represent the overall trustee fee charged by that relevant underlying APIF and the DIS Underlying APIFs invested into by it.

## The current management fee payable by the relevant underlying APIF (namely the Invesco Pooled Investment Fund – Core Accumulation Fund in the case of the Core Accumulation Fund and the Invesco Pooled Investment Fund – Age 65 Plus Fund in the case of the Age 65 Plus Fund) represents the total overall investment management fee payable to Invesco. Investment by the said relevant underlying APIF into the DIS Underlying APIFs (managed by Invesco) will not result in overall increase in fees and charges payable to Invesco and / or its connected persons i.e. no double charging of investment management fee.

- The maximum investment management fee payable out of the assets of each underlying APIF are as follows.

<b>Name of constituent fund</b>	<b>Maximum investment management fee</b>
	<i>(% p.a. of net asset value)</i>
BCT (Industry) Hong Kong Equity Fund	2.00%
BCT (Industry) Asian Equity Fund	1.50%
BCT (Industry) Global Equity Fund	2.50%
BCT (Industry) Flexi Mixed Asset Fund	2.00%
BCT (Industry) Core Accumulation Fund	0.08% <sup>#</sup>
BCT (Industry) Age 65 Plus Fund	0.08% <sup>#</sup>
BCT (Industry) Global Bond Fund	2.50%

# This maximum is not the maximum stated in the offering document of the underlying APIF, but it is the maximum for the purpose of the relevant DIS Fund.

- The maximum aggregate of trustee, administration and custodian fee and sponsor fee (if any) payable out of the assets of each underlying APIF are as follows:

Name of constituent fund	Maximum aggregate of trustee, administration and custodian fee and sponsor fee
	(% p.a. of net asset value)
BCT (Industry) Hong Kong Equity Fund	0.50%
BCT (Industry) Asian Equity Fund	0.50%
BCT (Industry) Global Equity Fund	1.00%
BCT (Industry) E70 Mixed Asset Fund	1.00%
BCT (Industry) E50 Mixed Asset Fund	1.00%
BCT (Industry) E30 Mixed Asset Fund	1.00%
BCT (Industry) Flexi Mixed Asset Fund	0.25%
BCT (Industry) Core Accumulation Fund	0.08% <sup>#</sup>
BCT (Industry) Age 65 Plus Fund	0.08% <sup>#</sup>
BCT (Industry) RMB Bond Fund	1.00%
BCT (Industry) Global Bond Fund	1.00%

<sup>#</sup> This maximum is not the maximum stated in the offering document of the underlying APIF, but it is the maximum for the purpose of the relevant DIS Fund.”

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The paragraph headed “*Administrative Expenses*” in respect of Part IV “**Deductions from MPF Conservative Fund**” of the “EXPLANATORY NOTES” is deleted and replaced with the following:

“*Administrative Expenses*: Notwithstanding the fees, charges and other expenses described above, administrative expenses (including the trustee, administration and custodian fee, sponsor fee and investment management fee) may only be deducted from the account of a member whose accrued benefits form part of the MPF Conservative Fund in the following circumstances:”

**Change with effect from 1 May 2019**

Page 54

The 1st sentence in the sub-section headed “8.2 Publication of Net Asset Value and Prices” in the section headed “8. GENERAL INFORMATION” in the Principal Brochure shall be deleted and replaced with the following:

“The net asset value per unit, the issue price and the redemption price for each constituent fund are published at least weekly in The Standard and Sing Tao Daily.”

Date: 18 January 2019

ISSUED BY BANK CONSORTIUM TRUST COMPANY LIMITED