



BCT

銀聯集團

BCT (MPF) INDUSTRY CHOICE (the “Plan”)

NOTICE TO PARTICIPATING EMPLOYERS AND MEMBERS

This document 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. Bank Consortium Trust Company Limited (the “Trustee”), being the trustee of the Plan accepts responsibility for the information contained in this document. This document is only a summary of the key changes relating to the Plan. Members should also carefully review the second addendum to the Principal Brochure. A copy of the Principal Brochure as amended by the first addendum and the second addendum can be obtained free of charge by calling the Employer Hotline at 2298 9388 or the Member Hotline at 2298 9333 or accessing the website at www.bcthk.com.

Unless otherwise defined herein, terms used in this document bear the same meaning as in the principal brochure of the Plan dated December 2016, as amended by the first addendum dated 12 December 2016 (together, the “Principal Brochure”).

19 March 2018

Dear Participating Employer / Member,

Thank you for your continued support of the Plan. We are writing to inform you of certain changes to the Plan, as summarised below.

Summary of changes to the Plan:

- (1) Update of the respective management fees in respect of BCT (Industry) RMB Bond Fund, BCT (Industry) E70 Mixed Asset Fund, BCT (Industry) E50 Mixed Asset Fund and BCT (Industry) E30 Mixed Asset Fund (“**Constituent Funds**”) with effect from 1 April 2017, to reflect the reduction in trustee fee payable by the underlying approved pooled investment funds of the Constituent Funds with effect from 1 April 2017.
- (2) Enhancement of the disclosures in the Principal Brochure relating to dealing cut-off time for rebalancing / switching between constituent funds of the Plan with immediate effect, to clearly disclose dealing cut-off time (which is not presently disclosed) for processing on a dealing day.
- (3) Change the name of BCT (Industry) Absolute Return Fund to BCT (Industry) Flexi Mixed Asset Fund and clarification of the investment policy of BCT (Industry) Absolute Return Fund which will take effect from 30 November 2018, to cater for the change in name and clarification of investment policy of its underlying approved pooled investment fund.
- (4) Changes in the methodology for valuation of quoted investments of a constituent fund from using the last bid price to the last traded price with effect from 26 April 2018, to align with general market practice as well as other mandatory provident fund schemes under the trusteeship of the Trustee.

The above changes do not and will not have any adverse impact on members of the Plan and no action is required to be taken by the members in connection with the changes. For further details, please refer to the relevant sections below in this Notice.

Should you have any enquiries regarding the changes, please contact the Employer Hotline at 2298 9388 or the Member Hotline at 2298 9333.

1. Update in relation to the reduction in trustee fee relating to underlying funds of BCT (Industry) RMB Bond Fund, BCT (Industry) E70 Mixed Asset Fund, BCT (Industry) E50 Mixed Asset Fund and BCT (Industry) E30 Mixed Asset Fund

BCT (Industry) RMB Bond Fund, BCT (Industry) E70 Mixed Asset Fund, BCT (Industry) E50 Mixed Asset Fund and BCT (Industry) E30 Mixed Asset Fund (each a “**Constituent Fund**”) each invests in one or more approved pooled investment fund (each an “**Underlying Fund**”) managed by Invesco Hong Kong Limited.

With effect from 1 April 2017, the trustee fee payable by the Underlying Funds has been reduced from “0.12% p.a.” to “0.10% p.a.” of the net asset value of such Underlying Funds. Accordingly, the disclosures in the Principal Brochure on the current trustee fees payable out of the assets of the Underlying Funds and the current management fees of the Constituent Funds (inclusive of trustee fees payable out of assets of the Underlying Funds) are respectively updated with effect from 1 April 2017 as follows:

Constituent Fund	Change in the current trustee fee as a percentage of net asset value payable out of the assets of the Underlying Fund		Change in the current management fee as a percentage of net asset value of the Constituent Fund (inclusive of trustee fees payable out of the assets of the Underlying Fund)	
	Before fee reduction	After fee reduction	Before fee reduction	After fee reduction
BCT (Industry) RMB Bond Fund	0.12% p.a.	0.10% p.a.	1.195% p.a.	1.175% p.a.
BCT (Industry) E70 Mixed Asset Fund	0.12% p.a.	0.10% p.a.	1.55% p.a.	1.53% p.a.
BCT (Industry) E50 Mixed Asset Fund	0.12% p.a.	0.10% p.a.	1.55% p.a.	1.53% p.a.
BCT (Industry) E30 Mixed Asset Fund	0.12% p.a.	0.10% p.a.	1.55% p.a.	1.53% p.a.

2. Dealing cut-off time for rebalancing / switching between constituent funds of the Plan

It is currently disclosed in section 6.3.2 of the Principal Brochure that, subject to any limitation which may be imposed by the Trustee, an employee member, a self-employed person or a personal account member may also submit a rebalancing / switching instruction form, as prescribed by the Trustee from time to time, to the Trustee to redeem, as soon as practicable, any units in a constituent fund and to apply such redemption proceeds to acquire units in other constituent funds in accordance with the rebalancing / switching instruction. The relevant disclosures will be enhanced to state that if a valid rebalancing / switching instruction form, which may be sent by mail, facsimile, via the Trustee’s website at www.bcthk.com or other permissible means as specified by the Trustee from time to time, is received by the Trustee before the dealing cut-off time at 4 p.m. on a dealing day, the redemption of units in the original constituent fund and subscription for units in the new constituent fund will generally be processed using the fund prices on the same dealing day. If a valid rebalancing / switching instruction form is received by the Trustee at or after the dealing cut-off time at 4 p.m. on a dealing day, the redemption of units and subscription for units generally will only be processed using the fund prices on the next dealing day. However, such rebalancing / switching instruction form should not affect the way in which any future contributions should be invested which should be made in accordance with the latest investment mandate submitted by the relevant member.

Please note that for a member who would like to give instructions to switch out of the Default Investment Strategy before annual de-risking takes place (generally on a member’s birthday), he should submit a switching instruction before the dealing cut-off time at 4 p.m. on the member’s birthday. For further details, please refer to the sub-section entitled “Dealing day of annual de-risking” under section 3.6 entitled “Default Investment Strategy” of the Principal Brochure.

