

DATED 1 June 2011

(Conformed copy of the Deed of Substitution and Adherence as amended by a First Supplemental Deed dated 24 November 2011, a Second Supplemental Deed dated 29 May 2012, a Third Supplemental Deed dated 1 November 2012, a Fourth Supplemental Deed dated 19 March 2014, a Fifth Supplemental Deed dated 21 December 2015, a Sixth Supplemental Deed dated 1 December 2016, a Seventh Supplemental Deed dated 22 June 2017, an Eighth Supplemental Deed dated 1 April 2019, a Ninth Supplemental Deed dated 15 October 2019, a Tenth Supplemental Deed dated 10 January 2020 and an Eleventh Supplemental Deed dated 7 February 2022)

BANK CONSORTIUM TRUST COMPANY LIMITED

and

BCT FINANCIAL LIMITED

**DEED OF SUBSTITUTION AND ADHERENCE
FOR
BCT (MPF) PRO CHOICE (formerly known as BANK CONSORTIUM MPF
PLAN)**

THIS DEED OF SUBSTITUTION AND ADHERENCE is made on 1 June 2011 by

- (1) **BANK CONSORTIUM TRUST COMPANY LIMITED** whose registered office is at 18th Floor, Cosco Tower, 183 Queen's Road Central, , Hong Kong (the "**Trustee**"); and
- (2) **BCT FINANCIAL LIMITED** whose registered office is at 18th Floor, Cosco Tower, 183 Queen's Road Central, Hong Kong (the "**Sponsor**").

RECITALS

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1. By a trust deed dated 31 January 2000 executed by the Trustee, the Trustee established a master trust scheme under trust to be called the Bank Consortium MPF Plan (re-named as BCT (MPF) Pro Choice) (the "**Plan**") whereby employers and their employees, self-employed persons and other eligible persons may participate. The trust deed was subsequently amended by seven deeds of amendment dated 30 July 2001, 14 August 2002, 13 February 2003, 17 March 2004 and 1 August 2005, 16 November 2007 and 1 October 2009 and amended and superseded by a deed of substitution and adherence dated 1 June 2011 (the "**Deed of Substitution**"). The Deed of Substitution was subsequently amended by a first supplemental deed dated 24 November 2011 (the "**First Supplemental Deed**"), a second supplemental deed dated 29 May 2012 (the "**Second Supplemental Deed**"), a third supplemental deed dated 1 November 2012 ("**Third Supplemental Deed**"), a fourth supplemental deed dated 19 March 2014 ("**Fourth Supplemental Deed**"), a fifth supplemental deed dated 21 December 2015 ("**Fifth Supplemental Deed**"), a sixth supplemental deed dated 1 December 2016 ("**Sixth Supplemental Deed**"), a seventh supplemental deed dated 22 June 2017 ("**Seventh Supplemental Deed**"), an eighth supplemental deed ("**Eighth Supplemental Deed**") dated 1 April 2019, a ninth supplemental deed dated 15 October 2019 ("**Ninth Supplemental Deed**"), a tenth supplemental deed dated 10 January 2020 ("**Tenth Supplemental Deed**") and an eleventh supplemental deed dated 7 February 2022 ("**Eleventh Supplemental Deed**"). The Deed of Substitution as amended by the First Supplemental Deed, Second Supplemental Deed, Third Supplemental Deed, Fourth Supplemental Deed, Fifth Supplemental Deed, Sixth Supplemental Deed, Seventh Supplemental Deed, Eighth Supplemental Deed, Ninth Supplemental Deed, Tenth Supplemental Deed and the Eleventh Supplemental Deed shall be referred to as the "**Trust Deed**".
2. The Trustee and BCT Financial Limited have agreed that BCT Financial Limited shall adhere to the Trust Deed as sponsor of the Plan and shall have the rights, powers and interests together with the duties, responsibilities and obligations set out herein.

3. Subject to the approval of the Mandatory Provident Fund Schemes Authority, the Trustee has power pursuant to Clause 18 of the Trust Deed to amend any provisions of the Trust Deed.
4. The Trustee wishes to amend and restate the Trust Deed by the provisions set out in this Deed of Substitution and Adherence to make certain changes to the operation of the Plan.

NOW THIS DEED WITNESSETH AS FOLLOWS:-

1. With effect from the date hereof the terms set out in the Schedule hereto shall replace the terms set out in the Trust Deed and accordingly the Plan, as hereby amended, shall continue in effect in the form set out herein and the terms of this Deed including the Schedule hereto shall be conclusive to the exclusion of the Trust Deed.
2. Pursuant to Clause 18 of the Trust Deed, the Trustee may at any time amend or extend any of the provisions of the Trust Deed subject to the restrictions in such Clause 18.
3. The Trustee and the Sponsor hereby adopt the provisions set out in the Schedule to this Deed, in substitution for the provisions of the Trust Deed.
4. This Deed shall be governed by and interpreted in accordance with the laws of Hong Kong.

IN WITNESS WHEREOF this Deed has been executed by the Trustee on the day and year first above written.

The Common Seal of)
BANK CONSORTIUM TRUST)
COMPANY LIMITED)
was hereunto affixed in the presence of :-

The Common Seal of)
BCT FINANCIAL LIMITED)
was hereunto affixed in the presence of :-

SCHEUDLE

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NOW THIS DEED WITNESSES as follows:

1. INTERPRETATION

In this Deed and the Participation Agreement, the following words and expressions shall (unless the context otherwise requires) have the meanings given to them as follows:

R.6	“APIF”	means an investment fund which complies with the requirements set out in Section 17(2) of Schedule 1 of the Regulation and has been approved by the MPF Authority and the SFC, or has such other meaning as is given to it from time to time in Section 6 of the Regulation;
	“Application Form”	means the application form as may be prescribed by the Trustee from time to time to be completed and signed by the Employers, SEP Members, Personal Account Members, TVC Members and SVC Members (as the case may be) for providing relevant information to the Trustee for purposes of the Plan;
	“Approved Stock Exchange”	has the same meaning as given to it from time to time in Section 2 of the Regulation;
	“Associate”	has the same meaning as given to it from time to time in Section 2 of the MPFS Ordinance;
R.98	“Auditors”	means such firm or firms as may be appointed by the Trustee in accordance with this Deed being qualified to act as the auditors of the Plan and the Participating Plans for the purposes of the MPFS Ordinance;
	“Basic Salary”	means an Employee Member’s basic monthly salary from his Employer, excluding overtime payments and all benefits and allowances;
	“Bid Spread”	means the bid spread (or an amount equivalent thereto) referred to in Clause 16;
	“Business Day”	means a day on which banks generally are open for business in Hong Kong (excluding Saturdays);

S.2

- “Casual Employee”** means a relevant employee who is declared by an order made under Section 2(2) of the MPFS Ordinance to be a casual employee for the purposes of the MPFS Ordinance, or has such other meaning as is given to it from time to time in Section 2 of the MPFS Ordinance;
- “Collective Investment Scheme”** has the same meaning as given to it from time to time in Part 1 of Schedule 1 to the SFO;
- “Combined Balance”** means, in relation to a Member in his capacity as an Employee Member, on a particular date, the aggregate of:
- (a) the total of the redemption proceeds as at that date of all the Units standing to the credit of his:
 - (i) Employer’s Mandatory Sub-Account;
 - (ii) Employee’s Mandatory Sub-Account;
 - (iii) Employee’s Mandatory Transfer Sub-Account;
 - (iv) Employee’s Standard Voluntary Sub-Account;
 - (v) Employee’s Voluntary Transfer Sub-Account; and
 - (vi) such any other sub-account of the Employee Member as the Trustee considers appropriate or necessary; and
 - (b) the redemption proceeds as at that date of all the Units representing the Vested Balance of his:
 - (i) Employer’s Voluntary Sub-Account; and
 - (ii) such any other sub-account of the Employer as the Trustee considers appropriate or necessary.

means, in relation to a Member in his capacity as an SEP Member, on a particular date, the aggregate of the total redemption proceeds as at that date of all the Units standing to the

credit of his:

- (i) SEP Member's Mandatory Sub-Account;
- (ii) SEP Member's Mandatory Transfer Sub-Account;
- (iii) SEP Member's Voluntary Sub-Account;
- (iv) SEP Member's Voluntary Transfer Sub-Account; and
- (v) such any other sub-account of the SEP Member as the Trustee considers appropriate or necessary.

means, in relation to a Member in his capacity as a Personal Account Member, on a particular date, the aggregate of the redemption proceeds as at that date of all the Units standing to the credit of his:

- (i) Mandatory Personal Sub-Account;
- (ii) Voluntary Personal Sub-Account; and
- (iii) such any other sub-account of the Personal Account Member as the Trustee considers appropriate or necessary.

means, in relation to a Member in his capacity as a TVC Member, on a particular date, the aggregate of the redemption proceeds as at that date of all the Units standing to the credit of his TVC Account.

means, in relation to a Member in his capacity as an SVC Member, on a particular date, the aggregate of the redemption proceeds as at that date of all the Units standing to the credit of his:

- (i) Special Voluntary Sub-Account; and
- (ii) such any other sub-account of the SVC Member as the Trustee considers appropriate or necessary.

PROVIDED THAT if a Member has more

than one capacity, the Combined Balance of the Member is the aggregate of the Combined Balance calculated in relation to each of his capacities on a particular date.

“Commencement Date” means, in relation to a Participating Plan, the day on which the Participating Plan commences as specified in the Application Form;

“Commodities” means all precious metals and all other commodities or merchandise of any nature (other than cash and any other merchandise which would fall within the definition of “Investment” if the reference to “Commodity” were omitted therefrom) and includes any futures contract and any financial futures contract. For the purposes of this definition, “financial futures contract” has the same meaning as given to it from time to time in the Regulation;

“Commodities Market” means any commodities exchange or commodities market in any country in the world and includes, in relation to a particular Commodity, any responsible firm, corporation or association in any country in the world dealing in such Commodity as to be expected generally to provide, in the opinion of the Trustee, a satisfactory market for the Commodity, and in such a case the Commodity shall be deemed to be the subject of an effective permission to deal on the Commodity Market deemed to be constituted by such firm, corporation or association;

“Connected Person” in relation to any person (the “relevant person”) means:

- (a) any person beneficially owning, directly or indirectly, 20 per cent or more of the issued ordinary share capital of the relevant person or able to exercise, directly or indirectly, 20 per cent or more of the total voting rights attributable to the voting share capital of the relevant person;
- (b) any company controlled by any such person as is described in (a) above, and for this purpose “control” of a company means (i)

control (either direct or indirect) of the composition of the board of directors of that company; or (ii) control (either direct or indirect) of more than half of the voting rights attributable to the voting share capital of that company; or (iii) the holding (either directly or indirectly) of more than half of the issued share capital (excluding any part of it which confers no right to participate beyond a specified amount in a distribution of either profits or capital), PROVIDED ALWAYS THAT if the Trustee considers that other definition of the expression “control” is appropriate and that definition is acceptable to the MPF Authority and the SFC, such definition shall be substituted for the above definition thereof;

- (c) any company 20 per cent or more in aggregate of whose issued ordinary share capital is beneficially owned, directly or indirectly, by the relevant person and any company 20 per cent or more in aggregate of the total votes attributable to the voting share capital of which can be exercised, directly or indirectly, by the relevant person; or
- (d) any director or other officer of the relevant person or of any company which is a Connected Person of the relevant person pursuant to (a), (b) or (c) above;

“Constituent Fund” means an investment fund established under Clause 11;

“Contract Value” means in relation to any futures contract, the full amount expressed therein as being due to be paid or received by the holder thereof upon settlement or (as the case may be) upon delivery of the subject matter;

R.2

“Contribution Account” means:

- (a) in relation to a Member in his capacity as an Employee Member, all of the following sub-accounts:

- (i) Employer's Mandatory Sub-Account;
 - (ii) Employee's Mandatory Sub-Account;
 - (iii) Employee's Mandatory Transfer Sub-Account;
 - (iv) Employer's Voluntary Sub-Account;
 - (v) Employee's Standard Voluntary Sub-Account;
 - (vi) Employee's Voluntary Transfer Sub-Account; and
 - (vii) any other sub-account which the Trustee has set up and maintained for the Employee Member;
- (b) in relation to a Member in his capacity as an SEP Member, all of the following sub-accounts:
- (i) SEP Member's Mandatory Sub-Account;
 - (ii) SEP Member Mandatory Transfer Sub-Account;
 - (iii) SEP Member's Voluntary Sub-Account;
 - (iv) SEP Member's Voluntary Transfer Sub-Account; and
 - (v) any other sub-account which the Trustee has set up and maintained for the SEP Member

PROVIDED THAT if a Member is an Employee Member and an SEP Member concurrently, the Trustee shall maintain one Contribution Account (with all the sub-accounts set out in (a) above) in that Member's capacity as an Employee Member and another Contribution Account (with all the sub-accounts set out in (b) above) in that Member's capacity as an SEP Member.

R.2 **"Contribution Day"**

- (a) in relation to an SEP Member, such day as prescribed under Section 131(3) and (4) of the Regulation; and
- (b) in relation to an Employer, has the meaning given by Section 122(l) of the Regulation;

"Dealing Day"

means the day specified as a Dealing Day in the Principal Brochure, or if such day is not a Business

Day, the next following Business Day or such other day or days as the Trustee may from time to time determine to be a Dealing Day either generally or in respect of a particular Constituent Fund;

“Default Fund”

means such Constituent Fund as the Trustee shall determine from time to time, as specified in the form(s) prescribed and accepted by the Trustee from time to time;

S. 2,
34DB(1)(b)

“Default Investment Strategy”

means an investment strategy that complies with Part 2, Schedule 10 to the MPFS Ordinance;

Sch 10

“DIS Funds”

means the two Constituent Funds in the Plan having the attributes of, respectively, the Age 65 Plus Fund and the Core Accumulation Fund, as defined in Schedule 10 to the MPFS Ordinance;”

“Distributing Constituent Fund”

means a Constituent Fund the Investment Policy of which permits the distribution of dividend;

“Dividend Date”

in relation to a Distributing Constituent Fund means, such date as determined by the Trustee for the purpose of determining the amount of dividend (if any) to be distributed for such Distributing Constituent Fund pursuant to Clause 16A.2, provided that such date may be changed from time to time without notice;

“Early Retirement Age”

means, in relation to a Member, 60 years of age or such other age specified from time to time in Schedule 7 of the MPFS Ordinance;

“Eligible Employee”

means an employee of an Employer;

“Employee Member”

means an Eligible Employee who has joined the Plan in accordance with the Rules, and who has not ceased to be employed by his Employer;

“Employee’s Mandatory Sub-Account”

means, in relation to an Employee Member, a sub-account as referred to in Rule 4.1(b);

“Employee’s Mandatory Transfer Sub-Account”

means, in relation to an Employee Member, a sub-account as referred to in Rule 4.1(c);

“Employee’s Standard Voluntary Sub-Account”	means, in relation to an Employee Member, a sub-account as referred to in Rule 4.1(e);
“Employee’s Voluntary Transfer Sub-Account”	means, in relation to an Employee Member, a sub-account as referred to in Rule 4.1(g);
“Employer”	means any person, firm, corporation or body which has established a Participating Plan for its employees by executing a Participation Agreement;
“Employer’s Mandatory Sub-Account”	means, in relation to an Employee Member, a sub-account as referred to in Rule 4.1(a);
“Employer’s Voluntary Sub-Account”	means, in relation to an Employee Member, a sub-account as referred to in Rule 4.1(d);
“Ex-dividend Date”	in relation to a Distributing Constituent Fund means, the date on which the amount of distribution of dividend is excluded from the Net Asset Value of the Units of such Distributing Constituent Fund;
“Exemption Regulation”	means the Mandatory Provident Fund Schemes (Exemption) Regulation (Cap. 485 sub. leg.);
“Financial Year”	means, in relation to the Plan, each Constituent Fund and each Participating Plan, the period from 1 January to 31 December in each calendar year PROVIDED THAT in the case of the Plan, the first Financial Year shall commence on the date on which the Plan was registered under the MPFS Ordinance and end on 31 December, and in the case of each Participating Plan, the first Financial Year thereof shall commence on the Commencement Date of such Participating Plan and end on 31 December first falling after such Commencement Date;
“Forfeitures Account”	means, in relation to a Participating Plan, an account to which the Trustee shall credit any unvested benefits and forfeitures under that Participating Plan;
“Gazette”	has the same meaning as given to it from time to time in Section 3 of the Interpretation and General Clauses Ordinance (Chapter 1 of the Laws of Hong Kong);

R.79
MPF Code
B1.3

“HK\$”	means the lawful currency of Hong Kong;
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC;
“Investment”	<p>means any stock, share, debenture, debenture stock, loan stock, bond, insurance policy, unit share or other interest in a Collective Investment Scheme, Commodity, share price index futures contract, security, commercial paper, acceptance, certificate of deposit, trade bill, treasury bill, instrument or note of or issued by or under the guarantee of any body, whether incorporated or unincorporated, or of any government or local governmental authority or supranational body, whether paying interest or dividends or not, and whether fully paid or not and includes without limitation:</p> <ul style="list-style-type: none"> (a) any right, option or interest in or in respect of any of the foregoing; (b) any certificate of interest or participation in, or temporary or interim certificate for, or receipt for or warrant to subscribe for or purchase, any of the foregoing; (c) any receipt or other certificate or document evidencing the deposit of a sum of money, or any rights or interests arising under any such receipt, certificate or document; (d) any mortgage-backed security or other securitised receivable; and (e) any bill of exchange and any promissory note;
S.2 “Investment Manager”	means such person or persons as may be appointed by the Trustee in accordance with this Deed to manage the Trust Fund or any portion thereof, or as the context may require, any Constituent Fund, or any portion thereof, being qualified to act as an investment manager of the Plan for the purposes of the MPFS Ordinance;

	“Investment Mandate”	means any instructions as may from time to time be given by a Member or an Employer in accordance with this Deed (in a form as may be prescribed by the Trustee from time to time) specifying the manner in which the moneys in the Contribution Account, Personal Account, TVC Account or SVC Account shall be invested;
	“Investment Policy”	means the investment policy for each Constituent Fund referred to in Clause 11.1;
	“Issue Price”	means the issue price (including any Offer Spread imposed) per Unit calculated pursuant to Clauses 14 and 15 at which Units are from time to time issued or to be issued;
	“Management Fee”	means any sum to which the Investment Manager may become entitled to pursuant to the provisions of Clause 20;
S.2	“Mandatory Contribution”	has such meaning as is given to it from time to time in Section 2 of the MPFS Ordinance;
	“Mandatory Personal Sub-Account”	means a sub-account as referred to in Rule 4.3(a);
	“Maximum Level of Relevant Income”	means the level of Relevant Income specified in Schedule 3 of the MPFS Ordinance or has such other meaning as is given to it from time to time in Section 2 of the MPFS Ordinance;
	“Member”	means an Employee Member, an SEP Member, a Personal Account Member, a TVC Member or an SVC Member and includes any person participating in the Plan in one or more of the capacities mentioned above;
	“Minimum Level of Relevant Income”	means the level of Relevant Income specified in Schedule 2 of the MPFS Ordinance or has such other meaning given to it from time to time in Section 2 of the MPFS Ordinance;
S.2	“Minimum MPF Benefits”	has the same meaning as given to it in Section 1(1) of Schedule 2 of the Exemption Regulation;

	“MPF Authority”	means the Mandatory Provident Fund Schemes Authority in Hong Kong;
	“MPFS Ordinance”	means the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) as amended from time to time;
	“Net Asset Value”	means, in relation to a Constituent Fund, the net asset value of such Constituent Fund or, as the context may require, of a Unit of the Constituent Fund calculated pursuant to the provisions of Clause 14;
	“Non-Statutory Normal Retirement Age”	in relation to a Participation Plan, means the age (if any) specified as such under the relevant Participation Agreement or Application Form;
	“Non-Statutory Early Retirement Age”	in relation to a Participation Plan, means the age (if any) specified as such under the relevant Participation Agreement or Application Form;
S.2	“Normal Retirement Age”	means, in relation to a Member, 65 years of age or, if the Regulation prescribes another age, that other age;
	“Offer Spread”	means the offer spread (or an amount equivalent thereto) referred to in Clause 15;
R.61	“Officer”	has the same meaning as given to it from time to time in Section 2 of the MPFS Ordinance;
R.2	“ORSO Exempted Scheme”	has the meaning as given to it in Section 2(1) of the Exemption Regulation;
R.2	“ORSO Registered Scheme”	has the meaning as given to it in Section 2(1) of the Exemption Regulation;
	“Participating Plan”	means a notional sub-plan under the Plan established pursuant to the terms of this Deed;
R.2	“Participation Agreement”	has the same meaning as given to it in Section 2 of the Regulation, and in relation to a Participating Plan of an Employer, the Participation Agreement shall be substantially in the form set out in Schedule I attached hereto with such amendments as may be

agreed between the Trustee and the Employer or in such other form as the Trustee may prescribe from time to time (and approved by the MPF Authority if such an approval is so required under the Regulation) whereby such Employer agrees to establish a Participating Plan under trust upon the terms of:

- (a) this Trust as amended from time to time; and
- (b) the relevant Participation Agreement as may from time to time modified by any further agreements executed by the Trustee and such Employer (and approved by the MPF Authority if such an approval is so required under the Regulation);

“Permissible Investment” means any of the investments in which the funds of a Constituent Fund may be invested as set out in Schedule 1 of the Regulation;

R.2

“Personal Account” means an account maintained in respect of a Personal Account Member in accordance with this Deed and shall be divided into the following sub-accounts:

- (a) Mandatory Personal Sub-Account;
- (b) Voluntary Personal Sub-Account; and
- (c) any other sub-account which the Trustee has set up and maintained for the Member;

R.2

“Personal Account Member” means:

- (a) a person (including a person having accrued benefits in a Contribution Account in the Plan) who, having accrued benefits in another Registered Scheme or an ORSO Exempted Scheme or ORSO Registered Scheme, has joined the Plan in accordance with the Rules and Part XII of the Regulation other than as an Employee Member or an SEP Member and has transferred such accrued benefits to a Personal Account of the Plan; or
- (b) a person who, having accrued benefits in a

Contribution Account in the Plan, has elected or is taken to have elected to have such accrued benefits transferred to a Personal Account of the Plan in accordance with Part XII of the Regulation or this Deed;

“Personal Data (Privacy) Ordinance” means the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong);

“Plan” means the BCT (MPF) Pro Choice (formerly known as Bank Consortium MPF Plan) which is established under the terms of this Deed;

“Plan Participants” means Employers and Members;

R.2 **“Principal Brochure”** means the latest offering document (as defined in Section 2 of the Regulation) of the Plan issued by the Trustee and approved by the MPF Authority and the SFC;

“PRC” means the People’s Republic of China;

“Quoted Investment” means any Investment which is:

- (a) for the time being authorised by the laws of Hong Kong for the investment (without limit) of trust funds;
- (b) selected or approved by the Trustee for the purpose of investment of the Trust Fund and quoted, listed or dealt in on a Recognised Securities Market or a Recognised Commodities Market; or
- (c) not covered by paragraphs (a) or (b) above but selected by the Trustee for the purposes of investment of the Trust Fund and:
 - (i) in the case of a bond, debenture, loan stock, certificate of deposit or other interest bearing security, quoted, listed or dealt in on any other Securities Market; or

- (ii) in the case of any other form of Investment, an Investment in respect of which application has been made to a Recognised Securities Market for permission to deal and quotation or listing and the subscription or purchase of the same by the Trustee is or will be conditional upon the grant thereof;

“Pre-existing Account” means an account in the Plan which has been opened before 1 April 2017;”

“Rebalancing Instruction Form” means a form prescribed by the Trustee from time to time to be completed by a Member or an Employer to enable instructions be given to the Trustee to vary the investments held in the relevant Contribution Accounts, Personal Accounts, TVC Accounts or SVC Accounts in accordance with the terms of this Deed;

“Recognised Commodities Market” means any Commodities Market of repute in any country in the world which has for the time being the approval of the Trustee;

“Recognised Securities Market” means any stock exchange, over-the-counter market or association of dealers in securities of repute in any country in the world which has for the time being the approval of the Trustee;

“Record Date” means the date on which the number of Units of a Distributing Constituent Fund are held in a Member’s account/sub-account, for that number of Units to be entitled to the corresponding dividend distribution (if any) for such Distributing Constituent Fund;

“Redemption Price” means the price per Unit calculated pursuant to Clause 16 at which Units are from time to time redeemed or to be redeemed.

