



BCT

銀聯集團

## BCT (MPF) PRO 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 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](http://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 23 April 2018, as amended by the first addendum dated 16 August 2018 (together, the “Principal Brochure”).

14 March 2019

Dear Participating Employer / Member,

Thank you for your continued support of the Plan. We are writing to inform you of the following changes in respect of the Plan.

#### Summary of changes to the Plan:

The following changes are made to the Principal Brochure by way of a second addendum:

- Clarifications and enhancement of disclosures on fees:
  - (i) Clarification that the current level of management fees payable out of each of BCT (Pro) SaveEasy 2040 Fund, BCT (Pro) SaveEasy 2035 Fund, BCT (Pro) SaveEasy 2030 Fund and BCT (Pro) SaveEasy 2025 Fund (including the management fees of its underlying fund) is up to 1.45% per annum of its net asset value and the fee shall be reduced to up to 1.2% per annum of its net asset value five years prior to reaching the beginning (i.e. 1 January) of the applicable target year;
  - (ii) Clarification that the current level of management fees payable out of BCT (Pro) SaveEasy 2020 Fund (including the management fees of its underlying fund) is up to 1.2% per annum of its net asset value;
  - (iii) Clarification of the rebate arrangement in respect of BCT (Pro) SaveEasy Funds, BCT (Pro) Greater China Equity Fund, BCT (Pro) World Equity Fund, BCT (Pro) Hong Kong Dollar Bond Fund and BCT (Pro) RMB Bond Fund;
  - (iv) Enhancement of disclosures on fees by including a breakdown of the current levels of fees, expenses and charges payable by the relevant constituent funds and their underlying funds;
  - (v) Clarification that the term “trustee and administration fee” includes custodian fee;
  - (vi) Clarification that the costs and expenses borne by each constituent fund that are related to the operation and continuation of such constituent fund include sub-custodians’ fee (where applicable);
  - (vii) Clarification that the administrative expenses in respect of BCT (Pro) MPF Conservative Fund include the trustee, administration and custodian fee, sponsor fee and investment management fee; and
  - (viii) Clarification that the Trustee / Sponsor have full discretion to waive joining fee payable by self-employed person.

- With effect from 1 May 2019, the Chinese newspapers for publication of net asset value per unit, the issue price and the redemption price for each constituent fund will change from Hong Kong Economic Times to Sing Tao Daily.

For the avoidance of doubt, all of the above changes do NOT involve any extra fee, charge or expense to be levied on either the participating employers or members.

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 Notice below.

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

### **Clarification of the current levels of the management fees of the SaveEasy Funds**

As previously disclosed in the Principle Brochure, the level of management fees payable out of each of BCT (Pro) SaveEasy 2040 Fund, BCT (Pro) SaveEasy 2035 Fund, BCT (Pro) SaveEasy 2030 Fund and BCT (Pro) SaveEasy 2025 Fund (including the management fees of its underlying fund) is “1.45% per annum of its net asset value and the fee shall be reduced to 1.2% per annum of its net asset value five years prior to reaching the beginning (i.e. 1 January) of the applicable target year”.

It is clarified that the current level of management fees payable out of each of BCT (Pro) SaveEasy 2040 Fund, BCT (Pro) SaveEasy 2035 Fund, BCT (Pro) SaveEasy 2030 Fund and BCT (Pro) SaveEasy 2025 Fund (including the management fees of its underlying fund) is “up to 1.45% per annum of its net asset value and the fee shall be reduced to up to 1.2% per annum of its net asset value five years prior to reaching the beginning (i.e. 1 January) of the applicable target year”.

The current level of management fees payable out of BCT (Pro) SaveEasy 2020 Fund (including the management fees of its underlying fund) is clarified from “1.2%” to be “up to 1.2%” per annum of its net asset value.