S.2

“Registered Scheme” means a provident fund scheme registered under Section 21 of the MPFS Ordinance as an employer

		sponsored scheme or a master trust scheme or registered under Section 21A of the MPFS Ordinance as an industry scheme, or has such other meaning given to it from time to time in Section 2 of the MPFS Ordinance;
S.2	“Regulation”	means the Mandatory Provident Fund Schemes (General) Regulation (Chapter 485 of the Laws of Hong Kong), as amended from time to time;
	“Relevant Income”	has the same meaning given to it from time to time in Section 2 of the MPFS Ordinance;
	“Rules”	means the rules attached to and forming part of this Deed as the Appendix (as supplemented by the terms of this Deed and the Participation Agreement of the respective Participating Plan, if any) by which a Participating Plan shall be governed;
	“Securities”	has the same meaning as given to such term in Part 1 of Schedule 1 to the SFO;
	“Securities Market”	means any stock exchange, over-the-counter market or other securities market in any country in the world and includes, in relation to any particular Investment, any responsible firm, corporation or association in any part of the world so dealing in the Investment as to be expected generally to provide in the opinion of the Trustee a satisfactory market for the Investment and in such a case the Investment shall be deemed to be the subject of an effective permission to deal on the Securities Market deemed to be constituted by such firm, corporation or association;
S.2	“Self-Employed Person”	has the meaning given to it from time to time in Section 2 of the MPFS Ordinance;
	“SEP Member”	means a Self-Employed Person who has joined the Plan in accordance with the Rules;
	“SEP Member’s Mandatory Sub-Account”	means, in relation to an SEP Member, a sub-account as referred to in Rule 4.2(a);

“SEP Member’s Mandatory Transfer Sub-Account”	means, in relation to an SEP Member, a sub-account as referred to in Rule 4.2(b);
“SEP Member’s Voluntary Sub-Account”	means, in relation to an SEP Member, a sub-account as referred to in Rule 4.2(c);
“SEP Member’s Voluntary Transfer Sub-Account”	means, in relation to an SEP Member, a sub-account as referred to in Rule 4.2(e);
“Service Provider”	has the same meaning as given to it from time to time in Section 2 of the MPFS Ordinance;
“SFC”	means the Securities and Futures Commission in Hong Kong;
“Special Voluntary Sub-Account”	means a sub-account as referred to in Rule 4.5(a);
“specific investment instructions”	shall have the same meaning as ascribed to it under section 34DA of the MPFS Ordinance;
“Specified Working Day”	has the meaning given to it from time to time in section 2 of the Regulation;”
“SFO”	means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Special Contribution”	means (a) a special contribution having the same meaning as in Part IIIA of the MPFS Ordinance, and (b) such other contributions paid in respect of or for the benefit of a Member which are required under applicable laws to be treated in the same manner as a special contribution;
“Special Voluntary Contribution”	means contributions and/or transfer of benefits made by an SVC Member to a Special Voluntary Sub-Account;
“Sponsor”	means BCT Financial Limited or any new or replacement sponsor for the time being;

“Sponsor Fee”	means any sum to which the Sponsor may become entitled to pursuant to the provisions of Clause 20;
“Subscription Money	means any Mandatory Contribution or Voluntary Contribution or Tax Deductible Voluntary Contributions or Special Voluntary Contribution or any accrued benefits to be transferred from another Registered Scheme into the Plan or any moneys received by the Trustee in relation to the Plan;
“Substantial Financial Institution”	has the same meaning as given to it from time to time in Section 2 of the Regulation;
“SVC Account”	<p>means an account maintained in respect of an SVC Member in accordance with this Deed and shall be divided into the following sub-accounts:</p> <ul style="list-style-type: none"> (a) Special Voluntary Sub-Account; and (b) any other sub-account which the Trustee has set up and maintained for the Member, <p>PROVIDED THAT if a Member (in his capacity as an Employee Member, SEP Member or Personal Account Member, as the case may be) holds more than one Special Voluntary Sub-Account immediately before the SVC Restructure Date, the Trustee shall, from the SVC Restructure Date for such Member in his capacity as an SVC Member, maintain one SVC Account (with all the sub-accounts set out above) for each of such Special Voluntary Sub-Accounts;</p>
“SVC Member”	means (i) a person who has joined the Plan in accordance with the Rules other than as an Employee Member or an SEP Member or a Personal Account Member or a TVC Member, or (ii) a Member who has become an SVC Member pursuant to Rule 2.1.1(ea);
“SVC Restructure Date”	means 1 January 2020, on which Special Voluntary Sub-Accounts of existing Members are restructured in the manner as provided in Clause 3.7, Clause 11.2A(viii) and Rule 2.1.1(ea);

“Switching Instruction Form”	means a form prescribed by the Trustee from time to time to be completed by a Member or an Employer to enable instructions be given to the Trustee to vary the investments held in the relevant Contribution Accounts, Personal Accounts, TVC Accounts or SVC Accounts in accordance with the terms of this Deed;
“Tax Deductible Voluntary Contributions”	has the same meaning as the term “tax deductible voluntary contributions” in the MPFS Ordinance;
“Terminal Illness”	has the meaning given to the term from time to time in Section 158(3) of the Regulation;
“Total Incapacity”	has the meaning given to it from time to time in Section 2 of the MPFS Ordinance;
R.151 “Transfer Notice”	means a notice in the form specified or approved by the MPF Authority from time to time to be completed and signed by a Personal Account Member or a TVC Member to enable his accrued benefits to be transferred in accordance with Part XII of the Regulation;
“Trust”	means the trust established by this Deed;
“Trust Fund”	means all the assets and income received, earned and held by the Trustee for the purpose of the Plan;
“Trustee”	means Bank Consortium Trust Company Limited or any new or replacement trustee for the time being duly appointed trustee or trustees of the Trust hereunder;
“Trustee and Administration Fee”	means any sum to which the Trustee may become entitled to pursuant to the provisions of Clause 20;
“Trustee Ordinance”	means the Trustee Ordinance (Chapter 29 of the Laws of Hong Kong).
“TVC Account”	means an account maintained in respect of a TVC Member in accordance with this Deed, and as referred to in Rule 4.4;

“TVC Member”	means a person who is eligible to open a TVC Account in the Plan in accordance with the MPFS Ordinance and who has been admitted by the Trustee to participate in the Plan (i) to make Tax Deductible Voluntary Contributions and/or (ii) to transfer accrued benefits derived from Tax Deductible Voluntary Contributions in another Registered Scheme, to a TVC Account in the Plan in accordance with this Deed, and whose membership has not been terminated pursuant to Rule 2.1.5(c);
“Unit”	means an undivided share in a Constituent Fund including any fraction thereof permitted under this Deed and (except where used in relation to a particular Constituent Fund) includes Units linked to any Constituent Fund;
“UTMF Code”	means the SFC’s Code on Unit Trusts and Mutual Funds, as amended from time to time;
“Unquoted Investment”	means any Investment which is not a Quoted Investment;
“Vested Balance”	means in relation to an Employee Member on a particular date the number of Units in his Employer’s Voluntary Sub-Account which have been vested in the Employee Member according to Rules 7.2 or 7.3;
S.2 “Voluntary Contribution”	means a contribution paid to a Registered Scheme in accordance with Section 11 of the MPFS Ordinance, or has such other meaning given to it from time to time in Section 2 of the MPFS Ordinance;
“Voluntary Personal Sub-Account”	means a sub-account as referred to in Rule 4.3(b);
“Working Day”	has the meaning as given to it in Section 2 of the MPFS Ordinance;
“Year”	means calendar year; and
“Years of Service”	means, in relation to an Employee Member, the total years (including a fraction thereof) of continuous employment with his Employer (whether or not as a

Member of the Plan). In respect of a Member whose Contribution Account consists of an Employer's Voluntary Sub-Account, the definition of Years of Service shall include any additional complete years and months as specified by the Member's Employer in the Application Form. PROVIDED ALWAYS THAT if an Employer wishes to adopt other definition for "Years of Service", the Employer may specify such definition in the Application Form and such definition must be clearly stated in the relevant Participation Agreement of the Employer's Participating Plan to be executed by the Trustee and the Employer.

- 1.2 References herein to "this Deed" or "the Deed" shall mean this Deed as from time to time be amended by deed expressed to be supplemental to this Deed. References herein to Clauses, Rules, Appendix and Schedule are to clauses and rules in, and appendix and schedule to, this Deed. The Appendix and Schedule shall be deemed to form part of this Deed.
- 1.3 The headings are inserted for convenience only and shall not affect the construction hereof.
- 1.4 Unless the context requires otherwise, words importing the singular include the plural and vice versa; words importing a gender include every gender; words importing persons include corporations.
- 1.5 References to any statute shall be deemed to be references to that statute as from time to time amended or re-enacted.

2. ESTABLISHMENT OF TRUST

- 2.1 On 31 January 2000, the Trustee established a master trust scheme under trust called the Bank Consortium MPF Plan (銀聯信託強積金計劃) whereby employers, Self-Employed Persons, and other relevant persons can participate in the Plan.

The trust deed was subsequently amended by seven deeds of amendment dated 30 July 2001, 14 August 2002, 13 February 2003, 17 March 2004, 1 August 2005, 16 November 2007 and 1 October 2009 and amended and superseded by a deed of substitution and adherence dated 1 June 2011 (the "**First Deed of Substitution**"). The Deed of Substitution was subsequently amended by a first supplemental deed dated 24 November 2011 (the "**First Supplemental Deed**"), a second

supplemental deed dated 29 May 2012 (the “**Second Supplemental Deed**”), a third supplemental deed dated 1 November 2012 (“**Third Supplemental Deed**”), a fourth supplemental deed dated 19 March 2014 (“**Fourth Supplemental Deed**”), a fifth supplemental deed dated 21 December 2015 (“**Fifth Supplemental Deed**”), a sixth supplemental deed dated 1 December 2016 (“**Sixth Supplemental Deed**”), a seventh supplemental deed dated 22 June 2017 (“**Seventh Supplemental Deed**”), an eighth supplemental deed dated 1 April 2019 (“**Eighth Supplemental Deed**”), a ninth supplemental deed dated 15 October 2019 (“**Ninth Supplemental Deed**”) and a tenth supplemental deed dated 10 January 2020 (“**Tenth Supplemental Deed**”). Pursuant to the Second Supplemental Deed, the Trust changed its name to “BCT (MPF) Pro Choice (BCT 積金之選)” on 28 June 2012.

- 2.2 With effect from the date hereof, all provisions of the Trust Deed shall be replaced by, and the rights and obligations of the Trustee, the Sponsor, Investment Manager and all other parties provided in the Trust Deed shall be governed by and construed in accordance with the amended and restated provisions set out in this Deed.
- 2.3 The Trustee shall stand possessed of the Trust Fund on trust in accordance with this Deed and any applicable Participation Agreement.
- 2.4 The Sponsor adhered to the Trust Deed as sponsor of the Plan with effect from the date of this Deed.

3. ESTABLISHMENT OF PARTICIPATING PLAN

- 3.1 An employer (as defined in the MPFS Ordinance) will establish a Participating Plan by executing a Participation Agreement.
- 3.2 A Self-Employed Person (who is eligible to participate in the Plan under Rule 2.1.1) will establish a Participating Plan by completing an Application Form.
- 3.3 An Employee Member will establish a Participating Plan if upon his cessation of employment he elects or pursuant to the provisions of this Deed is taken to have elected to transfer his benefits accrued under this Plan to a separate Personal Account in the Plan.

- R.2 3.4 Any person will establish a Participating Plan by either completing an Application Form or, in the absence of a duly completed Application Form, providing such information as the Trustee may require, if such person (i) wishes to transfer his benefits accrued in another Registered Scheme or an ORSO Exempted Scheme or ORSO Registered Scheme to a Personal Account of the Plan, or (ii) wishes to (or is taken or regarded by the relevant law or any term of this Deed or the Rules as having elected to) join the Plan (or transfer benefits to the Plan) as a Personal Account Member other than as an Employee Member or an SEP Member.

- 3.5 Any person will establish a Participating Plan by completing an Application Form and providing such information and document as the Trustee may from time to time prescribe or, in the absence of a duly completed Application Form, providing such information and document as the Trustee may require, if such person wishes to join the Plan (or transfer benefits to a TVC Account of the Plan) as a TVC Member.
- 3.6 Any person will establish a Participating Plan by completing an Application Form or, in the absence of a duly completed Application Form, providing such information as the Trustee may require, if such person wishes to (or is taken or regarded by any term of this Deed or the Rules (including without limitation Clause 3.7)) as having elected to) join the Plan (or transfer benefits to the Plan) as an SVC Member.
- 3.7 Without prejudice to Clause 3.6, as part of the Plan's Special Voluntary Sub-Account restructuring, a Member (in his capacity as an Employee Member, SEP Member or Personal Account Member, as the case may be) who holds any Special Voluntary Sub-Account immediately before the SVC Restructure Date shall be deemed to have elected to join the Plan as an SVC Member with effect from the SVC Restructure Date and a Participating Plan shall be established from the SVC Restructure Date for such Member in his capacity as an SVC Member. For the avoidance of doubt, one Participating Plan with one SVC Account shall be established for each Special Voluntary Sub-Account held by such Member (whether as an Employee Member, SEP Member or Personal Account Member) immediately before the SVC Restructure Date, and more than one Participating Plan may be established for an SVC Member.

4. APPOINTMENT, REMOVAL AND RETIREMENT OF INVESTMENT MANAGER

- 4.1 Subject to the approval of the MPF Authority and the SFC and unless section 44(2) of the Regulation applies, the Trustee shall appoint one or more Investment Managers to manage the investment of the Trust Fund on such terms as to remuneration or otherwise as shall from time to time be agreed between the Trustee, and such Investment Manager PROVIDED THAT any contracts for the appointment of such Investment Manager shall comply with Schedule 2 of the Regulation and further PROVIDED THAT the Investment Manager and its delegates (if any) are independent of the Trustee, the custodian of the Plan and the delegate of the custodian (as defined in Section 2 of the Regulation) in accordance with Section 46 of the Regulation.
- 4.2 An Investment Manager is subject to removal by such notice in writing from the Trustee as is required under the relevant investment management agreement between the Trustee, and the Investment Manager in any of the following events:

- (a) the Investment Manager is commenced to be wound up or is dissolved without being wound up;
 - (b) the Trustee states in writing that a change in Investment Manager is desirable in the interests of Plan Participants;
 - (c) the SFC withdraws its approval of the Investment Manager; or
 - (d) in all other cases which stipulate that the Investment Manager must be removed as provided for in the agreement entered into between the Trustee and the Investment Manager for the investment of the Trust Fund or for the investment of any Constituent Fund, as the case may be.
- 4.3 The Trustee shall, as soon as practicable after the appointment of a new Investment Manager, give notice to the Plan Participants specifying the name and other relevant details of the new Investment Manager.
- 4.4 Clause 4.2 shall not prejudice any right of the Trustee to terminate the Trust in accordance with this Deed.

5. RESIGNATION OF TRUSTEE

- 5.1 Subject to the prior written approval of the MPF Authority and SFC (where necessary), the Trustee may resign as the trustee of the Plan by giving not less than one month's prior written notice (or such other period as required by the MPF Authority and SFC) to Plan Participants (and the other Trustees, if any) PROVIDED THAT adequate arrangements have been made for another trustee approved by the MPF Authority and SFC (where necessary) to assume responsibility for the administration of the Plan and for the Trustee's interest in the Trust Fund to be transferred to that trustee.
- 5.2 Upon resignation of a Trustee, the resigning Trustee shall assign, transfer or otherwise pay to the successor Trustee the moneys and other property then constituting the Trust Fund less the compensation of the resigning Trustee and any other proper charges against the Trust Fund. Upon such assignment, transfer or payment to the successor Trustee, the resigning Trustee shall be released from all further obligations under this Deed but without prejudice to the rights of the Plan Participants in respect of any antecedent breach committed by the resigning Trustee.

- 5.3 Every Trustee who resigns or is removed as Trustee of the Plan shall in respect of its period of trusteeship of the Plan and notwithstanding that it shall have resigned or been removed continue to have the benefit of all indemnities, powers and privileges given to the Trustee of the Plan by this Deed, the Participation Agreements and other deeds supplemental to this Deed executed during such period in addition to the indemnities, powers and privileges given by law to a resigning Trustee.

5A. SUBSTITUTION OF SPONSOR

- 5A.1 The Sponsor shall have power to retire in favour of some other person approved by the Sponsor so long as such other person enters into a deed by which it agrees to assume the obligations of the Sponsor under this Deed. Upon such deed being entered into, the retiring Sponsor shall be absolved and released from all further obligations under this Deed but without prejudice to the rights of the Trustee or of any Plan Participants or other person in respect of any act or omission prior to such retirement.
- 5A.2 If the Sponsor goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or if a receiver is appointed over any of its assets, the Trustee may appoint any other person to act as Sponsor so long as such other person enters into a deed by which it agrees to assume the obligations of the Sponsor under this Deed.
- 5A.3 On the appointment of a new sponsor, unless BCT Financial Limited otherwise agrees by confirmation in writing delivered to the Trustee, the then Sponsor and/or the then Trustee shall change the name of the Plan to a name not including the references to “BCT” and “BCTF”.
- 5A.4 The Trustee shall, as soon as practicable after the appointment of a new Sponsor, give notice to the Employers and the Members specifying the name and address of the office of the new Sponsor.

6. POWERS AND OBLIGATIONS OF THE TRUSTEE

- 6.1 The Trustee shall be responsible for the safe-keeping of the Investments and other assets forming part of the Trust Fund in accordance with the provisions of this Deed and such Investments and assets shall be dealt with as the Trustee may think proper for the purpose of providing for the safe keeping thereof.
- 6.2 The Trustee shall be entitled to procure:
- (a) any officer or responsible official of the Trustee;
 - (b) any nominee appointed by the Trustee;

- (c) any such nominee and the Trustee;
- (d) any custodian, co-custodian or sub-custodian appointed pursuant to the provisions of this clause; or
- (e) Euro-clear Clearing System Limited, Cedel S.A. or any company operating a recognised depository or clearing system in respect of the Investments or other property involved

to take delivery of and retain and/or to be registered as proprietor of any part of the Investments held upon the trusts of this Deed. The Trustee may from time to time appoint such person or persons as it thinks fit (including, without limitation, itself or any Connected Person) as custodian or co-custodians of the whole or any part of the Investments comprised in the Trust Fund and may empower any such custodian or co-custodian to appoint, with the prior consent in writing of the Trustee, sub-custodians and the fees and expenses of such custodian, co-custodians and sub-custodians shall, if approved by the Trustee be paid out of the relevant Trust Fund PROVIDED THAT the custodian, co-custodians, sub-custodians or the Trustee (if the Trustee acts as the custodian of the Plan) is qualified to act as such under the Regulation and any custodial agreement for the appointment of such custodians or co-custodians shall comply with Sections 71(2)(a) and 72(2)(a) and Schedule 3 of the Regulation.

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R.70 6.3 The Trustee shall be entitled to act as a temporary custodian of the Trust Fund for the sole purpose of temporarily keeping contributions and other payments received for the purposes of the Plan, or payments required or permitted to be made from the Plan, and in so acting shall:

- (a) ensure that the Trust Fund is administered and dealt with as trust property, and recorded and controlled in such manner as may be customary and prudent in the circumstances;
- (b) ensure that records of the Trust Fund are kept separate from all other assets of the Trustee, including any assets held by the Trustee for the benefit of a participating employer or any other person;
- (c) ensure that the Trust Fund is not subject to an encumbrance, except in the circumstances allowed under Section 70 of the Regulation;
- (d) ensure that the Trust Fund is applied only for the purpose of the Trust;
- (e) as soon as practicable after receiving contributions and other amounts from a Member, pay them to the custodian;

- (f) as soon as practicable after receiving the payments from a custodian of the Trust Fund for the purpose of paying accrued benefits or other benefits or other amounts of money, pay them to the persons entitled to receive them;
- (g) apply the same care, skill, diligence and prudence as may be reasonably expected of a prudent person who has custody of the Trust Fund.

6.4 In no event shall the Trustee be bound to make any payment except out of the funds held by it for the purpose of the Plan and under the provisions of this Deed.

6.5 The Trustee shall not be under any obligation to appear in, prosecute or defend any action or suit in respect of the provisions hereof or in respect of the Trust Fund or any part thereof or any corporate or shareholders' action which in its opinion would or might involve it in expense or liability unless the Trustee shall be indemnified against such expense or liability out of the Trust Fund to its satisfaction.

6.6 Notwithstanding any other provision of this Deed, the Trustee shall ensure that:

- R.43 (a) it exercises a level of care, skill, diligence and prudence that may reasonably be expected of a prudent person who is acting in a similar capacity and who is familiar with the operation of Registered Schemes;
- R.43 (b) it makes use of all relevant knowledge and skill that it may be reasonably expected to have because of its business or occupation;
- R.43 (c) the funds of the Constituent Funds are invested in different investments so as to minimize the risk of losses of those Constituent Funds, unless in particular circumstances it is prudent not to do so;
- R.43 (d) it acts in the interest of the Members and not in its own interest;
- R.43 (e) it acts in accordance with this Deed;
- (f) it supervises and exercises proper control over all Service Providers appointed or engaged for the purposes of this Deed;
- R.77 (g) proper accounting and other records and reports relating to the Plan, including statement of accounting policies, financial statements and Auditors' report, scheme report, investment report and consolidated report are prepared and kept in accordance with Part VII of the Regulation;
- R.96 (h) the financial statements of the Plan and accounting and other records relating to the Plan are audited annually by the Auditors as required by Part VIII of the Regulation;

- (i) the Trust Fund (i) is administered and dealt with as trust property by Service Providers appointed or engaged by the Trustee for the purposes of the Plan; and (ii) is held, recorded or otherwise controlled in accordance with the market practices that are currently prevailing in the place where the Trust Fund is held, recorded or otherwise controlled, and in such manner as is prudent in the circumstances; and (iii) is applied only for the purposes of the Plan; (iv) is separately recorded in the records required to be kept in respect of the Plan and, in particular, is distinguished from the Trustee's personal assets, and from any assets held by the Trustee for the benefit of any Employer or any other person; and (v) is subject to encumbrances only as allowed under Part V of the Regulation and any encumbrance created over the Trust Fund not so allowed shall be void;
- R.49 (j) the Investment Manager, or any delegates of the Investment Manager, acts in the interests of the Members and does not collude with other persons as regards any transaction relating to the investment of the Constituent Funds;
- R.49 (k) if a transaction involving the acquisition of an asset for or in relation to the Plan is entered into between relevant persons, the consideration to be paid for the asset is not greater than the prevailing market price;
- R.49 (l) if a transaction involving the disposal or lending of an asset for or in relation to the Plan is entered into between relevant persons, the consideration to be paid for the asset is not less than the prevailing market price;
- R.49 (m) Service Providers appointed or engaged for the purposes of the Plan and their Associates do not retain any payment or benefit from a third party, either directly or indirectly, derived from the acquisition or disposal or lending of any assets of the Trust Fund PROVIDED THAT this Clause shall not prevent the third party from providing the Service Providers and their Associates with goods or services that are of demonstrable benefit to the Trust or Members;
- R.49 (n) the Investment Manager, or any delegates of the Investment Manager, does not acquire or dispose of securities for the purposes of the Plan at brokerage rates that exceed the customary institutional full-service brokerage rates generally applicable to the acquisition and disposal of securities, and the acquisition or disposal of securities for the purposes of the Plan is effected in accordance with the best commercial practice applicable to the preparation and execution of financial transactions;
- R.91 (o) a register of Members shall be established and kept in accordance with Section 91 of the Regulation; and

- (p) such other functions and duties imposed on the Trustee by the MPFS Ordinance, the Regulation and all other applicable law and regulations are complied with.

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For the purposes of Clause 6.6(k) and (l), relevant persons are:

- (a) the Trustee and any Service Provider appointed or engaged for the purposes of the Plan;
- (b) the Sponsor;
- (c) the Employers; and
- (d) all Associates of the Employers, of any Member, of the Sponsor or of any Service Provider appointed or engaged for the purposes of the Plan.

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6.7 If the Trustee becomes aware of the occurrence of an event of a significant nature, the Trustee shall:-

- (i) not later than the third (3rd) Specified Working Day after becoming aware of the event, give written notice to the MPF Authority setting out particulars of the event (except an event specified in guidelines of the MPF Authority as an event to which this requirement shall not apply);
- (ii) keep a record of particulars of the event;
- (iii) permit the MPF Authority to inspect the record at any reasonable time during ordinary business hours; and
- (iv) give written notice to the MPF Authority:-
 - (A) setting out further or better particulars of the event as the MPF Authority requires; and
 - (B) as soon as is practicable after the MPF Authority makes that requirement.

The reference in this Clause 6.7 to an event of significant nature includes (but is not limited to) the following:

- (a) any event that causes the Trustee to contravene the MPFS Ordinance, this Deed or a condition to which the approval of the Trustee as such is subject; and

- (b) any material change to the Trustee's capacity or ability to act as Trustee, including: (i) a systems failure which may affect the Trustee's ability to perform its duties; (ii) the winding-up of the Trustee, or the appointment of a receiver or manager of the Trust Fund; (iii) the discontinuation of continuous financial support provided to the Trustee; (iv) any change or proposed change of any controller of the Trustee; (v) the cancellation, expiry or other termination of the insurance in respect of Trust.

R.61 6.8 6.8.1 The Trustee shall procure that Officers shall disclose by written notice to the Trustee and other Officers details of all matters that give rise or are likely to give rise:

- (a) to a conflict of interest between the Officer's duties in relation to the Trust as an officer of the Trustee and either the Officer's other duties as an officer of the Trustee or the Officer's personal interests; or
- (b) if the Officer is an independent director, to the suspension or revocation by the MPF Authority of the Trustee's approval as a trustee, and a record of all such matters shall be maintained by the Trustee.

The Trustee to which a disclosure is made under this Clause 6.8.1 must record the disclosure in a record kept for that purpose. The record shall during business hours (subject to such reasonable restrictions as the Trustee may impose but so that reasonable hours in each Business Day shall be allowed for inspection) be open to the inspection of the MPF Authority or any Member on request without charge.

6.8.2 If an Officer has made a disclosure recorded under this Clause, the Trustee shall determine whether the Officer may be present during any deliberation of the Trustee with respect to the matter, or take part in any decision of the Trustee with respect to the matter. For the purposes of this Clause, an Officer has a personal interest in a matter if, because of the matter or circumstances relating to the matter:

- (a) the Officer has obtained or is able to obtain, whether directly or indirectly, a pecuniary or other advantage; or
- (b) the Officer has conferred or is able to confer a benefit on (i) a relative or friend; or (ii) a body of which the Officer is a member or with which the Officer has a close connection; or (iii) any other person to whom the Officer is under an obligation, whether legal or moral.

6.8.3 No decision of the Trustee shall be invalidated on the ground that any Trustee or Officer of the Trustee had a direct or indirect or personal interest in the decision nor shall any Trustee or Officer of the Trustee be liable to account for any benefits which he receives as a result of membership of the Plan.

R.39 6.9 The Trustee shall procure that control objectives of the Trust are established and maintained at all times which shall include (but not be limited to):

- (a) ensuring that the Trust Fund is safeguarded in the interests of Members;
- (b) ensuring that the guidelines made by the MPF Authority under section 28 of the MPFS Ordinance with respect to forbidden investment practices are not contravened;
- (c) ensuring that the limitations and prohibitions imposed under the Regulation with respect to the investment of the Constituent Funds of the Trust in restricted investments are complied with;
- (d) ensuring that the requirements of Sections 37(2), 51 and 52 and Schedule 1 of the Regulation with respect to Permissible Investments are complied with in relation to the Trust; and
- (e) ensuring that the Trust Fund is, except as permitted by the Regulation, kept separate from the assets of the Employer, the Trustee, the Sponsor and the Service Providers and other persons appointed or engaged for the purposes of the Trust.

R.39 6.10 The Trustee shall procure that internal control measures for achieving the control objectives of the Trust shall be established, maintained and complied with at all times which shall include (but not be limited to) procedures to:

- (a) monitor investments to ensure that the control objectives referred to in Clause 6.9(b), (c) and (d) are achieved;
- (b) monitor the assets and liabilities of the Trust to ensure the objective referred to in Clause 6.9(e) is achieved, so that the Trust Fund is kept separate from the assets of the Employers, Trustee, Sponsor and any other persons (such as Service Providers); and
- (c) ensure the accuracy of statements, returns and reports required to be lodged with the MPF Authority.

R.56 6.11 The Trustee shall ensure that, in accordance with Section 56 of the Regulation, (a) within three (3) months after each Financial Year of the Plan, each of the Members

is provided with a benefit statement setting out the Member's position with respect to the Plan as at the end of that Financial Year, whether or not the auditing of the financial statements of the Plan for that Financial Year has been completed then; and (b) if there are subsequent audit adjustments made to the benefit statements affecting the Members' balances, Members are notified in writing within 30 days after the Trustee becomes aware of those audit adjustments.

- 6.11A The Trustee shall cause a contribution summary to be provided to a TVC Member in accordance with section 56A of the Regulation, or as otherwise permitted or required by the MPFS Ordinance or the Regulation.

Note: s. 56A General Regulation

- R.22 6.12 The Trustee shall ensure that, as far as reasonably practicable, the requirements and standards prescribed in Part IV of the Regulation will be complied with.
- R.44(1) 6.13 The Trustee shall ensure that, subject to section 44(2) of the Regulation, a Investment Manager is appointed to manage the investment of the Trust Fund and the contract for the appointment of the Investment Manager complies with Schedule 2 of the Regulation.
- 6.14 The Trustee shall have the power to regulate its own proceedings, and in particular, if there is more than one Trustee, the Trustee may act by majority vote or by written resolution signed by a majority of the Trustees.
- 6.15 Every Trustee which is an incorporated company may exercise or concur in exercising any discretion or power by this Deed, the Participation Agreement or by any relevant law conferred on the Trustee by a resolution of such company or by a resolution of its board of directors or governing body or may delegate the right and power to exercise or concur in exercising any such discretion or power to a representative appointed for the purpose by its board of directors or governing body.
- 6.16 The Trustee may appoint or obtain the advice of professional advisers upon such terms as to duties and remuneration as may be agreed between the Trustee and such advisers. Subject to Clause 7.17, the Trustee shall not be liable in respect of anything done or omitted in reliance upon professional advice.
- 6.17 Subject to Sections 96 and 99 of the Regulation, the Trustee shall have power to appoint and/or remove Auditors of the Plan.
- 6.18 The Trustee may appoint or employ any agent or staff in connection with the Trust or any Participating Plan including without limitation an administrator to administer the Plan.

- 6.19 The Trustee may delegate any of its powers and duties to any person or company appointed or employed by the Trustee in connection with the Trust or any Participating Plan.
- 6.20 Subject to the provisions of the MPFS Ordinance and the Regulation, if any benefit is payable to an infant or a person under any legal incapacity, the Trustee can rely on the receipt of a parent, guardian or similar responsible person as a complete discharge to the Trustee.
- 6.21 The Trustee shall have power to make or receive any transfers of assets to or from other retirement schemes or arrangements in accordance with this Deed, the MPFS Ordinance, the Regulation and all applicable law and regulations.
- 6.22 The Trustee shall have the power to commence, carry on or defend proceedings relating in any way to the Trust or any Participating Plan or to the determination of any rights of the Members and others in respect thereof and to be indemnified from the Trust in respect of all costs and expenses it may incur in connection with such proceedings.
- 6.23 The Trustee shall have the power generally to execute and do all such acts and things as the Trustee may consider necessary or expedient (subject to any restrictions contained in this Deed) for the maintenance and preservation of the Trust Fund and the rights of the Members and others thereunder.
- 6.24 Subject to the approval of the MPF Authority and the SFC, the Trustee shall have the power to restructure the Plan (including merging the Plan with other Registered Schemes or dividing the Plan into other Registered Schemes) in accordance with Section 34B of the MPFS Ordinance.
- 6.25 The Trustee shall have all the powers and discretions conferred upon an approved trustee of a Registered Scheme under the MPFS Ordinance, the Regulation and all other applicable law and regulations.

7. LIABILITY OF THE TRUSTEE AND THE SPONSOR

- 7.1 The Trustee and the Sponsor shall not incur any liability in respect of any action taken or thing suffered by them in reliance upon any notice, resolution, direction, consent, certificate, affidavit, statement, certificate of stock, plan or reorganisation or other document of title, or other paper or document believed to be genuine and to have been passed, sealed or signed by the proper parties.
- 7.2 The Trustee and the Sponsor shall not incur any liability to the Plan Participants or any of them for doing or failing to do (as the case may be) any act or thing which by reason of any provision of any present or future law or regulation made pursuant thereto, or of any decree, order or judgment of any court, or by reason of any

request, announcement or similar action (whether of binding legal effect or not) which may be taken or made by any person or body acting with or purporting to exercise the authority of any government (whether legally or otherwise). The Trustee and the Sponsor shall be directed or requested to do or perform or to forbear from doing or performing.

- 7.3 If for any reason it becomes impossible or impracticable to carry out the provisions of this Deed, the Trustee and the Sponsor shall not be under any liability therefor or thereby.
- 7.4 The Trustee and the Sponsor shall not be responsible for the authenticity of any signature on or any seal affixed to any endorsement on any certificate or to any transfer or form of application, request for redemption, endorsement or other document affecting the title to or transmission of Units nor be in any way liable for any forged or unauthorised signature on or any seal affixed to such endorsement, transfer, form or other document or for acting on or giving effect to any such forged or unauthorised signature or seal. The Trustee and the Sponsor shall nevertheless be entitled but not bound to require that the signature of any Plan Participants to any document required to be signed by him under or in connection with this Deed shall be verified by a banker or broker or other responsible person or otherwise authenticated to its reasonable satisfaction.
- 7.5 The Trustee and the Sponsor may act upon any advice of or information obtained from any bankers, accountants, brokers, lawyers, agents or other persons acting as agents or advisers of the Trustee and the Sponsor respectively and shall not be liable for anything done or omitted or suffered in reliance upon such advice or information. The Trustee and the Sponsor shall not be responsible for or incur any liability in respect of any misconduct, mistake, oversight, error of judgment, forgetfulness or want of prudence on the part of any such banker, accountant, broker, lawyer, agent or other person as aforesaid or (except as specified in this Deed) of the Investment Manager. Any such advice or information may be obtained or sent by letter, telegram, telex message, cablegram or facsimile transmission and the Trustee and the Sponsor shall not be liable for acting on any advice or information purported to be conveyed by any such letter, telegram, telex message, cablegram or facsimile transmission although the same contains some error or shall not be authentic.
- 7.6 The Trustee may accept as sufficient evidence of the value of any asset of any Constituent Fund, or the cost price or sale price thereof, or of any Recognised Securities Market or Recognised Commodities Market quotation, a certificate by a person, firm or association qualified in the opinion of the Trustee to provide such a certificate.
- 7.7 At all times and for all purposes of this Deed, the Trustee may rely upon the established practice and rulings of any Recognised Securities Market or

Recognised Commodities Market and any committees and officials thereof on which any dealing in any Investment or other property is from time to time effected in determining what shall constitute a good delivery and any similar matters and such practice and rulings shall be conclusive and binding upon all persons under this Deed.

- 7.8 Except if and so far as herein otherwise expressly provided, the Trustee shall as regards all the trusts, powers, authorities and discretions vested in it have absolute and uncontrolled discretion as to the exercise thereof whether in relation to the manner or as to the mode of and the time for the exercise thereof and the Trustee shall not be in any way responsible for any loss, costs, damages or inconvenience that may result from the exercise or non-exercise thereof.
- 7.9 Nothing herein shall prevent the Trustee, the Sponsor or any of their respective Associates from contracting or entering into any financial, banking or other transaction with an Investment Manager or with any Plan Participants or any company or body any of whose shares or securities form part of the Trust Fund or from being interested in any such contract or transaction and the Trustee and the Sponsor shall not be in any way liable to account to the Trust or the Plan Participants for any profit or benefit made or derived thereby or in connection therewith, provided that nothing in this Clause shall exempt the Trustee and the Sponsor (if applicable) from its duties imposed by the MPFS Ordinance and Regulation.
- 7.10 Nothing herein contained shall be construed so as to prevent the Trustee from establishing or acting as a trustee or successor trustee for trusts separate and distinct from the Trust and retaining any profit or benefit made thereby or in connection therewith.
- 7.10A Nothing herein contained shall be construed so as to prevent the Sponsor from establishing or acting as a sponsor or successor sponsor for trusts separate and distinct from the Trust and retaining any profit or benefit made thereby or in connection therewith.
- 7.11 Nothing herein shall prevent the Trustee and the Sponsor from becoming an owner of Units and holding, disposing or otherwise dealing with the same rights which they would have had if they had not been a party to this Deed and each of the Trustee and the Sponsor may buy, hold and deal in any Investments upon its individual account notwithstanding that similar Investments may be held under this Deed as part of the Trust Fund. The Trustee and the Sponsor shall not be liable to account to the Plan Participants for any profits or benefits made or derived from or in connection with any such transaction.
- 7.12 The Trustee may destroy or otherwise dispose of any document after the expiry of the period for which such document is required to be kept by any applicable laws,

rules, regulations, codes or guides from time to time issued by the relevant authorities. The Trustee shall not incur any liability whatsoever for destroying or otherwise disposing of any such document in accordance with this Clause 7.12, PROVIDED THAT it has acted in good faith and without notice of any claim to which the document might be relevant. In each case, unless the contrary is proved, the relevant document so destroyed or otherwise disposed of shall be deemed to have been valid and effective and to have been duly and properly registered, cancelled or, as the case may be, recorded.

- 7.13 The Trustee shall not incur any liability by reason of any error of law or any matter or thing done or suffered or omitted to be done by it under the provisions of this Deed and in particular, but without prejudice to the generality of the foregoing, the Trustee shall not, in ascertaining the value of any Investment, be under any liability by reason of the fact that a price reasonably believed to be the last published, traded price or midway between the latest available market dealing offered price and the latest available market dealing bid price, for the time being may be found not to be such.
- 7.14 The Trustee shall not be under any liability on account of anything done or suffered by the Trustee in accordance with or in pursuance of any request or advice of an Investment Manager. Whenever pursuant to any provisions of this Deed, any certificate, notice, instruction or other communication is to be given by an Investment Manager or any other person to the Trustee, the Trustee may accept as sufficient evidence thereof a document signed or purporting to be signed on behalf of the Investment Manager or such other person by any person whose signature the Trustee is for the time being authorised by the Investment Manager or such other person to accept.
- 7.15 The Trustee shall be indemnified and shall be entitled to be reimbursed out of the Trust Fund in respect of all reasonable and proper costs, outgoings, disbursements, liabilities, charges, expenses or demands which it may incur in respect of the Plan and which it may incur, whether directly or indirectly, or which are or may be imposed on it, in respect of the performance or exercise of its duties and powers hereunder and in respect of all actions, proceedings, costs, claims and demands relating to any matter or thing done or omitted to be done concerning the Trust Fund. For the purposes of such indemnity and reimbursement, the Trustee may from time to time realise such property of the Trust Fund in such manner and at such time as the Trustee thinks fit.
- 7.16 The Trustee shall be liable only for such moneys as the Trustee shall actually receive and in no event shall the Trustee be liable for any interest in respect of such moneys. Except as required under the MPFS Ordinance or the Regulation, it shall not be the duty of the Trustee to take proceedings to enforce payment of any contributions or other moneys payable under this Deed or any Participation Agreement.

7.17 7.17.1 Notwithstanding any provision of this Deed, the Trustee and the Sponsor shall not be exempted from or indemnified against:

- (a) liability for breach of trust for failure to act honestly as regards a matter concerning the Plan; or
- (b) liability for breach of trust for an intentional or reckless failure to exercise, as regards a matter concerning the Plan, the degree of care and diligence that is to be reasonably expected of a trustee who is exercising functions in relation to a trust;
- (c) liability for breach of trust through fraud or negligence on the part of the Trustee or the Sponsor, as the case may be; or
- (d) liability for a fine or penalty imposed by or under Hong Kong law,

7.17.2 The Trustee and the Sponsor shall not purport to limit any of the liabilities set out in Clause 7.17.1, nor shall the Trustee's and the Sponsor's liability for such matters be limited.