### **Clarification of rebate arrangement**

As previously disclosed in the Principal Brochure, the Trustee / Sponsor will, by way of certain rebates credited to the following constituent funds, maintain the current level of management fees in respect of those constituent funds: BCT (Pro) SaveEasy Funds, BCT (Pro) Greater China Equity Fund, BCT (Pro) World Equity Fund, BCT (Pro) Hong Kong Dollar Bond Fund and BCT (Pro) RMB Bond Fund. As a result of these rebates, the actual trustee, administration and sponsor fees payable out of these constituent funds are lower than the levels of such fees previously disclosed in the Principal Brochure.

It is clarified that the Trustee / Sponsor may, by way of certain rebates credited to BCT (Pro) Greater China Equity Fund and BCT (Pro) World Equity Fund, maintain the current level of Management Fees in respect of these constituent funds. It is also clarified that there are no more rebates in respect of BCT (Pro) SaveEasy Funds, BCT (Pro) Hong Kong Dollar Bond Fund and BCT (Pro) RMB Bond Fund. To provide better clarity to members, the disclosures on the current levels of trustee, administration and sponsor fees payable out of these constituent funds have been updated to reflect the actual current levels after factoring in the rebates by the Trustee / Sponsor. There is no change in the actual levels of fees currently payable out of these constituent funds.

The disclosures on the rebate arrangement in the Principal Brochure are updated accordingly.

### **Breakdown of fees and clarification of trustee and administration fee**

Currently, all fees, expenses and charges payable by the relevant constituent funds and their underlying funds are disclosed in Part C of the fee table in the sub-section headed “7.1 Fees and Charges” in the section headed “7. FEES AND CHARGES” in the Principal Brochure.

A breakdown of the current levels of such fees, expenses and charges is now inserted in the Principal Brochure to provide members with additional information. The new breakdown of the current levels of the fees is set out in the following tables:

### **Breakdown of fees of the relevant constituent funds**

<b>Name of constituent fund</b>	<b>Sponsor fee</b>	<b>Trustee, administration and custodian fee</b>	<b>Investment management fee</b>
	<i>(% p.a. of net asset value)</i>		
BCT (Pro) China and Hong Kong Equity Fund	0.24%	0.56%	0.51%
BCT (Pro) Asian Equity Fund	0.24%	0.56%	0.58%
BCT (Pro) European Equity Fund	0.24%	0.56%	0.58%
BCT (Pro) Global Equity Fund	0.24%	0.56%	0.52%
BCT (Pro) Hang Seng Index Tracking Fund	0.14%	0.56%	Nil
BCT (Pro) Greater China Equity Fund	0.14%	0.58%	Nil
BCT (Pro) World Equity Fund	0.24%	0.56%	Nil
BCT (Pro) SaveEasy 2040 Fund	0.14%	0.46%	Nil
BCT (Pro) SaveEasy 2035 Fund	0.14%	0.46%	Nil
BCT (Pro) SaveEasy 2030 Fund	0.14%	0.46%	Nil
BCT (Pro) SaveEasy 2025 Fund	0.14%	0.46%	Nil
BCT (Pro) SaveEasy 2020 Fund	0.14%	0.46%	Nil
BCT (Pro) E90 Mixed Asset Fund	0.24%	0.56%	0.52%
BCT (Pro) E70 Mixed Asset Fund	0.24%	0.56%	0.52%
BCT (Pro) E50 Mixed Asset Fund	0.24%	0.56%	0.52%
BCT (Pro) E30 Mixed Asset Fund	0.24%	0.56%	0.52%
BCT (Pro) Flexi Mixed Asset Fund	0.24%	0.56%	Nil
BCT (Pro) Core Accumulation Fund	Nil	0.59%	Nil
BCT (Pro) Age 65 Plus Fund	Nil	0.59%	Nil
BCT (Pro) RMB Bond Fund	0.14%	0.485%	0.45%
BCT (Pro) Global Bond Fund	0.24%	0.56%	0.48%
BCT (Pro) Hong Kong Dollar Bond Fund	0.14%	0.43%	0.40%
BCT (Pro) MPF Conservative Fund	0.14%	0.44%	0.30%