7A. PROVISIONS RELATING TO THE SPONSOR

7A.1 The Sponsor shall perform such duties and obligations as agreed with the Trustee from time to time, including but not limited to the distribution, promotion and sponsoring of the Plan and the engagement in ancillary activities relating thereto such as business development and marketing.

7A.2 The Sponsor shall not be under any liability except such liability as may be expressly assumed by it under this Deed nor shall the Sponsor (save as herein otherwise appears) be liable for any act or omission of the Trustee.

7A.3 The Sponsor shall be entitled to delegate all or any of its duties powers and discretions under this Deed to another person or corporation approved by the Trustee and notwithstanding such delegation the Sponsor shall remain entitled to receive and retain in full the Sponsor Fee and other sums payable to the Sponsor under this Deed. The Sponsor shall be solely responsible for the acts and omissions of any such delegate and for the payment of its remuneration.

7A.4 The Sponsor shall indemnify and hold the Trustee harmless in respect of all actions, proceedings, costs, claims, damages, liabilities, expenses and demands suffered or incurred by the Trustee resulting from the fraud, negligence, willful default, bad faith of the Sponsor in the performance of its obligations under this Deed.

7A.5 The Sponsor undertakes to the Trustee that it will in its capacity as Sponsor comply so far as is applicable in all material respects with -

7A.5.1 this Deed;

7A.5.2 the MPFS Ordinance and the Regulation and, insofar as they are applicable to the carrying out or discharging of the Sponsor's duties, responsibilities or obligations hereunder, all codes, guidelines and circulars issued by the MPF Authority;

7A.5.3 the Personal Data (Privacy) Ordinance, and

7A.5.4 the SFO and all codes, guidelines and circulars issued by the SFC, insofar as the same are applicable to the carrying out or discharging of the Sponsor's duties, responsibilities or obligations hereunder.

7A.6 Subject as otherwise required by law, the Sponsor shall not do or omit to do anything which could prejudice the status of the Plan as a Registered Scheme or the status of the Trustee.

8. INVESTMENT POWERS

8.1 Subject to Clauses 4.1 and 9 and the provisions of the MPFS Ordinance and the Regulation, all cash and other property which ought in accordance with the provisions of this Deed to form part of the Trust Fund shall be applied at the discretion of the Trustee (but subject always to the other provisions of this Deed) in the acquisition of Investments for the account of the Plan or any Constituent Fund, PROVIDED THAT all or any amount of cash received for the Plan or any Constituent Fund may during such time or times as the Trustee may think fit be retained in any currency or currencies as the Trustee may think fit for the account of the Plan or any such Constituent Fund:

(a) in cash or on deposit with, or in certificates of deposit or other money market or banking instruments issued by the Trustee (if a banker or other financial institution) or any banker or other financial institution in any part of the world approved by the Trustee (including the Investment Manager or any Connected Person of the Investment Manager or the Trustee) for the time being receiving money on deposit from the public or any section of the public; or

(b) on deposit in any other manner authorised by the Trustee Ordinance with any person approved by the Trustee.

8.1A Without prejudice to other provisions of this Deed,

- (a) for the avoidance of doubt a Member may elect to invest his accrued benefits, contributions and other amounts transferred partly or wholly in (i) the Default Investment Strategy, and/or (ii) one or more Constituent Funds of the Plan, in the manner and subject to such conditions as prescribed in the Principal Brochure; and
 - (b) where the accrued benefits, contributions and other amounts transferred (or the relevant percentage thereof) in respect of a Member are invested according to the Default Investment Strategy, the Trustee is authorized and empowered to invest the accrued benefits of such Member in the DIS Funds in accordance with the Default Investment Strategy including the power to switch the Units held in a DIS Fund into Units of another DIS Fund to give effect to the allocation between the DIS Funds in accordance with the MPFS Ordinance and, subject to the MPFS Ordinance, in such manner, at such time or during such time period, and upon such terms and conditions as the Trustee may determine, including without limitation the rounding mechanism for the purpose of the Default Investment Strategy.
- 8.2 Subject to the provisions of the MPFS Ordinance and the Regulation, the Trustee may from time to time for the account of a Constituent Fund enter into underwriting or sub-underwriting contracts in relation to the subscription or purchase of Investments upon such terms in all respects as it shall think fit subject always to the provisions of this Deed. All commissions or other fees received by the Trustee and all Investments or cash acquired pursuant to any such contract shall form part of the relevant Constituent Fund and any subscription or purchase moneys payable thereunder shall be paid out of such Constituent Fund.
- 8.3 Subject to the provisions of the MPFS Ordinance and the Regulation, any Investment or other property comprised in a Constituent Fund may at any time be realised at the discretion of the Trustee either in order to invest the proceeds of sale in other Investments for such Constituent Fund or to provide cash required for the purpose of any provision of this Deed or in order to retain the proceeds of sale in cash or on deposit or partly one and partly another.
- 8.4 The Trustee may permit the Investment Manager to purchase and sell Investments for the account of a Constituent Fund as agent for the Trustee PROVIDED THAT the Investment Manager shall account for all rebates of brokerage fees and commissions which it may derive from or in connection with any such purchase or sale to the Constituent Fund on whose behalf such transaction was effected. The Trustee may also permit the Investment Manager or its Connected Persons to enter into contractual arrangements with other persons (including any Connected Person of the Investment Manager or the Trustee) under which such other persons agree to pay in whole or in part for the provision of goods to, and/or the supply of services to the Investment Manager or Connected Persons of the Investment Manager in consideration of the Investment Manager or a Connected Person of the Investment

Manager procuring that such other persons (or persons connected thereto) execute transactions to be entered into for the account of the Plan. The Trustee shall require the Investment Manager to procure that no such contractual arrangements are entered into unless the goods and services to be provided pursuant thereto are of demonstrable benefit to Members (taken as a body and in their capacity as such) whether by assisting the Investment Manager in its ability to manage the Trust Fund or otherwise. For the avoidance of doubt (and without prejudice to the generality of the foregoing) research and advisory services, economic and political analysis, portfolio analysis (including valuation and performance measurement), market analysis, data and quotation services, computer hardware and software incidental to the above goods and services, clearing and custodian services and investment-related publications may be considered as of such benefit to Members.

- 8.5 Any transaction authorised hereunder may be effected in and moneys may be held hereunder in cash or on deposit in a currency or currencies other than in Hong Kong dollar. Such foreign currency may be acquired either at the official rate of exchange or otherwise as the Trustee may agree and either for present or forward settlement and any costs and commissions thereby incurred shall be paid out of the relevant Constituent Fund.
- 8.6 Where any cash forming part of a Constituent Fund is transferred to a deposit account with the Trustee, or the Investment Manager or any Connected Person of either of them (being an institution licensed to accept deposits), such institution shall allow interest thereon in accordance with normal banking practice for deposits of that term at a rate not lower than the prevailing rate for deposits of a similar size and duration, in the same currency and with institutions of a similar standing negotiated at arms length. Subject thereto, such banker or other financial institution shall be entitled to retain for its own use and benefit any benefit which it may derive from any cash for the time being in its hands (whether on current or deposit account) forming part of a Constituent Fund.
- 8.7 Subject to Clause 9 and the provisions of the MPFS Ordinance and the Regulation, the selection of all Investments or other property and the currency or currencies in which cash or deposits are kept or into which they are converted shall in all respects be the responsibility of the relevant Investment Manager solely and not of the Trustee unless no Investment Manager has been appointed for the purposes of the Plan.

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B.2.13

9. INVESTMENT RESTRICTIONS

- 9.1 The funds of a Constituent Fund may be invested only in the investments permitted under and in accordance with Parts IV and V and Schedule 1 of the Regulation as amended from time to time. The Trustee is required to comply with Parts IV and V and Schedule 1 of the Regulation and any guidelines relating to investment practices issued by the MPF Authority PROVIDED ALWAYS THAT:

- (a) if a Constituent Fund is a feeder fund, it must not enter into any financial futures and option contracts;
- (b) if a Constituent Fund is a portfolio management fund, no more than 90 per cent of the total assets of the Constituent Fund may be invested in any one APIF; and
- (c) if a Constituent Fund is a portfolio management fund, it may enter into financial futures and option contracts only for hedging purposes.

MPF Code
B2.4

Subject to the foregoing, assets of a Constituent Fund may include cash and bank deposits for ancillary purposes as the Manager thinks fit, including without limitation for meeting redemption requests or defraying operating expenses or for reducing market exposure.

R.52
and
SCH.1

9.2 The Trustee is prohibited from borrowing securities for the purposes of any Constituent Fund. However, the Trustee may at any time and from time to time lend securities held in any Constituent Fund on such terms as the Trustee shall approve and PROVIDED THAT:

- (a) the lending is in respect of fully paid up shares listed on an Approved Stock Exchange;
- (b) an agreement is entered into by the custodian of the Constituent Fund and the borrower of the securities;
- (c) the amount of the consideration (including the value of any collateral security) given for the securities exceeds the value of those securities;
- (d) no more than 10 per cent of the assets of the relevant Constituent Fund are the subject of security lending agreements at any one time; and
- (e) no more than 50 per cent of the securities of the same issue, or of the same class, held in respect of the Constituent Fund are the subject of security lending agreements at any one time.

For the purposes of this Clause, a security lending agreement is an agreement under which one party to the agreement agrees to lend a security to another party to the agreement in consideration for the payment of a fee and collateral security.

R.51

9.3 The Trustee shall ensure that the assets of any Constituent Fund are not applied for the purpose of entering into a repurchase agreement unless the agreement is entered into by the custodian of the Constituent Fund and only if:

- (a) the amount of the consideration (including the value of any collateral security) given for the relevant security exceeds the value of the security;
- (b) no more than 10 per cent of the assets of the relevant Constituent Fund are the subject of repurchase agreements at any one time;
- (c) no more than 50 per cent of the securities of the same issue held among the assets of the relevant Constituent Fund are the subject of repurchase agreements at any one time; and
- (d) the relevant provisions of Schedule 1 of the Regulation are complied with.

For the purposes of this Clause, a repurchase agreement, in relation to the Trustee, is an agreement under which the Trustee agrees to sell a debt security to a person and to repurchase it from that person at a specified date in the future for an agreed price, subject to the amount of consideration (including the value of any collateral security) provided by that person during the period of the agreement.

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| R.51 | 9.4 | The Trustee shall ensure that no Constituent Fund is the subject of a reverse repurchase agreement. For the purpose of this Clause, a reverse repurchase agreement, in relation to the Trustee, is an agreement under which the Trustee agrees to buy a debt security from a person and to resell it to that person at a specified date in the future for an agreed price. |
| R.53 | 9.5 | The Trustee shall ensure that no Constituent Trust Fund or any part thereof is applied for the acquisition of financial futures contracts or financial option contracts, unless there is established and maintained in respect of the Plan an effective system for monitoring the risks inherent in dealing in contracts of those kinds. |
| R.53 | 9.6 | If financial futures contracts or financial option contracts are acquired for the purposes of any Constituent Fund, the Trustee shall ensure that the Investment Manager, and, where the Investment Manager has delegated any of the Investment Manager' functions, the delegate, provide written reports to the Trustee at regular intervals with respect to the performance of those contracts. Those reports must include particulars as to the extent to which the relevant Constituent Fund is exposed to the risk of incurring losses because of the holding of those contracts. |
| MPF
Code
B2.3 | 9.7 | The funds of a Constituent Fund may not be invested in the securities of, or lent to, as applicable, the Trustee, the Investment Manager or any custodian appointed under this Deed except where any of these parties is a Substantial Financial Institution. For the purposes of this Clause, securities do not include units, shares or other interests in Collective Investment Schemes, either authorised under Section 104 of the SFO or recognised jurisdiction schemes pursuant to Section 1.2 of the UTMF Code. |

- 9.8 If the investment limits in this Clause 9 are exceeded, the Investment Manager shall, within a reasonable period of time, take such steps as are necessary to remedy the situation, taking due account of the interests of the Members.
- 9.9 The Trustee shall be entitled at any time at its entire discretion and without assigning any reason to give notice to the Investment Manager that it is not prepared to accept any property which, in the opinion of the Trustee, infringes the terms of this Deed and the Trustee shall be entitled to require the Investment Manager to replace any such property with other property which does not infringe the terms of this Deed.
- 9.10 For the purposes of this Clause 9:
- (a) securities shall be deemed to be of the same class or issue if they confer identical rights and (if applicable) are subject to identical restrictions (but so that in the case of an issue of securities which are in other respects identical with securities already in issue, any temporary differences in rights as to the dividends or interest between such existing and new securities shall be disregarded); and
 - (b) the value of any Investment for the purpose of any limit contained in this Clause shall not include any accrued interest in respect thereof, even if such accrued interest is included in the Net Asset Value of the relevant Constituent Fund.

10. AUTHORITY TO BORROW

- 10.1 Subject to the provisions of the MPFS Ordinance and the Regulation (including Clause 4 of Schedule 1 of the Regulation) and any statutory requirements and restrictions for the time being in force and to the terms and conditions hereinafter provided, the Trustee may make and vary arrangements for the borrowing by the Trustee for the account of any Constituent Fund in any currency for the purpose of enabling the Trustee to pay redemption proceeds relating to such Constituent Fund or to pay expenses relating to such Constituent Fund or to acquire Investments for the relevant Constituent Fund.
- 10.2 The borrowing may be effected from any person approved by the Trustee including a financial institution, the Investment Manager, the Trustee or a Connected Person of either of them PROVIDED THAT the rate of interest on that borrowing and any fee or premium payable to such financial institution in relation to the arrangement, repayment or termination of the borrowing are not higher than such financial institution would, in accordance with normal banking practice, charge on an arm's length transaction for a loan of a similar size and duration in circumstances similar to those then prevailing in relation to the Plan.

- 10.3 The Trustee may, in pursuance of any borrowing arrangements as referred to in Clause 10.1, place on deposit with the lender or any nominee of the lender an amount out of the relevant Constituent Fund which the Trustee considers to be equivalent to the amount borrowed upon terms providing for the repayment of the deposit at the same time or times (and, if more than once, so that on each occasion the proportion which the deposit bears to the loan is maintained) as the borrowing is repayable.
- 10.4 Subject to Clause 6.6(i)(v), for the purposes of securing any borrowing and interest and expenses thereof, the Trustee shall be entitled to charge or pledge in any manner all or any part of the relevant Constituent Fund. Where any part of such Constituent Fund or any document of title thereto is for the time being under the custody or control of some person other than the Trustee in consequence of any such charge or pledge, the Trustee shall be responsible for the custody and control of such part of such Constituent Fund or documents of title thereto. Any such charge or pledge shall be made upon the terms that the lender or such other person as aforesaid provides a written commitment to the effect that under no circumstances will it pledge or charge any of such part of such Constituent Fund to any other person or use any part of it to provide margin for or guarantee, secure, discharge or settle any borrowing, trades or contracts, or dispose of any part of it, or treat it as if any person other than the Trustee has any interest in it and that no step shall be taken to enforce the security thereby constituted until 30 days prior notice in writing shall have been given to the Trustee demanding repayment of the moneys thereby secured. If such a notice shall be given, the Trustee shall promptly effect such sales of Investments as may be necessary to enable such repayment to be effected in due time.
- 10.5 Whilst any borrowings subsist, an aggregate amount being, subject as provided below, not less than the equivalent of the amount of all borrowings for the time being outstanding may, if the Trustee so requires and subject to Schedule 1 of the Regulation, be maintained by the Trustee either on short term deposit in any manner authorised by this Deed or on deposit as hereinbefore provided or partly one and partly the other. In the event of fluctuations in the rates of exchange whereby the said deposits fall below the required amount, the Trustee need not immediately effect an increase in the amount maintained on deposit as aforesaid but shall effect the requisite increase as expeditiously as seems to the Trustee to be reasonable in the interests of the Members.
- 10.6 Any interest on any borrowing effected under this Clause 10 and expenses incurred in negotiating, entering into, varying and carrying into effect and terminating the borrowing arrangements shall be payable out of the relevant Constituent Fund.
- 10.7 The Trustee shall not incur any liability by reason of any loss which a Member may suffer by reason of any depletion in the Net Asset Value of any Constituent

Fund which may result from any borrowing arrangements made hereunder by reason of fluctuations in rates of exchange or otherwise and (save as herein otherwise expressly provided) the Trustee shall be entitled to be indemnified out of and have recourse to the relevant Constituent Fund in respect of any liabilities, costs, claims or demands which it may suffer arising directly or indirectly from the operation of this Clause 10 and the arrangements referred to herein.

- 10.8 In the event that any arrangements for borrowing or making deposits under this Clause 10 shall be made with any of the Trustee, the Investment Manager or any Connected Person of either of them, then such person shall be entitled to retain for its own use and benefit all profits and advantages which may be derived therefrom.
- 10.9 Any borrowing for the account of any Constituent Fund shall be made on terms that the rights of the lender shall be limited to the assets of such Constituent Fund and that the lender shall have no recourse against the assets of any other Constituent Fund.
- 10.10 Every borrowing shall be upon the terms that the borrowing shall become repayable in the event of the termination of the relevant Constituent Fund.

11. ESTABLISHMENT OF CONSTITUENT FUNDS

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- 11.1 11.1.1 The Trustee shall establish certain Constituent Funds. The names and the statement of Investment Policy of each Constituent Fund established pursuant to this Clause 11 are set out in the Principal Brochure. The Constituent Funds shall include the BCT (Pro) MPF Conservative Fund and the DIS Funds. All the Constituent Funds (including the DIS Funds), subject to Clause 11.2C, shall be available to all Members.

R.38

- 11.1.2 Subject to the prior approval of the MPF Authority and SFC, the Trustee may change the Investment Policy of any of the Constituent Funds by giving a three month prior notice in writing (or such other shorter notice as the MPF Authority and the SFC may approve) to the SEP Members, the Personal Account Members, the TVC Members, the SVC Members, and to the Employers who shall forward such notice to Employee Members of their relevant Participating Plans.

MPF
Code
B1.2

- 11.1.3 Subject to the provisions of this Deed, the MPFS Ordinance and the Regulation, the Trustee shall stand possessed of the assets of each Constituent Fund as a single common fund upon trust according and subject to the provisions of this Deed. The Trustee shall have the power to invest, from time to time, any monies forming part of the Constituent Fund in accordance with the provisions of this Deed. The Trustee shall keep separate records for each Constituent Fund so that the assets and liabilities

of a Constituent Fund can be distinguished from those of the other Constituent Funds of the Plan.

11.1.4 A Member shall not have or acquire any rights against the Trustee in respect of Units other than those credited by the Trustee to the Contribution Account, the Personal Account, the TVC Account, or the SVC Account of such Member. No Member or other person having an interest in the Plan shall as a result of the issue of Units, have or acquire any direct proprietary interest or share in any assets of the Plan, or any Participating Plan or any Constituent Fund. Except for the foregoing, any legal rights which the Members may be entitled by law shall not be prejudiced.

11.1.5 All Constituent Funds of the Plan shall be denominated in Hong Kong dollars.

MPF
Code
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MPF
Code
B2.7

11.2 The Trustee may, at any time with the approval of the MPF Authority and the SFC, establish a new Constituent Fund. Upon the establishment of a new Constituent Fund, the Trustee shall send a notice to the SEP Members, the Personal Account Members, the TVC Members, the Employers and (unless the Trustee shall determine otherwise) the SVC Members, as soon as practicable setting out the name and the Investment Policy of the new Constituent Fund and the Employers shall forward such notice to the Employee Members of their relevant Participating Plans.

11.2A Subject to any limitation or restriction which may be imposed by the Trustee from time to time and specified in the Principal Brochure,

- (i) subject to the provisions in paragraph (ii) below, an Employee Member shall determine the Investment Mandate for the accrued benefits in his Contribution Account;
- (ii) subject to the consent of the Trustee which consent may be given at the Trustee's sole discretion, an Employer may, in respect of each of its Employee Members, elect in the Participation Agreement that the Employer shall determine the Investment Mandate of the benefits which have not been vested in such Employee Member under his Contribution Account;
- (iii) an SEP Member shall determine the Investment Mandate for the accrued benefits in his Contribution Account;

- (iv) prior to 1 January 2008, a Personal Account Member shall determine the Investment Mandate for the accrued benefits in his Personal Account;
- (v) on or after 1 January 2008, subject to the provisions in paragraph (vi) below, a Personal Account Member (other than an Employee Member who has elected to transfer his accrued benefits in his Contribution Account to a Personal Account) shall determine the Investment Mandate for the accrued benefits in his Personal Account;
- (vi) on or after 1 January 2008, if an Employee Member has elected to transfer his accrued benefits in his Contribution Account to a Personal Account, subject to complying with section 34DC of the MPFS Ordinance with effect from 1 April 2017, the Trustee shall have the absolute discretion to effect such transfer in such manner as the Trustee thinks fit including, but not limited to, transferring any Units in specie from the Contribution Accounts concerned directly to the relevant Personal Account. Further, unless a new Investment Mandate which complies with Clause 11.2B is received by the Trustee, when the Personal Account is being first set up, the Employee Member's accrued benefits in the Personal Account and any further transfer payment into the Personal Account from any scheme or arrangement of which the Member is also a member that have been made before 1 April 2017 shall be invested in the same manner as they were invested immediately before the transfer. Any such further transfer payment that is made to the Personal Account on or after 1 April 2017 will be invested in accordance with the Default Investment Strategy, unless a new Investment Mandate which complies with Clause 11.2B to Clause 11.2D is received by the Trustee;
- (vii) a TVC Member shall determine the Investment Mandate for the accrued benefits in his TVC Account; and
- (viii) subject to as provided in this sub-paragraph, an SVC Member shall determine the Investment Mandate for the accrued benefits in his SVC Account. For a New Special Voluntary Sub-Account (as

defined in Rule 2.1.1(ea)) of an SVC Account, the Investment Mandate applicable to the Special Voluntary Sub-Account (the Units of which have been transferred to such New Special Voluntary Sub-Account on the SVC Restructure Date pursuant to Rule 2.1.1(ea)) immediately before the SVC Restructure Date shall be regarded as a valid Investment Mandate given by the relevant Member in respect of such New Special Voluntary Sub-Account in accordance with this Clause 11. Such Investment Mandate shall apply to such New Special Voluntary Sub-Account from the SVC Restructure Date until a new Investment Mandate which complies with Clause 11.2B to Clause 11.2D has been received by the Trustee on or after the SVC Restructure Date.

- 11.2B With respect to Investment Mandate submitted by an Employee Member, the Investment Mandate must be signed by the Employee Member concerned and be forwarded to the Trustee by the Employee Member's Employer. An Investment Mandate submitted by a Member (or Employer) shall be regarded as valid and properly documented if it is given in accordance with Clauses 11.2B, in the format prescribed in Clause 11.2C and is duly completed and signed by the Member (or Employer) concerned provided that an Investment Mandate may be regarded as invalid in accordance with Clause 11.2D. Notwithstanding that, the Trustee may accept an Investment Mandate given by a Member (or Employer) in such other manner as the Trustee may consider appropriate.
- 11.2C Without prejudice to the requirements from time to time of the MPFS Ordinance and the Regulation, the format of Investment Mandate shall be as specified by the Trustee and investment instructions given thereunder shall be subject to the relevant Participation Agreement and such terms, conditions and restrictions as may be determined by the Trustee and disclosed to Members including without limitation the class or classes of Units to which an Investment Mandate may relate, the number of Constituent Funds into which an Investment Mandate may direct investment, any restriction on selecting one or more Constituent Funds where the Default Investment Strategy is applicable, the minimum amount or percentage of contributions that may be invested in each Constituent Fund, the Default Investment Strategy or otherwise and the arrangement for directing the investment of accrued benefits, contributions and accrued benefits transferred from another scheme (or the relevant percentage thereof) where the Investment Mandate given by a Member are in whole or in part regarded as invalid in accordance with Clause 11.2D.
- 11.2D An Investment Mandate is only valid if given in accordance with Clause 11.2C and/or as prescribed in the Principal Brochure. All or part of an Investment Mandate may be regarded as invalid in the circumstances prescribed in the

Principal Brochure and the Trustee shall be entitled to refuse to carry out any such invalid instructions without incurring any liability on the part of the Trustee.

- 11.2E A Member shall be regarded to have given a specific investment instructions for his accrued benefits, contributions and accrued benefits transferred from another scheme (or the relevant percentage thereof) (as applicable) if such Member has given a valid Investment Mandate in accordance with this Clause 11. For the avoidance of doubt, if an Investment Mandate given by a Member is regarded as invalid in accordance with Clause 11.2D, such Member shall be regarded to have not given a specific investment instructions for his accrued benefits, contributions and accrued benefits transferred from another scheme (or the relevant percentage thereof).
- 11.2F Subject to Clause 11.2G and Rule 3.3 and section 34DC of the MPFS Ordinance, unless a Member has given specific investment instructions, the accrued benefits, contributions and other amounts transferred (or the relevant percentage thereof) in respect of such Member shall be invested according to the Default Investment Strategy. For the avoidance of doubt, subject to Clause 11.2G and Rule 3.3 and section 34DC of the MPFS Ordinance, a Member who has failed to give any specific investment instructions or the specific investment instructions given are regarded as invalid, the accrued benefits, contributions and other amounts transferred (or the relevant percentage thereof) in respect of such Member shall be invested according to the Default Investment Strategy.
- 11.2G Clause 11.2F shall not apply to oblige the Trustee to invest the accrued benefits , contributions and other amounts transferred (or the relevant percentage thereof) according to the Default Investment Strategy in the case where section 34DB(4) of the MPFS Ordinance applies, and the Trustee must not invest the accrued benefits, contributions and other amounts transferred (or the relevant percentage thereof) according to the Default Investment Strategy if section 34DB(3) of the MPFS Ordinance applies.
- 11.3 11.3.1 Subject to the prior approval of the MPF Authority and the SFC, the Trustee may terminate a Constituent Fund (other than the BCT (Pro) MPF Conservative Fund) (referred to in this Clause 11 as a “Terminating Constituent Fund”) by giving not less than three (3) months’ prior notice (or such other shorter notice as the MPF Authority and the SFC may approve) in writing to the Plan Participants PROVIDED THAT the BCT (Pro) MPF Conservative Fund shall not be terminated unless a replacement Constituent Fund which complies with Section 37 of the Regulation has been established or the Plan is terminated at the same time. Following termination of a Terminating Constituent Fund, no further contribution may be invested in the Terminating Constituent Fund.

11.3.2 If the Contribution Account, Personal Account, TVC Account, or SVC Account of a Member holds Units in the Terminating Constituent Fund, the Member (or where applicable, the Employer of the Member) must submit a new Investment Mandate to the Trustee and give the Trustee at least fourteen (14) Business Day (or such other period as the Trustee may think fit) prior notice in writing expiring on a Dealing Day to implement such new Investment Mandate (both days inclusive). Upon receipt of the new Investment Mandate, the Trustee shall redeem the relevant Units of the Terminating Constituent Fund standing to the credit of the Contribution Account, Personal Account, TVC Account or SVC Account (as the case may be) of the Member concerned at the Redemption Price on the expiry of the notice (or such other subsequent Dealing Day as the Trustee thinks fit PROVIDED THAT there shall not be more than 30 days between the receipt of the notice and the Dealing Day selected by the Trustee (both days inclusive)). The Trustee shall apply such redemption proceeds to acquire Units of the new Constituent Fund specified in the new Investment Mandate on the same date when Units of the Terminating Constituent Fund are redeemed PROVIDED ONLY THAT such date is a Dealing Day of the new Constituent Fund and if not, on the Dealing Day of the new Constituent Fund immediately following the date on which Units of the Terminating Constituent Fund are redeemed. The Units acquired shall be rounded down to four (4) decimal places, or such other number of decimal places as the Trustee may determine from time to time. The Trustee shall then credit the number of Units acquired to the relevant Contribution Account, Personal Account or SVC Account (in each case with allocation to the relevant sub-accounts) or TVC Account of the Member concerned. Under this Clause 11.3.2, any new Investment Mandate given to the Trustee by or on behalf of a Member (or Employer) other than in accordance with the provisions above shall be regarded as invalid unless the Trustee in its sole discretion determines otherwise.

11.4 If a relevant Member (or Employer) fails to notify the Trustee of the new Investment Mandate pursuant to Clause 11.3.2 within 30 days (or such other longer period as the Trustee may think fit) after the Trustee has notified him of the termination of the Terminating Constituent Fund (both days inclusive), the relevant Member (or Employer) shall be deemed at the end of that period to have elected to apply the relevant redemption proceeds of the Units of the Terminating Constituent Fund standing to the credit of the relevant Contribution Account, Personal Account, TVC Account or SVC Account and the percentage of any relevant future contributions to his Contribution Account, TVC Account (as the case may be) originally allocated to acquire Units in the Terminating Constituent Fund to acquire Units in either (a) the Default Fund (as the Trustee shall prescribe from time to time), in the case where the termination takes effect before 1 April 2017, or in the DIS Funds in accordance with the Default Investment Strategy, in the case where

the termination takes effect on or after 1 April 2017; or (b) such other Constituent Fund (with investment objectives and policies determined by the Trustee in consultation with the Sponsor as similar to those of the Terminating Constituent Fund) as may be specified in the notice given by the Trustee to the Plan Participants pursuant to Clause 11.3.1 above, and the Trustee shall notify the relevant Member (or Employer) of such acquisition after it has been effected. Notwithstanding the above, the relevant Member (or Employer) shall have the right to:

- (i) redeem any Units in the Default Fund (as the Trustee shall prescribe for the time being) or such other Constituent Fund referred to in this Clause 11.4(b) above so acquired and apply such redemption proceeds to acquire Units in one or more Constituent Fund by submitting a Rebalancing Instruction Form or Switching Instruction Form in accordance with the provisions of Clause 13.3, and
- (ii) submit a new Investment Mandate in accordance with Clause 13.1.1 with respect to any future contributions originally allocated to invest in the Terminating Constituent Fund,

PROVIDED THAT no handling fee as provided in Clause 13.5.2 may be imposed by the Trustee.

11.5 The Trustee may, at any time with the prior approval of the MPF Authority and SFC, merge or subdivide any Constituent Funds by giving a three month prior written notice (or such other shorter notice as the MPF Authority and the SFC may approve) to the SEP Members, Personal Account Members, TVC Members, SVC Members and the Employers who shall forward such notice to the Employee Members of their relevant Participating Plans.

11.6 Where a Member has given a specific investment instruction to invest in a Distributing Constituent Fund, that specific investment instruction shall be deemed to include an instruction to apply all or part of any dividend in such manner as prescribed in Clause 16A.5.

11A. DEFAULT INVESTMENT STRATEGY

The Trustee shall, subject to Clause 11.2C, make available the Default Investment Strategy under the Plan for selection by Members and must ensure that any investment related to the Default Investment Strategy accords with the requirements under Part 4AA of the MPFS Ordinance and Part 2 of Schedule 10 to the MPFS Ordinance.

12. BCT (PRO) MPF CONSERVATIVE FUND

S. (1)(a),
(1)(b),
(1)(d)
34DB

12.1 The assets of the BCT (Pro) MPF Conservative Fund:

- (a) may be invested only:
 - (i) by placing the assets on deposit in accordance with Section 11 of Schedule 1 of the Regulation, but only for a term not exceeding 12 months; or
 - (ii) in debt securities with a remaining maturity period of 2 years or less and of a kind referred to in Section 7(2)(a) or (b) of Schedule 1 of the Regulation; or
 - (iii) in debt securities with a remaining maturity period of 1 year or less and that satisfy the minimum credit rating set by the MPF Authority, based on the credit rating of the securities as determined by a credit rating agency approved by the MPF Authority for the purposes of the Regulation;
- (b) must have an average portfolio remaining maturity period of not more than 90 days; and
- (c) must have a total value of Hong Kong dollar currency investments equal to the total market value of the Constituent Fund, as measured by the effective currency exposure, in accordance with Section 16 of Schedule 1 of the Regulation.

12.2 After taking into account any losses arising from the investment of the funds comprising the BCT (Pro) MPF Conservative Fund, all income and profits derived from the investment of those funds shall be credited to the relevant Members at least once a month.

12.3 Notwithstanding anything contained in this Deed, administrative expenses may be deducted from the account of a Member whose accrued benefits form part of the BCT (Pro) MPF Conservative Fund only as provided by Clauses 12.4 to 12.6.

12.4 If the Trustee is required to pay a levy under Section 17(3) of the MPFS Ordinance, such amount as may be necessary to enable the Trustee to pay the levy may be deducted from the account of each Member whose accrued benefits form part of the BCT (Pro) MPF Conservative Fund. The amount is to be calculated as follows:

$$A = L \times \frac{MAB}{CPA}$$

where:

- A represents the amount to be calculated;
- L represents the amount of the levy;
- MAB represents the Member's accrued benefits that form part of the BCT (Pro) MPF Conservative Fund;
- CPA represents the total funds comprising the BCT (Pro) MPF Conservative Fund.

12.5 If the amount of income and profits derived from the investment of the BCT (Pro) MPF Conservative Fund for a particular month exceeds the amount of interest that would be earned if those funds had been placed on deposit in a Hong Kong dollar savings account at the prescribed savings rate, an amount not exceeding the excess may be deducted from the Member's accrued benefits as scheme administrative expenses for that month.

12.6 If for a particular month no amount is deducted as administrative expenses under Clause 12.5, or the amount of administrative expenses that is deducted under Clause 12.5 is less than the amount of administrative expenses for the month, the deficiency may be deducted from the amount of any excess that may remain in respect of any of the following 12 months after deducting the administrative expenses applicable to any such following month.

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12.7 Notwithstanding any other provision of this Deed, no Offer Spread nor Bid Spread shall be imposed on any issue or redemption of Units of the BCT (Pro) MPF Conservative Fund. Units in the BCT (Pro) MPF Conservative Fund shall be issued and redeemed at the Net Asset Value of such Unit.

12.8 For the avoidance of doubt, notwithstanding the foregoing, the Trustee has no obligation to ensure that the Units standing to the credit of the Contribution Account, a Personal Account, a TVC Account, or a SVC Account will be redeemed at the price at which such Units are originally issued.

12.9 For the purposes of this Clause 12:

- (a) "authorised financial institution" means an authorised financial institution belonging to a class specified by the MPF Authority from time to time for the purposes of Section 37(8) of the Regulation by notice published in the Gazette;
- (b) "Hong Kong dollar savings account" means a Hong Kong dollar savings account established by an authorised financial institution;
- (c) "prescribed savings rate" means the rate prescribed by the MPF Authority for the purposes of Section 37(8) of the Regulation by notice published in a manner that the Authority considers appropriate as:

- (i) the rate at which interest is for the time being payable in respect of a Hong Kong dollar savings account; or
- (ii) if different authorised financial institutions pay interest on Hong Kong dollar savings accounts at different rates, the rate determined by the MPF Authority as the average of those rates.

13. REBALANCING/SWITCHING BETWEEN CONSTITUENT FUNDS AND DEFERRAL IN DEALING

- 13.1 13.1.1 Subject to Clauses 13.1.2, 13.2 to 13.8, and any other limitations as the Trustee may impose from time to time as set out in the Principal Brochure, a Member (or where applicable, the Employer of the Member) is entitled to change the relevant Investment Mandate by submitting to the Trustee a new Investment Mandate in a form prescribed by the Trustee from time to time. The Member (or Employer) may instruct the Trustee to apply any relevant future contributions paid to the Member's Contribution Account, TVC Account, Personal Account or SVC Account (as the case may be) to acquire Units in one or more Constituent Funds and/or according to the Default Investment Strategy as specified in the new Investment Mandate. Any new Investment Mandate given to the Trustee by or on behalf of a Member (or Employer) in accordance with Clauses 13.1.1 and 13.2.1 and in the format prescribed in Clause 13.8 shall be regarded as valid provided that a new Investment Mandate may be regarded as invalid in accordance with Clause 13.9. If a new Investment Mandate is regarded as invalid by the Trustee, it may be ignored by the Trustee without incurring any liability on the part of the Trustee.
- 13.1.2 Subject to the Regulation and any codes and guidelines issued by the MPF Authority from time to time, the Trustee in its sole discretion may impose any limitation or restriction on the submission of a new Investment Mandate,

PROVIDED ALWAYS THAT a Member shall be entitled to apply (subject to Clause 11.2A(ii)) up to 100 per cent of the Subscription Money to acquire Units of any Constituent Fund and/or invest in accordance with the Default Investment Strategy.

- 13.2 13.2.1 With respect to Investment Mandate submitted by an Employee Member under Clause 13.1, the Investment Mandate must be signed by the Employee Member concerned and be forwarded to the Trustee by the Employee Member's Employer. Subject to Clause 13.6, a new Investment Mandate submitted by a Member (or an Employer) shall be regarded as valid and properly documented if it is duly completed and signed by the Member (or Employer) concerned. Notwithstanding that, the Trustee may

accept an Investment Mandate given by a Member (or Employer) in such other manner as the Trustee may consider appropriate.

13.2.2 The Trustee shall as soon as reasonably practicable implement the new Investment Mandate after the receipt thereof. If dealing of Units of the Constituent Fund(s) to which the new Investment Mandate relates is suspended at the date on which the new Investment Mandate shall be implemented, the Trustee shall implement the new Investment Mandate as soon as reasonably practicable after the dealing of Units of the relevant Constituent Fund(s) is resumed.

13.2.3 If the new Investment Mandate submitted by a Member under Clause 13.1.1 is regarded to be invalid, the Trustee shall notify the Member concerned of the invalidity of the new Investment Mandate and seek a revised Investment Mandate from the Member (or Employer) concerned which shall supersede the preceding Investment Mandate PROVIDED THAT nothing herein shall make the Trustee liable for failure to give notice or to seek a revised Investment Mandate from the Member (or Employer) concerned.

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13.3 13.3.1 Subject to Clauses 13.4 to 13.8 and any other limitations as the Trustee may impose from time to time as specified in the Principal Brochure PROVIDED ALWAYS THAT the Members shall have the right to transfer (subject to Clause 11.2A(ii)) up to 100 per cent of their accrued benefits into any one Constituent Fund or the Default Investment Strategy, a Member (or where applicable, the Employer of the Member) may submit to the Trustee the following instructions as permitted and specified by the Trustee in the Principal Brochure from time to time:

(a) a Rebalancing Instruction Form, as prescribed by the Trustee from time to time, instructing the Trustee to redeem all of the Units of all the Constituent Fund(s) (referred to in this Clause 13 as the “Current Constituent Fund”) standing to the credit of the Member’s Contribution Account, Personal Account, TVC Account or SVC Account and to apply such redemption proceeds to acquire Units in one or more Constituent Funds as specified in the Rebalancing Instruction Form (such Constituent Funds as specified in the Rebalancing Instruction Form or the Switching Instruction Form, as the case may be, are referred to in this Clause 13 as the “New Constituent Fund”);

(b) a Switching Instruction Form, as prescribed by the Trustee from time to time, instructing the Trustee to redeem all or part of the Units of one or more Current Constituent Fund standing to the credit of the Member’s

Contribution Account, Personal Account, TVC Account or SVC Account and to apply such redemption proceeds to acquire Units in one or more New Constituent Fund(s) as specified in the Switching Instruction Form.

The Trustee shall as soon as reasonably practicable implement the instruction as specified in the Rebalancing Instruction Form or the Switching Instruction Form, as the case may be, after the receipt thereof. Notwithstanding a Rebalancing Instruction Form or a Switching Instruction Form has been given to the Trustee, any relevant future contributions paid to the Member's Contribution Account, TVC Account, Personal Account or SVC Account after rebalancing or switching, as the case may be, has been completed shall be applied to acquire Units in the Constituent Fund as specified in the latest Investment Mandate submitted by or on behalf of the Member (or Employer). Any Rebalancing Instruction Form or Switching Instruction Form given to the Trustee by or on behalf of a Member (or Employer) other than in accordance with this Clause 13.3.1 and Clause 13.8 shall be regarded as invalid. If a Rebalancing Instruction Form or a Switching Instruction Form is regarded as invalid by the Trustee, it may be ignored by the Trustee without incurring any liability on the part of the Trustee.

- 13.3.2 Subject to Clause 13.7, the number of Units in the New Constituent Fund to be issued as a result of the implementation of the instructions in the Rebalancing Instruction Form or the Switching Instruction Form shall be calculated in accordance with the following formula:

$$N = \frac{(K \times L)}{M}$$

where

- N - is the number of Units of the New Constituent Fund to be issued, such number shall be rounded down to four (4) decimal places, or such other number of decimal places as the Trustee may determine from time to time.
- K - is the number of Units of the Current Constituent Fund to be redeemed for the purposes of rebalancing or switching, as the case may be.
- L - is the Redemption Price per Unit of the Current Constituent Fund as at the relevant Dealing Day.

M - is the Issue Price per Unit of the New Constituent Fund as at the relevant Dealing Day.

13.3.3 Upon completion of the rebalancing or switching, as the case may be,

- (a) the Trustee shall credit the number of Units of the New Constituent Fund issued as a result of the rebalancing or switching, as the case may be, to the relevant Contribution Account, Personal Account or SVC Account (in each case with allocation to the relevant sub-accounts) or TVC Account of the Member concerned; and
- (b) the Trustee shall transfer to the New Constituent Fund from the Current Constituent Fund assets or cash (determined at the sole discretion of the Trustee) equal to the aggregate Net Asset Value of the Units of the Current Constituent Fund exchanged as at the relevant Dealing Day less any applicable Offer Spread and Bid Spread.

13.4 With respect to an Employee Member, the Rebalancing Instruction Form or Switching Instruction Form referred to in Clause 13.3 must be signed by the Employee Member concerned and be forwarded to the Trustee by the Employee Member's Employer. Subject to Clause 13.6, a Rebalancing Instruction Form or Switching Instruction Form submitted by a Member (or an Employer) shall be regarded as valid and properly documented if it is given in the format prescribed in Clauses 13.8, duly completed and signed by the Member (or Employer) concerned. Notwithstanding that, the Trustee may accept a Rebalancing Instruction Form or Switching Instruction Form given by a Member (or Employer) in such other manner as the Trustee may consider appropriate.

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13.5 13.5.1 Unless the Trustee, agrees otherwise, a Member (or an Employer) shall not be entitled to submit more than the maximum number of new Investment Mandate or the maximum number of Rebalancing Instruction Forms or Switching Instruction Forms as specified by the Trustee in the Principal Brochure within the same Financial Year.

13.5.2 A Member (or an Employer) shall pay a handling fee as may be imposed by the Trustee from time to time upon submission of a new Investment Mandate.