### **Breakdown of fees of the relevant underlying funds**

<b>Name of constituent fund</b>	<b>Sponsor fee</b>	<b>Trustee, administration and custodian fee</b>	<b>Investment management fee</b>
	<i>(% p.a. of net asset value)</i>		
BCT (Pro) China and Hong Kong Equity Fund	0.02%	0.10%	Nil
BCT (Pro) Asian Equity Fund	0.02%	0.10%	Nil
BCT (Pro) European Equity Fund	0.02%	0.10%	Nil
BCT (Pro) Global Equity Fund	0.02%	0.10%	Nil
BCT (Pro) Hang Seng Index Tracking Fund	N/A	Up to 0.05%	Up to 0.05%
BCT (Pro) Greater China Equity Fund	N/A	Nil	Up to 0.31%
BCT (Pro) World Equity Fund	N/A	Nil	Up to 0.61%
BCT (Pro) SaveEasy 2040 Fund	N/A	Up to 0.10%	0.75%
BCT (Pro) SaveEasy 2035 Fund	N/A	Up to 0.10%	0.75%
BCT (Pro) SaveEasy 2030 Fund	N/A	Up to 0.10%	0.75%
BCT (Pro) SaveEasy 2025 Fund	N/A	Up to 0.10%	0.75%
BCT (Pro) SaveEasy 2020 Fund	N/A	Up to 0.10%	0.50%

Name of constituent fund	Sponsor fee	Trustee, administration and custodian fee	Investment management fee
	<i>(% p.a. of net asset value)</i>		
BCT (Pro) E90 Mixed Asset Fund	0.02%	0.10%	Nil
BCT (Pro) E70 Mixed Asset Fund	0.02%	0.10%	Nil
BCT (Pro) E50 Mixed Asset Fund	0.02%	0.10%	Nil
BCT (Pro) E30 Mixed Asset Fund	0.02%	0.10%	Nil
BCT (Pro) Flexi Mixed Asset Fund	N/A	Up to 0.07%	0.45%
BCT (Pro) Core Accumulation Fund	N/A	0.08%	0.08%
BCT (Pro) Age 65 Plus Fund	N/A	0.08%	0.08%
BCT (Pro) RMB Bond Fund	N/A	0.10%	Nil
BCT (Pro) Global Bond Fund	0.02%	0.10%	Nil
BCT (Pro) Hong Kong Dollar Bond Fund	N/A	0.0295%	Nil

The disclosures in the Principal Brochure are also clarified to reflect that the term “trustee and administration fee” includes custodian fee.

#### **Costs and expenses borne by each constituent fund**

It is clarified that the costs and expenses borne by each constituent fund that are related to the operation and continuation of such constituent fund include sub-custodians’ fee (where applicable).

#### **Administrative expenses of BCT (Pro) MPF Conservative Fund**

It is clarified that the administrative expenses in respect of BCT (Pro) MPF Conservative Fund include the trustee, administration and custodian fee, sponsor fee and investment management fee.

#### **Joining fee applicable to self-employed person**

It is clarified in the Principle Brochure that the Trustee / Sponsor shall have full discretion to waive the joining fee payable by self-employed person.

#### **Newspapers for publication of net asset value and prices**

With effect from 1 May 2019, the Chinese newspapers for publication of net asset value per unit, the issue price and the redemption price for each constituent fund will change from Hong Kong Economic Times to Sing Tao Daily.

The Principal Brochure is amended by way of a second addendum to reflect the above.

For the avoidance of doubt, all of the above changes do NOT involve any extra fee, charge or expense to be levied on either the participating employers or members.

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Yours faithfully,  
Bank Consortium Trust Company Limited  
銀聯信託有限公司

This is a computer-generated letter and no signature is required.