13.6 13.6.1 The Trustee shall act promptly to implement any Investment Mandate or instructions specified in a Rebalancing Instruction Form or a Switching Instruction Form given in accordance with Clause 13.3. Subject to Clause 13.6.2, if dealing in either the Current Constituent Fund or the New Constituent Fund is suspended, the Trustee shall implement the new

Investment Mandate or the instructions specified in the Rebalancing Instruction Form or a Switching Instruction Form as soon as reasonably practicable after the dealing of Units of the relevant Constituent Fund is resumed.

13.6.2 If dealing in the New Constituent Fund is suspended only after Units in the Current Constituent Fund are redeemed, any deposit interest which may be derived from the redemption proceeds of the Units of the Current Constituent Fund shall, to the extent required by the MPFS Ordinance and/or Regulation, be retained by the Trustee for the payment of any administrative expenses of the Plan or as income of the Plan.

13.6.3 The Trustee shall notify the Member concerned of the suspension of dealing referred to in Clauses 13.6.1 and 13.6.2 PROVIDED THAT nothing herein shall make the Trustee liable for failure to give notice to the Member (or Employer) concerned.

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- 13.7 The Trustee shall have the discretion to limit the total number of Units in a Constituent Fund to be redeemed on any Dealing Day to 10 per cent of the total number of Units in issue (disregarding the number of Units to be issued on such Dealing Day). This limitation shall apply pro-rata to all redemption requests to be effected on the same Dealing Day. Any Units which, by virtue of the application of this Clause 13.7 are not redeemed shall be redeemed (subject to any further application of this Clause 13.7) on the immediately following Dealing Day.
- 13.8 Without prejudice to the requirements from time to time of the MPFS Ordinance and the Regulation, the format of any new Investment Mandate or the Rebalancing Instruction Form or the Switching Instruction Form shall be as prescribed by the Trustee and investment instructions given thereunder shall be subject to the relevant Participation Agreement and such terms, conditions and restrictions as may be determined by the Trustee including without limitation the class or classes of Units to which a new Investment Mandate or the Rebalancing Instruction Form or the Switching Instruction Form may relate, the number of Constituent Funds into which a new Investment Mandate or the Rebalancing Instruction Form or the Switching Instruction Form may direct investment, any restriction on selecting one or more Constituent Funds where the Default Investment Strategy is applicable, the minimum amount or percentage of contributions that may be invested in each Constituent Fund, the Default Investment Strategy or otherwise.
- 13.9 A new Investment Mandate is only valid if given in accordance with Clause 11.2C and/or as prescribed in the Principal Brochure. All or part of a new Investment Mandate may be regarded as invalid in the circumstances prescribed in the Principal Brochure and such invalid new Investment Mandate may be ignored by the Trustee without incurring any liability on the part of the Trustee.

14. VALUATION AND PRICING

- 14.1 The Trustee shall ascertain the Net Asset Value of a Unit of each Constituent Fund on each Dealing Day in accordance with a policy established by the Trustee which, until such time as the Trustee shall otherwise determine, shall be such time on each Dealing Day as specified in the Principal Brochure (except when the determination of prices has been suspended pursuant to Clause 17).
- 14.2 14.2.1 If on any Dealing Day, the Trustee shall propose to issue any Units pursuant to Clause 15, it shall ascertain the Issue Price of a Unit of the relevant Constituent Fund in accordance with the provisions in Clause 15 and this Clause 14.
- 14.2.2 If on any Dealing Day, the Trustee shall propose to redeem Units of a Constituent Fund pursuant to Clause 16, it shall ascertain the Redemption Price of a Unit of the relevant Constituent Fund in accordance with the provisions in Clause 16 and this Clause 14.
- 14.3 The Net Asset Value per Unit, Issue Price and Redemption Price of a Unit of any Constituent Fund on each Dealing Day shall be calculated by the Trustee on that Dealing Day in accordance with this Deed.
- 14.4 The Net Asset Value of a Constituent Fund shall be calculated by valuing the assets of such Constituent Fund and deducting the liabilities attributable to such Constituent Fund in accordance with Clause 14. In calculating the Net Asset Value of a Constituent Fund, any money which is received but has not been validated or reconciled by the Trustee shall not be included. In order to determine the Net Asset Value of a Unit, the Net Asset Value of the assets of such Constituent Fund shall be divided by the number of Units of that Constituent Fund in issue immediately prior to the relevant Dealing Day for such Constituent Fund PROVIDED THAT no deduction shall be made in respect of Units of that Constituent Fund to be redeemed on the Dealing Day.
- 14.5 The Trust Fund shall be entitled to retain any amount corresponding to the rounding up or down as a result of determining the Issue Price, the Redemption Price or the number of Units to be issued or redeemed.
- 14.6 The value of the assets comprised in each Constituent Fund or any portion of the Trust Fund shall be calculated on the following basis:
- (a) the value of any Quoted Investment (including an interest in a listed Collective Investment Scheme and an interest in a listed index-tracking collective investment scheme (as defined in section 1(1) of Schedule 1 to the Regulation, and approved by the MPF Authority for the purposes of

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section 6A of Schedule 1 to the Regulation) but excluding an interest in a Commodity quoted, listed or normally dealt in on a Recognised Commodities Market) shall be calculated by reference to the price appearing to the Trustee to be the last traded price or midway between the latest available market offered price and the latest available market bid price on the market on which the Investment is quoted, listed or ordinarily dealt in for such amount of such Investment as the Trustee may consider in the circumstances to provide a fair criterion, PROVIDED THAT:

- (i) if Quoted Investment is quoted, listed or normally dealt in on more than one market, the Trustee shall adopt the price or, as the case may be last traded price (or midway between the latest available market offered price and the latest available market bid price) on the market which, in their opinion, provides the principal market for such Investment;
- (ii) in the case of any Quoted Investment which is quoted, listed or normally dealt in on a market but in respect of which, for any reason, prices on that market may not be available at any relevant time, the value thereof shall be certified by such firm or institution making a market in such Quoted Investment as may be appointed for such purpose by the Trustee;
- (iii) there shall be taken into account interest accrued on interest-bearing Quoted Investments up to (and including) the date as at which the valuation is made, unless such interest is included in the quoted or listed price;

and for the purpose of ascertaining available market bid prices the Trustee shall be entitled to use and to rely upon any mechanised and/or electronic systems of valuation dissemination approved by the Trustee which provide a daily or more frequent valuation service and references in this Deed to valuation of Investments or deposits on a particular day or at a particular time may, if such a system is used, mean the valuation on the system on that day or at that time notwithstanding it may have been taken at a time or times selected by the system and be prior to that day or time.

- (b) the value of any Unquoted Investment shall be the initial value thereof ascertained as hereinafter provided or the value thereof as assessed on the latest revaluation thereof made in accordance with the provisions hereinafter provided. For this purpose:
 - (i) the initial value of an Unquoted Investment shall be the amount expended out of the relevant Constituent Fund in the acquisition thereof (including in each case the amount of the stamp duties,

commissions and other expenses incurred in the acquisition thereof and the vesting thereof in the Trustee for the purposes of this Deed);

- (ii) the Trustee may at any time and shall on a regular basis as the Trustee considers appropriate cause a revaluation to be made of any Unquoted Investment by a professional person (which can be an Investment Manager) approved by the Trustee as qualified to value such Unquoted Investment;
- (c) cash, deposits and similar Investments shall be valued at their face value (together with accrued interest) unless, in the opinion of the Trustee, any adjustment should be made to reflect the market value thereof;
- (d) the value of any Commodity shall be ascertained in such manner as the Trustee, shall think fit, but so that:
 - (i) if such Commodity is dealt in on any Recognised Commodities Market, the Trustee shall have regard to the latest ascertainable price ruling or officially fixed in respect of such Investment on such Recognised Commodities Market or (if there shall be more than one such Recognised Commodities Market) on such Recognised Commodities Market as the Trustee shall consider appropriate;
 - (ii) if any such price as referred to in paragraph (i) above is, in the opinion of the Trustee, not reasonably up-to-date or is not ascertainable at any relevant time, the Trustee shall have regard to any certificate as to such value provided by a firm or institution making a market in such Commodity;
 - (iii) the value of any futures contract shall be:
 - (1) in the case of a futures contract for the sale of a Commodity including a financial futures contract, the positive or negative amount produced by applying the following formula:
$$a - (b + c)$$
 - (2) in the case of a futures contract for the purchase of a Commodity including a financial futures contract, the positive or negative amount produced by applying the following formula:
$$b - (a + c)$$

Where:

- a = the Contract Value of the relevant futures contract (“the relevant Contract”)
 - b = the amount determined by the Trustee to be the Contract Value of such futures contract as would be required to be expended by the Trustee or Investment Manager on behalf of the relevant Constituent Fund in order to close the relevant Contract, such determination to be based on the latest available price or (if bid and offered quotations are made) the latest available middle market quotation / last bid price on the market in which the relevant Contract was entered into by the Trustee (or the Investment Manager appointed); and
 - c = the amount expended out of the relevant Constituent Fund in entering into the relevant Contract, including the amount of all stamp duties, commissions and other expenses but excluding any deposit or margin provided in connection therewith;
- (iv) if the provisions set out in paragraphs (i) and (ii) above do not apply to any relevant Commodity, then the Trustee shall, in ascertaining the value of such Commodity, have regard to the same factors which would have determined the value of such Commodity pursuant to Clause 14.6(b) if such Commodity were an Unquoted Investment.
- (e) the value of each unit, share or other interest in any Collective Investment Scheme (other than an interest in a listed Collective Investment Scheme and an interest in a listed index-tracking collective investment scheme (as defined in section 1(1) of Schedule 1 to the Regulation, and approved by the MPF Authority for the purposes of section 6A of Schedule 1 to the Regulation)) shall be the last published net asset value per unit, share or other interest in such Collective Investment Scheme (where available) or a price calculated by aggregating the last published bid price for such a unit, share or other interest and the last published offer price therefor (excluding any offer spread included in such offer price) and dividing the result by two PROVIDED THAT if no net asset value, bid and offer prices or price quotations are available as aforesaid, the value thereof shall be determined from time to time in such manner as the Trustee shall determine;
- (f) notwithstanding paragraphs (a) to (e) above, the Trustee may, adjust the value of any Investment if, having regard to currency, applicable rate of

interest, maturity, marketability and other considerations it deems relevant, it considers that such adjustment is required to reflect the market value thereof;

- (g) property other than Investments and cash shall be valued in such manner and at such time or times as the Trustee shall from time to time agree.

14.7 In calculating the Net Asset Value of any Constituent Fund:

- (a) the Constituent Fund shall not include the money which is received but has not been validated or reconciled by the Trustee;
- (b) where, in consequence of any notice or request in writing which necessitates a reduction of such Constituent Fund by the redemption of Units of that Constituent Fund and such redemption has been effected but payment in respect of such reduction has not been completed on a Dealing Day, the Units in question shall be deemed not to be in issue and the redemption proceeds thereof shall be deducted, PROVIDED THAT no deduction shall be made in respect of Units of the relevant Constituent Fund to be redeemed on that Dealing Day;
- (c) where Investments or other property have been agreed to be purchased or otherwise acquired or sold for the account of such Constituent Fund but such purchase, acquisition or sale has not been completed, such Investments or other property shall be included or excluded and the gross purchase or acquisition or net sale consideration excluded or included (as the case may be) as if such purchase, acquisition or sale had been duly completed;
- (d) the liabilities of a Constituent Fund shall include (without limitation):
 - (i) any accrued but unpaid amount in respect of the Management Fee, the Sponsor Fee and Trustee and Administration Fee applicable to such Constituent Fund;
 - (ii) the amount of tax (if any) on gains accrued but unpaid as of the date of the relevant calculation which is attributable to such Constituent Fund;
 - (iii) the aggregate amount for the time being outstanding of any borrowing effected on the account of the Constituent Fund and the amount of any interest and expenses accrued but unpaid on such borrowing;

- (iv) if considered necessary by the Trustee, an appropriate allowance for any contingent liabilities;
- (v) an appropriate share of the following costs, fees and expenses which are attributable to the Constituent Fund, such share which shall be determined by the Trustee:
 - (aa) all administrative fees and expenses incurred by the Trustee in connection with the establishment of the Plan;
 - (ab) all stamp and other duties, taxes, governmental charges, fiscal charges, levies, brokerages, commissions, exchange costs and commissions, bank charges, transfer fees and expenses, registration fees and expenses, custodian, joint custodian, sub-custodian and proxy fees and expenses, warehousing and storage fees and expenses, collection fees and expenses, insurance and security costs and any other costs, charges and expenses payable in respect of the acquisition, borrowing, holding and redemption of any Investments or any cash, deposit or loan (including the claiming or collection of income or other rights in respect thereof and including any fees or expenses charged or incurred by the Trustee or its Connected Person in the event of the Trustee or any such Connected Person rendering services or effecting transactions giving rise to such fees or expenses);
 - (ac) all transaction and other banking charges (including the cost of cheques and effecting telegraphic transfers) incurred in making any payment to, or receiving any payment from, any Member or former Member to the extent that such charges are not paid by such Member or former Member;
 - (ad) the fees and expenses of the Auditors;
 - (ae) expenses in connection with the management and trusteeship of the Plan authorised by this Deed to be paid out of the Fund;
 - (af) all legal and other professional or expert charges and out-of-pocket expenses incurred by the Trustee wholly and exclusively in the performance of their duties hereunder;

S.17

- (ag) all professional fees relating to the agreeing and/or contesting of taxation liabilities or recoveries in connection with the Trust Fund;
 - (ah) all costs, charges, fees and expenses reasonably incurred in the preparation of this Deed and any deed supplemental to this Deed;
 - (ai) all fees and expenses incurred in connection with the retirement or removal of the Investment Manager or the Trustee and the appointment of a new investment manager or trustee;
 - (aj) fees charged by any person (including the Trustee) in connection with calculating the Net Asset Value of each Constituent Fund and the Issue and Redemption Prices of Units;
 - (ak) all costs of preparing, printing, publishing and distributing all statements, accounts, reports and notices pursuant to the provisions of or otherwise in connection with this Deed (including the expenses of preparing and printing any Principal Brochure or publishing the Net Asset Value per Unit, any Issue Price or Redemption Price);
 - (al) all costs and expenses incurred in complying with, or in connection with any change in or introduction of, any law, regulation or requirement (whether or not having the force of law) of any governmental or other regulatory authority including but not limited to the compensation fund levy and the costs and expenses incurred in effecting and maintaining adequate insurance for the Plan as required under the MPFS Ordinance and the Regulation; and
 - (am) any other costs or expenses payable but not paid which are expressly authorised by the provisions of this Deed to be payable out of the Constituent Fund.
- (e) there shall be taken into account such sum (if any) as the Trustee estimates will be payable or capable of being reclaimed in respect of taxation related to income and transactions;
 - (f) any value or amount which is denominated in a currency other than Hong Kong dollars shall be converted into Hong Kong dollars at the rate (whether official or otherwise) which the Trustee shall deem appropriate in the

circumstances having regard to any premium or discount which may be relevant and to any costs of exchange;

- (g) where the current price of an Investment is quoted “ex” any dividend (including stock dividend), interest or other rights to which the Constituent Fund is entitled but such dividend, interest or the property or cash to which the other rights relate has not been received and is not taken into account under any other provision of this Clause 14, the amount of such dividend, interest, property or cash shall be taken into account;
- (h) liabilities shall (where appropriate) be treated as accruing from day to day.

14.8 The Management Fee, the Trustee and Administration Fee, the Sponsor Fee, or any costs, charges, fees or expenses that may be charged against the Trust Fund shall be charged against income except to the extent that the Trustee determines from time to time that they should be charged against capital.

14.9 The Trustee shall be entitled to determine in relation to any costs, charges, fees and expenses that may be charged against the Trust Fund or a particular Constituent Fund that the same shall be amortised over such period as the Trustee may think fit.

14.10 Any commission, remuneration or other sum payable by the Trustee to any agent or other person in respect of the issue or redemption of any Unit shall not be paid out of the Trust Fund.

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B1.2

14.11 Separate books of accounts and records shall be kept for each Constituent Fund. The proceeds from the issue of a Unit of a Constituent Fund shall be applied in the books of the Constituent Fund and the assets, liabilities, income and expenditure attributable thereto shall be applied to such Constituent Fund.

14.12 In the case of any asset of the Trust Fund which the Trustee does not consider is attributable to a particular Constituent Fund, the Trustee shall have a discretion to determine the basis upon which any such asset shall be allocated between the Constituent Funds and may from time to time vary such allocation.

14.13 In the case of any liability or contingent liability which the Trustee does not consider is attributable to a particular Constituent Fund and is not to be attributed to any particular Constituent Fund pursuant to any express provision of this Deed, the Trustee shall have a discretion to determine the basis upon which any such liability shall be allocated between Constituent Funds including conditions as to the subsequent re-allocation thereof if circumstances make it desirable so to do and shall have power at any time and from time to time to vary such basis.

14.14 No Units of any Constituent Fund shall at any time be issued at a price higher than the Issue Price for the time being applicable to Units of that Constituent Fund. No Units of any Constituent Fund shall at any time be redeemed at a price lower than the Redemption Price for the time being applicable to Units of that Constituent Fund.

MPF
Code
B1.15

14.15 If there is an error in the determination of the Issue Price or Redemption Price of a Unit, the error should be corrected as soon as possible and any necessary action should be taken to avoid further error. If the error results in an incorrect price of 0.5 per cent or more of the Net Asset Value per Unit of a Constituent Fund, the Trustee shall forthwith inform the MPF Authority. In such a case, Plan Participants who suffer financial loss as a result of the error shall be compensated as follows, unless determined otherwise by the Trustee with the approval of the MPF Authority:

- (a) where total loss to each Plan Participant (either purchasing or redeeming for the relevant accounts of the Plan Participant) is more than HK\$100.00 or such lesser amount as the Trustee may decide, Plan Participant should be compensated in such manner as the Trustee should determine; and
- (b) where the loss is to the Trustee or other Service Providers, no compensation should be paid.

MPF
Code
B1.23

14.16 The Trustee shall arrange for the latest available Issue Price and the Redemption Price or Net Asset Value of the Unit of any Constituent Funds to be published at least once a month in at least one leading English language and one Chinese language daily newspaper in Hong Kong approved by the MPF Authority unless a waiver has been obtained from the MPF Authority.

14.17 Subject to the approval of the Authority and the SFC, the Trustee may change the valuation and pricing methodology as provided in the Clause 14 by giving a three month prior notice (or such other shorter notice as the Authority and the SFC may approve) to the Plan Participants.

15. ISSUE OF UNITS

15.1 Upon receipt of an application for the issue of Units in a Constituent Fund accompanied by Subscription Money and subject to Rule 3 of this Plan, the Trustee shall as soon as reasonably practicable after the Subscription Money in cleared funds has been received, reconciled and validated by the Trustee, issue the relevant number of Units in each of the Constituent Funds in accordance with this Clause 15 for the amount of Subscription Money received by the Plan in respect of a Member. The Units of a Constituent Fund may only be issued on a Dealing Day PROVIDED THAT any application for an issue of Units shall not be considered to have been received by the Trustee unless the Subscription Monies in cleared

funds in respect of the application have been received, reconciled and validated by the Trustee.

MPF
Code
B1.11

15.2 No investment of the Subscription Money can be made in any Constituent Fund until the conclusion of the first issue of Units at the Issue Price. Units of any Constituent Fund of the Plan shall first be issued at HK\$1.00 unless otherwise determined by the Trustee.

15.3 The Constituent Fund shall be comprised of Investments, cash and other assets held or received by or on behalf of the Trustee for the account of such Constituent Fund, arising from proceeds of Units issued after making any relevant deduction or provision for the Offer Spread.

15.4 Any contributions from an Employer or a Member and any payments transferred into the Plan pursuant to Rule 6 shall become subject to the provisions of this Trust Deed immediately upon receipt by the Trustee.

MPF
Code
B2.6

15.5 Subject to Clause 15.2 and the provisions in the MPFS Ordinance and the Regulation, the Issue Price per Unit shall be determined as follows:

$$I = \text{NAV} \times (100\% + C\%)$$

where:

I = Issue Price per Unit.

NAV = Net Asset Value per Unit on the Dealing Day.

C = Offer Spread, expressed as a percentage.

PROVIDED ALWAYS that:

(i) the Issue Price should be rounded to the nearest four (4) decimal places or such other number of decimal places as the Trustee shall determine from time to time;

(ii) the number of Units issued shall be the number obtained when the Subscription Money is divided by the Issue Price of the Unit of the Constituent Fund in which the Subscription Money shall invest, such a number to be rounded down to four (4) decimal places or such other number of decimal places as the Trustee shall determine from time to time; and

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Code
B1.17

(iii) no Unit of any Constituent Fund shall be issued at a price higher than the Issue Price of the Unit of the Constituent Fund on the relevant Dealing Day.

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B2.6

- 15.6 The Offer Spread of each Constituent Fund at the rate as specified in the Principal Brochure shall be retained by or paid to the Trustee for its own absolute use and benefit PROVIDED THAT the Trustee may reduce the Offer Spread for any Member or Employer as the Trustee considers appropriate. The Trustee may also change the Offer Spread for any Constituent Fund by giving a three month notice (or such other shorter notice as the SFC may approve) in writing to the SEP Members, the Personal Account Members, the TVC Members, the SVC Members and to the Employers who shall forward such notice to the Employee Members of their relevant Participation Plan PROVIDED THAT the Offer Spread shall not exceed the maximum level as set out in the Principal Brochure. Subject to the approval of the SFC and the MPF Authority, the maximum level of the Offer Spread may also be changed by giving a three month notice (or such other shorter notice as the SFC may approve) in writing to the SEP Members, the Personal Account Members, the TVC Members, the SVC Members and to the Employers who shall forward such notice to the Employee Members of their relevant Participation Plan. For the avoidance of doubt, any Offer Spread in respect of transfers in accordance with Rule 6 or Rule 18, to the extent required by the Regulation, may only include an amount representing the necessary transaction costs as permitted under section 34 or section 35 of the Regulation (as the case may be) and shall be used to reimburse the relevant Constituent Fund.
- 15.7 Units of a Constituent Fund shall not be issued during any period when the determination of the Net Asset Value of the relevant Constituent Fund is suspended pursuant to Clause 17.
- 15.8 Subject to the approval of the MPF Authority and the SFC, the Trustee may change the methodology of determining the Issue Price as provided in the Clause 15 by giving to the Plan Participants a three month prior notice (or such other shorter notice as the SFC may approve).

16. REDEMPTION OF UNITS

- 16.1 Subject to the provisions of the MPFS Ordinance and the Regulation and the provisions of this Deed, the Trustee shall have the discretion to redeem the Units standing to the credit of the relevant Contribution Account, Personal Account, TVC Account and/or SVC Account including any sub-accounts therein. Before exercising such redemption, it shall be the duty of the Trustee to ensure that the relevant Constituent Fund has (or will have upon the completion of the sale of Investments agreed to be sold) cash sufficient to pay the amount payable upon the redemption of Units. Any redemption request submitted by a Member shall be processed by the Trustee as soon as practicable after such request has been validated and reconciled.

- 16.2 Subject to the provisions in the MPFS Ordinance and the Regulation, the Redemption Price per Unit on any Dealing Day shall be determined as follows:

$$R = \text{NAV} \times (100\% - D)$$

where:

$$\begin{aligned} R &= \text{Redemption Price} \\ \text{NAV} &= \text{Net Asset Value per Unit on the Dealing Day} \\ D &= \text{Bid Spread, expressed as a percentage} \end{aligned}$$

PROVIDED ALWAYS that:

- (i) the Redemption Price should be rounded to the nearest four (4) decimal places or such other number of decimal places as the Trustee shall determine from time to time;
- (ii) the total redemption proceeds shall be the Redemption Price multiplied by the number of Units redeemed, such proceeds to be rounded down to two (2) decimal places or such other number of decimal places as the Trustee shall determine from time to time; and
- (iii) no Unit of any Constituent Fund shall be redeemed at a price lower than the Redemption Price of the Unit of the Constituent Fund on the relevant Dealing Day.

MPF
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B1.17

MPF
Code
B2.6

- 16.3 The Bid Spread of each Constituent Fund at the rate as specified in the Principal Brochure shall be retained by or paid to the Trustee for its own absolute use and benefit PROVIDED THAT the Trustee may reduce the Bid Spread for any Member or Employer as the Trustee considers appropriate. The Trustee may also change the Bid Spread for any Constituent Funds by giving a three month notice (or such other shorter notice as the SFC may approve) in writing to the SEP Members, the Personal Account Members, the TVC Members, the SVC Members and to the Employers who shall forward such notice to the Employee Members of their relevant Participation Plan PROVIDED THAT the Bid Spread shall not exceed the maximum level as set out in the Principal Brochure. Subject to the approval of the SFC and the MPF Authority, the maximum level of the Bid Spread may also be changed by giving a three month notice (or such other shorter notice as the SFC may approve) in writing to the SEP Members, the Personal Account Members, the TVC Members, SVC Members and to the Employers who shall forward such notice to the Employee Members of their relevant Participation Plan. For the avoidance of doubt, any Bid Spread in respect of transfers in accordance with Rule 6 or Rule 18, to the extent required by the Regulation, may only include an amount representing the necessary transaction costs as permitted under section 34 or section 35 of the Regulation (as the case may be) and shall be used to reimburse

the relevant Constituent Fund. For the avoidance of doubt, any Bid Spread in respect of payments in accordance with Rule 19, to the extent required by the Regulation, may only include an amount representing the necessary transaction costs as permitted under section 35A or section 35B of the Regulation (as the case may be).

- 16.4 Where redemption is to be effected pursuant to this Clause 16, the Trustee shall proceed to effect any sales necessary to provide the cash required to pay the redemption proceeds. The Trustee shall then pay the redemption proceeds to the Member or such other relevant person pursuant to the relevant Rules or apply the redemption proceeds in accordance with the provisions of this Deed. The Trustee shall also debit the relevant Contribution Account, Personal Account, TVC Account, or SVC Account of the Member (with allocation to the appropriate sub-accounts) with the number of Units so redeemed.
- 16.5 Units of a Constituent Fund shall not be redeemed during any period when the determination of the Net Asset Value of the relevant Constituent Fund is suspended pursuant to Clause 17.
- 16.6 The Trustee shall have the discretion to limit the total number of Units of a Constituent Fund to be redeemed on any Dealing Day to 10 per cent of the total number of Units in issue (disregarding the number of Units to be issued on such Dealing Day). This limitation shall apply pro-rata to all Members where redemption of Units are required to be effected on the same Dealing Day pursuant to the provisions of this Deed. Any Units which, by virtue of the application of this Clause 16.6 fail to be redeemed shall be redeemed (subject to any further application of this Clause 16.6) on the immediately following Dealing Day.
- 16.7 Subject to the approval of the MPF Authority and the SFC, the Trustee may change the methodology of determining the Redemption Price as provided in this Clause 16 by giving to the Plan Participants a three month prior notice (or such other shorter notice as the SFC may approve).

MPF
Code
B1.22

16A. DISTRIBUTION OF DIVIDENDS

- 16A.1 This Clause 16A applies to a Distributing Constituent Fund.
- 16A.2 The Trustee shall have the discretion to declare and pay distributions for a Distributing Constituent Fund on such date and at such frequency as the Trustee may determine. On each Dividend Date, the Trustee shall, in consultation with the Sponsor, determine the amount of dividend (if any) to be distributed in respect of Units of a Distributing Constituent Fund held by a Member on the relevant Record Date. For the avoidance of doubt, the Trustee, in consultation with the Sponsor, has discretion to determine that no distribution is made in respect of a Dividend Date for a Distributing Constituent Fund. For the purposes of determining entitlement to

distribution, any Units of a Distributing Constituent Fund which are redeemed or switched to other Constituent Fund(s) on the relevant Record Date shall be excluded.

- 16A.3 The amount of dividend to be distributed per Unit of a Distributing Constituent Fund shall be such amount as the Trustee, in consultation with the Sponsor, determines, not exceeding the Net Asset Value of such Distributing Constituent Fund. The amount of dividend may be chargeable to income or capital (or partly one and partly the other). Such amount of dividend shall be excluded from the Net Asset Value of the Distributing Constituent Fund on the Ex-dividend Date.
- 16A.4 The amount of dividend shall be allocated to a Member's account or sub-account within such period as disclosed in the Principal Brochure and rounded in such manner determined by the Trustee as it considers appropriate, and in the event of such determination, the amount corresponding to such rounding (if any) will accrue to the Distributing Constituent Fund.
- 16A.5 Any dividend allocated pursuant to this Clause 16A shall be applied to subscribe for Units in the relevant Distributing Constituent Fund or Units in other Constituent Fund(s) as specified in the Principal Brochure, in such manner as disclosed in the Principal Brochure, or be made or applied in such other manner as the Trustee considers appropriate.
- 16A.6 Prior to implementing Clause 16A.5, the Trustee may determine to retain cleared funds of dividends in an interest-bearing account and any interest generated therefrom shall belong to the Plan and the Trustee may at any time apply any such interest to defray any costs and expenses under Clause 20.4 of this Deed as determined by the Trustee.

17. SUSPENSION OF VALUATION AND DEALING

MPF
Code
B1.20

- 17.1 The Trustee may, having regard to the interests of the Plan Participants, declare a suspension of the dealing of the Units of any Constituent Fund and the determination of the Net Asset Value of any Constituent Fund for the whole or any part of any period during which:
- (a) there is a closure of or the restriction or suspension of trading on any Securities Market on which a substantial part of the Investments of any Constituent Fund is normally traded or a breakdown in any of the means normally employed by the Trustee in ascertaining the prices of Investments;
 - (b) for any other reason, the prices of Investments held or contracted for by the Trustee for the account of the Constituent Fund cannot, in the opinion of the Trustee, reasonably be ascertained;

- (c) circumstances exist as a result of which, in the opinion of the Trustee, it is not reasonably practicable or is prejudicial to the interests of the Members to realise any Investments held or contracted for the account of the Constituent Fund;
- (d) the remittance or repatriation of funds which will or may be involved in the realisation of, or in the payment for, the Investments of the Constituent Fund or the subscription or redemption of any Unit of the Constituent Fund is delayed or cannot, in the opinion of the Trustee, be carried out promptly at normal rates of exchange; or
- (e) such suspension would be appropriate for the purpose of implementing any termination, merger and/or change of investment structure of one or more Constituent Funds,

PROVIDED THAT the suspension shall not cause the Trustee to be unable to comply with its obligations under the MPFS Ordinance and any rules, guidelines, codes and regulations made thereunder.

17.2 The suspension referred to in Clause 17.1 shall take effect forthwith upon the declaration thereof and thereafter there shall be no dealing and no determination of the Net Asset Value until the Trustee shall declare the suspension at an end, except that the suspension shall terminate in any event on the day following the first Business Day on which:

- (a) the condition giving rise to the suspension shall have ceased to exist; and
- (b) no other condition under which suspension is authorised hereunder shall exist.

MPF
Code
B1.21

17.3 Whenever the Trustee declares a suspension of the dealing and the determination of the Net Asset Value of any Constituent Fund hereunder, the Trustee must notify the MPF Authority as soon as practicable after any such declaration and shall publish immediately following such declaration and at least once a month during the period of such suspension, a notice in the newspapers in which the Issue Price and the Redemption Price of the Constituent Fund are normally published.

18. AMENDMENT

18.1 Subject to Clauses 18.2 and 18.3,

18.1.1 the Trustee may at any time amend or extend any of the provisions of this Deed or the Principal Brochure. Any amendment or extension may have retrospective effect PROVIDED THAT if such retrospective amendment or extension shall have any detrimental effect on the accrued benefits of

any Plan Participant, such amendment or extension shall not take effect until the Trustee has obtained the consent of all the Plan Participants being affected by such amendment or extension;

18.1.2 and further subject to any restrictions in the relevant Participation Agreement, the Trustee may, with the consent or at the request of the relevant Employer at any time by supplemental agreement amend or extend the terms of any Participation Agreement. Any amendment or extension may have retrospective effect PROVIDED THAT if such retrospective amendment or extension shall have any detrimental effect on the accrued benefits of any Plan Participant, such amendment or extension shall not take effect until the Trustee has obtained the consent of all the Plan Participants being affected by such amendment or extension;

18.1.3 and further subject to the approval of the MPF Authority, the Trustee may at any time by deed amend or extend any of the provisions of this Deed if the Trustee certifies in writing that in its opinion such amendment or extension is necessary in order to make possible compliance with any fiscal, statutory or official requirement (whether or not having the force of law) including without limitation the MPFS Ordinance and any rules, guidelines, codes or regulations made thereunder; and

18.1.4 The Trustee may at any time by deed amend any provisions in this Deed relating to the dealing of Units of any Constituent Fund PROVIDED THAT:

(a) subject to the MPF Authority's approval, a permanent change in the method of dealing may only be effected after giving three (3) months notice (or such shorter period of notice as the MPF Authority and SFC may approve) to the Plan Participants, except where the MPF Authority and SFC agree that no notice is required; and

(b) a temporary change may only be effected:

(i) in exceptional circumstances, having regard to the interests of the Plan Participants; and

(ii) if the possibility of a temporary change and the circumstances in which the change can be effected have been fully disclosed to the Plan Participants in the Principal Brochure.

and further PROVIDED THAT no such amendment or alteration shall be made which would cause the main purpose of the Trust, the Plan, or any Participating Plans affected by such amendment or alteration to be other than the provision of retirement and other benefits for employees of Employers, Self-Employed Persons, Personal Account Members, TVC Members, or SVC Members.

18.2 No alterations or extensions may be made to this Deed, unless:

- (a) the MPF Authority has approved such alterations or extensions; and
- (b) the notification and other procedures (if any) required by the MPF Authority and, if applicable, the SFC, have been complied with.

MPF PROVIDED ALWAYS THAT at least one (1) month's notice shall be given to Plan Participants before any permanent change in the method of dealing in a Constituent Fund shall take effect.

R.63 18.3 18.3.1 The Trustee shall notify the MPF Authority and, if necessary, the SFC in writing of any amendment proposed to be made to this Deed or the Principal Brochure, and lodge with the MPF Authority and if necessary, the SFC, a copy of the proposed amendment.

18.3.2 An amendment to this Deed or the Principal Brochure, will not take effect until the MPF Authority and, if necessary, the SFC have given written notice to the Trustee that the MPF Authority and, if applicable, the SFC have approved the amendment.

19. **TERMINATION OF THE TRUST**

S.34A Without prejudice to the right to cancel registration of the Plan under Section 34D
S.34D of the MPFS Ordinance, the Plan may be wound up only by the Court on application made by the MPF Authority in accordance with Section 34A of the MPFS Ordinance. The winding up of the Plan must be conducted in accordance with the winding up rules made in accordance with section 34A(7) of the MPFS Ordinance.

20. **FEES AND CHARGES**

20.1 Subject to Clauses 12.3 to 12.6, 12.9 and 20.8,

- (i) the Trustee shall be paid periodically in arrears a Trustee and Administration Fee out of the assets of the Trust Fund at such intervals and

rates as specified in the Principal Brochure, as remuneration for providing trustee and administration services. The Trustee and Administration Fee may also be changed by giving a three month notice (or such other shorter notice as the SFC may approve) in writing to the SEP Members, the Personal Account Members, the TVC Members, SVC Members and to the Employers who shall forward such notice to the Employee Members of their relevant Participation Plan PROVIDED THAT the Trustee and Administration Fee shall not exceed the maximum level as specified in the Principal Brochure. Notwithstanding that the Trustee and Administration Fee shall be payable periodically in arrears, the calculation of such fee shall be accrued on each Dealing Day. The Trustee and Administration Fee shall be pro-rated if the Trustee commences or ceases to act as the Trustee between two Dealing Days PROVIDED THAT the two Dealing Days are not consecutive days. The Trustee shall be entitled to any interest or other benefit in respect of any part of the fee accrued to the Trustee but not yet paid; and

- (ii) the Trustee shall be paid out of the assets of the Trust Fund such other custodial and transaction fees as may be specified in the Principal Brochure. The custodial and transaction fees may also be changed by giving a three month notice (or such other shorter notice as the SFC may approve) in writing to the SEP Members, the Personal Account Members, the TVC Members, SVC Members and to the Employers who shall forward such notice to the Employee Members of their relevant Participation Plan.

20.2 Subject to Clauses 12.3 to 12.6, 12.9 and 20.8, the Investment Manager shall be paid periodically in arrears a Management Fee out of the assets of the Trust Fund at such intervals and rates as specified in the Principal Brochure, as remuneration for providing investment management services. The Management Fee may also be changed by giving a three month notice (or such other shorter notice as the SFC may approve) in writing to the SEP Members, the Personal Account Members, the TVC Members, SVC Members and to the Employers who shall forward such notice to the Employee Members of their relevant Participation Plan PROVIDED THAT the Management Fee shall not exceed the maximum level as specified in the Principal Brochure. Notwithstanding that the Management Fee is payable to the Investment Manager periodically in arrears, the calculation of such fee shall be accrued on each Dealing Day. The Management Fee shall be pro-rated if the Investment Manager commences or ceases to act as an Investment Manager between two Dealing Days PROVIDED THAT the two Dealing Days are not consecutive days. The Investment Manager shall be entitled to any interest or other benefit in respect of any part of the fee accrued to the Investment Manager but not yet paid.

20.3 The Trustee shall, out of the Trustee and Administration Fee, discharge the remuneration of any agents, bankers, brokers, advisers and others appointed or

employed by it in the performance of its duties hereunder other than the fees and expenses expressly provided to be paid by an Employer or a Member or out of the assets of the Trust Fund pursuant to the provisions of this Deed and any Participation Agreement applicable thereto.

- 20.4 In addition to the fees payable to the Trustee specified in Clause 20.1, the Trustee shall be entitled to be paid out of the assets of the Trust Fund such transaction costs, charges and expenses (including but not limited to tax, stamp duty, levies, registration fee, custody and nominee charges), fees for providing valuation and accounting services in relation to the Plan, the costs, fees, charges and expenses referred to in Clause 14.7(d)(v) and any other fees and expenses which may be specified in the Principal Brochure. The Trustee shall allocate the above costs, fees, charges and expenses set out in this Clause 20 to each of the Constituent Funds by reference to the gross value of the assets in each of those Constituent Funds on a pro rata basis or any other basis which the Trustee consider appropriate. The Trustee may amortize all the costs payable out of the assets of the Trust Fund pursuant to this Clause 20 over such period as the Trustee consider appropriate.
- 20.4A Subject to Clauses 12.3 to 12.6, 12.9 and 20.8, the Sponsor shall be paid periodically in arrears a Sponsor Fee out of the assets of the Trust Fund at such intervals and rates as specified in the Principal Brochure. The Sponsor Fee may also be changed by giving three months' notice (or such other shorter notice as the SFC may approve) in writing to the SEP Members, the Personal Account Members, the TVC Members, SVC Members and to the Employers who shall forward such notice to the Employee Members of their relevant Participating Plan. Notwithstanding that the Sponsor Fee is payable to the Sponsor periodically in arrears, the calculation of such fee shall be accrued on each Dealing Day. The Sponsor Fee shall be pro-rated if the Sponsor commences or ceases to act as a Sponsor between two Dealing Days PROVIDED THAT the two Dealing Days are not consecutive days.
- 20.5 20.5.1 Each Employer, SEP Member, Personal Account Member, TVC Member and SVC Member shall pay or reimburse to the Trustee the following fees and expenses PROVIDED THAT, in the case of an Employer, all or part of such fees and expenses may by agreement between the Trustee and the relevant Employer be paid out of the assets representing the Forfeitures Account of such Employer's Participating Plan:
- (a) a joining fee and membership fee of such amount (if any) as may from time to time be fixed by the Trustee and the Sponsor upon the execution of the Participation Agreement or completion of an Application Form (by the Employer) or enrolment form (by the Employee Member of the Employer) PROVIDED THAT the maximum level of the joining fee or membership fee shall not exceed the amount as specified in the Principal Brochure;

- (b) any costs incurred in registering or maintaining the registration of such Participating Plan with any government authority or other regulatory body (including the costs of preparing any supporting documents and supplemental deeds);
- (c) legal and other fees and expenses attributable to such Participating Plan;
- (d) audit fees, including fees of the Employer's or SEP Member's or Personal Account Member's or the TVC Member's or the SVC Member's own auditor in giving any certificate in connection with its participation in the Plan and fees of the Auditors in preparing the audited accounts of such Participating Plan;
- (e) the costs of amending the Participation Agreement and/or the Rules relating to such Participating Plan;
- (f) other costs, fees and expenses expressed to be payable by the Employers or SEP Members or Personal Account Members or TVC Members or SVC Members in this Deed and the Application Form and the Participation Agreement relating to the Participating Plan, and
- (g) any other fees and expenses which may be specified in the Principal Brochure,

PROVIDED FURTHER THAT the Trustee and the Sponsor may waive or reduce any of the above fees, costs, charges or expenses payable by the Employer, SEP Member, Personal Account Member, TVC Member or SVC Member.

20.5.2 The Trustee shall from time to time notify each Employer, SEP Member, Personal Account Member, TVC Member and SVC Member in writing of the amount of the fees and expenses due hereunder, and the relevant Employer, the SEP Member, the Personal Account Member, the TVC Member and the SVC Member shall forthwith pay to the Trustee the amount so notified.

20.6 The Trustee shall be entitled to impose a reasonable amount of fees in the provision of any other administrative services to the Employers, Employee Members, SEP Members, Personal Account Members, TVC Members or SVC Members, which services may include, but not limited to, issuance of any statement or reports which are not prescribed by the MPFS Ordinance or Regulation, re-issuance of any

statements, reports, certificates, payment cheques, receipts or preparing copies of any documents relating to the Plan or the Member's participation.

20.7 Subject to the approval of the MPF Authority and the SFC and Clause 20.8, the Trustee and the Sponsor may change the maximum levels of Trustee and Administration Fee, the Sponsor Fee or Management Fee or any other fees and charges specified in this Deed by giving a three month prior notice (or such other shorter notice as the SFC may approve) in writing to the SEP Members, the Personal Account Members, the TVC Members, the SVC Members and to the Employers who shall forward such notice to the Employee Members of their relevant Participating Plan.

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20.8 Notwithstanding any other provision of this Deed, in respect of a DIS Fund, any payment for services and payment for out-of-pocket expenses may only be charged to or imposed on the DIS Fund or a Member who invests in the DIS Fund, in the manner and to the extent as permitted under section 34DD of the MPFS Ordinance.

21. NOTICES

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21.1 21.1.1 Subject to the requirements of the MPFS Ordinance and the Regulation, any notice or document required to be given upon the Plan Participants for the purposes of the MPFS Ordinance and the Regulation, this Deed or the Participation Agreement, is taken to have been given if the notice or document is made available or given in such manner as may be prescribed by the Regulation. Without prejudice to the foregoing, such notice or document may be delivered by hand, sent by prepaid post (airmail if overseas), facsimile, electronic mail or other similar means of communication.

21.1.2 Without limiting the generality of Clause 21.1.1 and subject to the requirements of the MPFS Ordinance and the Regulation, a notice or other document to be given for the purposes of the MPFS Ordinance and the Regulation, this Deed or the Participation Agreement may be given:-

- (a) in the case of a Plan Participant other than a body corporate or partnership,
 - (i) by delivering it to the Plan Participant personally; or
 - (ii) by sending it by ordinary post in a letter addressed to the Plan Participant at the Plan Participant's usual place of residence or business or, if the Plan Participant's address is unknown, addressed to the Plan Participant's last known place of residence or business; or

- (b) in the case of a Plan Participant which is a body corporate –
 - (i) by delivering it to any place in Hong Kong at which the Plan Participant carries on business and handing it to a person apparently concerned with the management of, or apparently employed by, the Plan Participant; or
 - (ii) by sending it by ordinary post addressed to the Plan Participant at its registered office in Hong Kong or at any place in Hong Kong at which the Plan Participant carries on business; or
- (c) in the case of a Plan Participant which is a partnership -
 - (i) by delivering it to any place in Hong Kong at which the Plan Participant carries on business and handing it to a person apparently concerned with the management of, or apparently employed by, the Plan Participant; or
 - (ii) by sending it by ordinary post addressed to the Plan Participant at any place in Hong Kong at which the Plan Participant carries on business.

21.1.3 [Deleted]

21.1.4 In any case where the Trustee considers it appropriate or satisfactory, notices to Employee Members or their legal personal representatives may be given through the relevant Employer pursuant to Clause 21.1.2, and in any such case such notice shall be deemed to have been duly given when appropriate details have been given to such Employer and such Employer has been advised to pass such notices to the relevant Employee Members.

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21.1.5 In the event that a notice is to be given by the Trustee to the Plan Participant for the purposes of Sections 58 and 59 of the Regulation, the Employer must ensure that the notice is given to the Employee Member within 7 Working Days after the Employer receives the notice.

21.2 Any notice or document sent by post to or left at an address as aforesaid in pursuance of this Clause shall notwithstanding that the addressee be then dead, or bankrupt, in liquidation or receivership and whether or not the Trustee, the Sponsor or the Investment Manager have notice of such death, bankruptcy, liquidation or receivership be deemed to have been duly given.

- 21.3 All notices or documents sent by post by the Trustee, the Sponsor or the Investment Manager shall be sent at the risk of the person entitled thereto.
- 21.4 Notwithstanding any other provisions in this Deed, the Trustee and the Sponsor may at any time waive or shorten any prior notice requirements to be given by any Plan Participants to the Trustee or the Sponsor as stipulated in this Deed.

21A. CERTIFICATION ETC IN RESPECT OF TAX REPORTING

Each Plan Participant (i) shall be required to, upon demand by the Trustee and/or the Sponsor, provide in such manner and within such time as determined by the Trustee and/or the Sponsor, any form, certification or other information reasonably requested by and acceptable to the Trustee and/or the Sponsor that is necessary for the Plan to satisfy due diligence, reporting or other obligations relating to any law, regulation or any agreement with any tax or fiscal authority in any jurisdiction applicable to the Plan (including but not limited to any law, rule and requirement relating to AEOI), (ii) will, in such manner and within such time as determined by the Trustee and/or the Sponsor, update or replace such form, certification or other information in accordance with its terms or subsequent amendments or when such form, certificate or other information is no longer accurate, and (iii) will otherwise comply with any registration, due diligence and reporting obligations imposed by the laws of Hong Kong or any other jurisdiction (including but not limited to any law, rule and requirement relating to AEOI), including such obligations that may be imposed by future legislation.

For the purposes of this Clause 21A, “**AEOI**” means one or more of the following as the context requires:-

- (a) the OECD Standard for Automatic Exchange of Financial Account Information in Tax Matters – the Common Reporting Standards and any associated guidance;
- (b) any intergovernmental agreement, treaty, guidance, standard or other agreement between the Hong Kong government (or any government body in Hong Kong) and any other jurisdiction (including any government bodies in such jurisdiction), entered into in order to comply with, facilitate, supplement or implement the legislation, regulations, guidance or standards described in sub-clause (a) above; and
- (c) any legislation, regulations or guidance in Hong Kong that give effect to the matters outlined in the preceding sub-clauses (a) to (b) above.

22. PROVISION OF INFORMATION

- 22.1 Subject to the MPFS Ordinance, if the Trustee, the Sponsor or the Investment Manager is requested by any department of any regulatory authority, body or any department of any government or administration (which may be located within or outside Hong Kong), or is otherwise required under any agreement to provide such regulatory authority, body or department with any information regarding the Trust Fund and/or the Plan Participants and/or the investments and income of the Trust Fund and/or the provisions of this Deed and/or any Participation Agreement and complies with such request or requirement, whether or not it was in fact enforceable, none of the Trustee, the Sponsor or the Investment Manager shall incur any liability to the Plan Participants or any of them or to any other person as a result of such compliance or in connection with such compliance PROVIDED THAT in so doing the Trustee, the Sponsor or the Investment Manager (as the case may be) shall also have complied with the provisions of the Personal Data (Privacy) Ordinance.
- 22.2 Without prejudice to Clause 22.1, the Trustee may disclose information relating to the Trust Fund and/or the Plan Participants, including without limitation information relating to the Plan Participants, and the investments and income of the Trust Fund subject to such requirements as set out under the MPFS Ordinance and the Regulation and such conditions as may be imposed by the MPF Authority from time to time.

23. GOVERNING LAW

- 23.1 This Deed and the Participation Agreement shall be governed by and construed in accordance with the laws of the Hong Kong.
- 23.2 The Trustee, the Sponsor and the Plan Participants hereby submit to the non-exclusive jurisdiction of the Courts of the Hong Kong.

THE RULES

1. INTERPRETATION

Words and expressions used in the Rules shall have the meanings given to them in the Deed.

2. ADMISSION OF MEMBERS

R.31 2.1 2.1.1 Subject to 2.1.2,

- (a) and further subject to Rule 2.1.1A, an Eligible Employee may become an Employee Member (i) by completing an enrolment form which the Trustee may from time to time prescribe; or (ii) in the absence of a duly completed enrolment form, by providing to the Trustee such information as the Trustee may require;
- (b) and further subject to Rule 2.1.1A, a Self-Employed Person may become an SEP Member of the Plan (i) by completing an Application Form as the Trustee may from time to time prescribe; or (ii) in the absence of a duly completed Application Form, by providing to the Trustee such information as the Trustee may require;
- (c) a person who, having accrued benefits in another Registered Scheme or an ORSO Exempted Scheme or ORSO Registered Scheme, wishes to have those benefits transferred to a Personal Account of the Plan as nominated by such person in accordance with the Rules and Part XII of the Regulation or who wishes to (or is taken or regarded by the Regulation or any term of the Deed or the Rules as having elected to) join the Plan (or transfer benefits to the Plan) other than as an Employee Member or an SEP Member may become a Personal Account Member of the Plan by (i) completing an Application Form as the Trustee may from time to time prescribe; or (ii) in the absence of a duly completed Application Form, by providing to the Trustee such information as the Trustee may require;
- (d) an Employee Member will automatically become a Personal Account Member if upon his cessation of employment he elects or pursuant to the provisions of this Deed is taken to have elected to transfer his benefits accrued under this Plan to a separate Personal Account in the Plan;

- (e) a person who is eligible to participate in a Registered Scheme and who wishes to (or is taken or regarded by any term of the Deed or the Rules as having elected to) join the Plan (or transfer benefits to the Plan) as an SVC Member may become an SVC Member of the Plan by (i) completing an Application Form as the Trustee may from time to time prescribe; or (ii) in the absence of a duly completed Application Form, by providing to the Trustee such information as the Trustee may require;
- (ea) without prejudice to Rule 2.1.1(e), as part of the Plan's Special Voluntary Sub-Account restructuring, if a Member (whether in his capacity as an Employee Member, a SEP_Member or a Personal Account Member) holds any Special Voluntary Sub-Account immediately before the SVC Restructure Date, such Member shall automatically become an SVC Member of the Plan from the SVC Restructure Date. On the SVC Restructure Date, the accrued benefits held by such Member (whether in his capacity as an Employee Member, a SEP Member or a Personal Account Member) in each of his Special Voluntary Sub-Account(s) ("**Original Special Voluntary Sub-Accounts**") shall be transferred in specie or in such other manner as the Trustee shall consider appropriate to a sub-account ("**New Special Voluntary Sub-Account**") of an SVC Account to be held by the Member in his capacity as an SVC Member, and the Original Special Voluntary Sub-Account(s) shall be closed upon the completion of such transfer. For the avoidance of doubt, a separate SVC Account (together with a New Special Voluntary Sub-Account thereunder) shall be established on the SVC Restructure Date for each Original Special Voluntary Sub-Account held by the Member immediately before the SVC Restructure Date. The Trustee must ensure that such Member's accrued benefits so transferred to the New Special Voluntary Sub-Account of the relevant SVC Account are invested in accordance with section 34DC of the MPFS Ordinance; and
- (f) and further subject to Rule 2.1.2A, a person who wishes to join the Plan (or transfer benefits to a TVC Account of the Plan) as a TVC Member may become a TVC Member of the Plan by (i) completing an Application Form and providing such information and document as the Trustee may from time to time prescribe; or (ii) in the absence of a duly completed Application Form, by providing to the Trustee such information and document as the Trustee may require.

2.1.1A In respect of Rule 2.1.1(a) and (b), the Trustee reserves the sole discretion to accept or reject any application for membership that is made by or on behalf of Eligible Employees or Self-Employed Persons who are below 18 years of age or at or above the Normal Retirement Age.

- R.31(1) 2.1.2 The Trustee shall not refuse applications from any person referred to in Rule 2.1.1(a) to (c) if such person is at or above 18 years of age and below the Normal Retirement Age and:
- (a) provides or is willing to provide the information required by, the Trustee with respect to application for membership in the Plan; and
 - (b) agree in writing to comply with and be subject to the provisions of this Deed.
- 2.1.2A The Trustee may reject an application by a person to become a TVC Member under Rule 2.1.1(f) in the event of (i) having reason to know that information and documents provided to the Trustee are incorrect or incomplete; (ii) failure of such person to provide information and documents as required by the Trustee to ensure compliance with applicable laws and regulations relating to anti-money laundering / tax reporting; and/or (iii) other circumstances which the Trustee and the Sponsor may consider appropriate.
- 2.1.2B Subject to Rule 2.1.1(ea), the Trustee shall reserve the sole discretion to accept or reject any application for membership as an SVC Member under Rule 2.1.1(e).
- R.31(2) 2.1.3 The Trustee or its delegates must disclose to a person who is considering making an application to become a Member or Employer:
- (a) the requirements and information required for application for membership of or participation in the Plan;
 - (b) the governing rules of the Plan; and
 - (c) Plan information, including all of the fees and charges payable under the Plan in accordance with the relevant guidelines issued by the MPF Authority and the SFC.
- R.31(4) 2.1.4 The persons referred to in Rule 2.1.1 must be given a notice of participation within 30 days from the date on which the person submits all the information required for the application for membership of or participation in the Plan, or from the date on which the person agrees to comply with and accept to be subject to the provisions of this Deed, whichever is the later.
- 2.1.5 The membership of a Member may be terminated by the Trustee only in accordance with the Rules of the Plan and:
- (a) in the case of an Employee Member who is at or above 18 years of age or below the Normal Retirement Age, with the written

agreement of that Employee Member or the Employer of that Employee Member given not earlier than 60 days before the termination;

- (b) in the case of an SEP Member or former SEP Member who is at or above 18 years of age or below the Normal Retirement Age, with the written agreement of that SEP Member or former SEP Member given not earlier than 60 days before the termination; or
- (c) in the case of a TVC Member, with the written agreement of the TVC Member in accordance with section 31(5)(c) of the Regulation, provided that the requirement under section 31(5)(c) of the Regulation does not apply where the membership of a TVC Member is terminated by the Trustee by operation of section 31(5A) of the Regulation.

Note: s.31(5)(c), s. 31(5A), General Regulation

2.1.6 The participation of an Employer may be terminated by the Trustee only in accordance with the Rules of the Plan and with the written agreement of the Employer given not earlier than 60 days before the termination.

2.1.7 Subject to as provided below in this rule, in respect of any Member who is not an Employee Member, SEP Member or former SEP Member, or a TVC Member specified under Rule 2.1.5, the Trustee reserves the right to terminate his membership of the Plan at any time by giving an immediate notice to him, or if such Member is an Employee Member, to his Employer PROVIDED THAT nothing herein shall prejudice the operation of Sections 172 and 174 of the Regulation in respect of any unclaimed benefits of a Member who has reached the Normal Retirement Age. The Trustee reserves the right by giving an immediate notice at any time to terminate the membership of an SVC Member, other than a Member who has become an SVC Member with respect to a Special Voluntary Sub-Account pursuant to Rule 2.1.1(ea) and who continues to hold such Special Voluntary Sub-Account in the Plan since the SVC Restructure Date.

- R.54 2.2 2.2.1 The Trustee must, within sixty (60) days of a person becoming a Member, provide that Member with a document containing the following information:
- (a) a general description of the Plan, including its terms and the fees and charges payable under the Plan;
 - (b) particulars of the Constituent Funds; and

- (c) the person, if any, designated by the Trustee as the contact person for the Plan, either by name or by reference to the person's position or job description, and the means by which the person can be contacted.

2.2.2 The Trustee may arrange to give to any Employee Member the document referred to in Rule 2.2.1 by delivering the document to the Employer of such Employee Member. If the Trustee delivers the document to the Employer, that Employer must ensure that the document is given to the Employee Member within seven (7) Working Days after the Employer receives it.

R.55 2.3 2.3.1 The Trustee must ensure that a person becoming a Plan Participant of the Plan will be provided with such information, notices, statements and reports as may be required to be provided to a Plan Participant pursuant to the Regulation, within such time as may be prescribed by the Regulation.

2.3.2 [Deleted]

2.4 [Deleted]

3. **CONTRIBUTIONS**

3.1 **Mandatory Contributions**

S.7A(1)(a)/
(2)(a) (a) Except to the extent that such payment is not required by the MPFS Ordinance, every Employer shall pay to the Trustee, in respect of each Employee Member employed by it, for each contribution period after the Commencement Date, out of the Employer's own funds, the Mandatory Contribution required to be made by an employer (the "Employer's Mandatory Contribution") in respect of a relevant employee under Section 7A of the MPFS Ordinance. For the avoidance of doubt, notwithstanding that the Relevant Income of the Employee Member is below the Minimum Level of Relevant Income, the Employer of such Employee Member shall also be required to pay the Employer's Mandatory Contribution pursuant to this Rule 3.1(a).

S.7A(3) (b) Subject to the MPFS Ordinance and the Regulation, the Employer's Mandatory Contribution is equal to 5% (or such other percentage prescribed by the MPFS Ordinance or the Regulation from time to time) of the relevant Employee Member's Relevant Income for the relevant contribution period PROVIDED THAT if the relevant Employee Member's Relevant Income is more than the Maximum Level of Relevant Income, the Employer is not required to contribute in respect of the excess Relevant Income and PROVIDED FURTHER THAT if the relevant

S.10

Employee Member is exempted from the provisions of the MPFS Ordinance, no Employer's Mandatory Contribution shall be required.

- S.7A(1)(b)/(2)(b) (c) Except to the extent that such payment is not required by the MPFS Ordinance, every Employer shall, in respect of each Employee Member employed by it and for each contribution period after the Commencement Date, deduct from the relevant Employee Member's Relevant Income for that contribution period and pay to the Trustee a Mandatory Contribution required to be made by a relevant employee (the "Employee's Mandatory Contribution") under Section 7A of the MPFS Ordinance.
- S.7A(4) (d) Subject to the MPFS Ordinance and the Regulation, the Employee's Mandatory Contribution is equal to 5% (or such other percentage prescribed by the MPFS Ordinance or the Regulation from time to time) of the relevant Employee Member's Relevant Income for the relevant contribution period PROVIDED THAT:
- S.9 (i) an Employee Member whose Relevant Income is less than the Minimum Level of Relevant Income or an Employee Member who is exempted from the provisions of the MPFS Ordinance is not required to make an Employee's Mandatory Contribution; and
- S.10 (ii) an Employee Member whose Relevant Income is in excess of the Maximum Level of Relevant Income is not required to make an Employee's Mandatory Contribution in respect of the excess Relevant Income.
- R.122(3) (e) Every Employer shall, for each contribution period, pay the Employer's Mandatory Contribution and the Employee's Mandatory Contribution as referred to in Rules 3.1(a) and (c) to the Trustee in respect of each Employee Member employed by it on or before the Contribution Day or such other day as prescribed by the MPFS Ordinance or the Regulation from time to time.
- S.7B, 12A(6B) (f) Notwithstanding anything contained herein but subject as otherwise provided in the MPFS Ordinance or the Regulation:
- (i) no Mandatory Contribution is required to be made in respect of an Employee Member (except in the case of a Casual Employee) who is employed by an Employer for less than 60 days;
- S.7A(7) (ii) prior to 1 February 2003, an Employer shall not, in respect of each Employee Member employed by it and who is not a Casual Employee, make a deduction under Rule 3.1(c) in respect of the relevant Employee Member's Relevant Income for the first 30

days of that Employee Member's employment after the relevant time;

- S.7A(7) (iii) on and after 1 February 2003, an Employer shall not, in respect of each Employee Member employed by it on or after 1 February 2003 and who is not a Casual Employee:-
- (A) and whose wage period is not more than 1 month, make a deduction under Rule 3.1(c) in respect of the relevant Employee Member's Relevant Income earned for any wage period that commences on or before the 30th day of that Employee Member's employment after the relevant time;
- (B) and whose wage period is more than 1 month, make a deduction under Rule 3.1(c) in respect of the relevant Employee Member's Relevant Income earned for the period commencing from the relevant time and ending on the last day of the calendar month in which the 30th day of that Employee Member's employment after the relevant time falls.
- S.7C (g) Except to the extent that such payment is not required by the MPFS Ordinance, every SEP Member shall in accordance with the provisions of the Regulation, before the end of each contribution period, pay to the Trustee from his own funds a Mandatory Contribution required to be made by a Self-Employed Person (the "SEP Mandatory Contribution") pursuant to Section 7C of the MPFS Ordinance.
- S.7C (h) Subject to the MPFS Ordinance and the Regulation, the SEP Mandatory Contribution is equal to 5% (or such other percentage prescribed by the MPFS Ordinance or the Regulation from time to time) of the relevant SEP Member's Relevant Income for the relevant contribution period PROVIDED THAT:
- S.9 (i) an SEP Member whose Relevant Income is less than the Minimum Level of Relevant Income or an SEP Member who is exempted from the provisions of the MPFS Ordinance is not required to make an SEP Mandatory Contribution; and
- S.10 (ii) an SEP Member whose Relevant Income is more than the Maximum Level of Relevant Income is not required to make an SEP Mandatory Contribution in respect of the excess Relevant Income.

- (i) For the avoidance of doubt, Mandatory Contributions referred to in Rule 3.1 should be made only to the Trustee.
- (j) For the purposes of Rules 3.1 and 3.2:

S.7A(10), 12A(6B)

“contribution period”:

- (a) in relation to an Employer of an Employee Member (not being a Casual Employee), means each period for which the Employer pays or should pay the Relevant Income to the Employee Member, and includes such a period occurring within, or that coincides with, the first 60 days of employment after the relevant time;
- (b) in relation to an Employee Member (not being a Casual Employee):-
 - (i) who is employed by the Employer prior to 1 February 2003, means each period for which the Employer pays or should pay the Relevant Income to the Employee Member, but subject as otherwise provided in the MPFS Ordinance or the Regulation does not include such a period occurring within, or that coincides with, the first 30 days of employment after the relevant time;
 - (ii) who is employed by the Employer on and 1 February 2003:-
 - (A) whose wage period is not more than 1 month, means each period for which the Employer pays or should pay Relevant Income to the Employee Member, but subject as otherwise provided in the MPFS Ordinance or the Regulation does not include any wage period commencing on or before the 30th day of that Employee Member’s employment after the relevant time;
 - (B) whose wage period is more than 1 month, means each period for which the Employer pays or should pay Relevant Income to the Employee Member, but subject as otherwise provided in the MPFS Ordinance or the Regulation does not include the period commencing from the relevant time and ending on the last day of the calendar month in which the 30th day of that Employee Member’s employment after the relevant time falls;
- (c) in relation to an Employer and an Employee Member who is a Casual Employee, means each period for which the Employer pays or should pay the Relevant Income to the Employee Member;

- R.131 (d) in relation to an SEP Member who contributes to the Plan on a yearly basis, means the year that coincides with each Financial Year; and
- (e) in relation to an SEP Member who contributes to the Plan on a monthly basis, means each period commencing on the day in each month specified by the relevant SEP Member in a written notice to the Trustee as the commencing day and ending on:
- (i) the day before the corresponding day in the following month; or
- (ii) if there is no corresponding day in the following month or if the commencing day is the last day of a month, the last day of the following month;
- or has such other meaning as may be given to it under the MPFS Ordinance or the Regulation;

S.7(3) “relevant time” means

- (a) in the case of an Employer who is employing an Employee Member at the commencement of Section 7 of the MPFS Ordinance, the time of that commencement; and
- (b) in the case of an Employer who enters into a contract of employment with an Employee Member after that commencement, the beginning of the date on which the employment begins,

or has such other meaning as may be given to it under the MPFS Ordinance or the Regulation;

S.7A(10) “wage period”, in relation to an Employee Member and the Employer of such Employee Member, means the period for which the Employee Member is paid, or should be paid, Relevant Income by the Employer, or has such other meaning as may be given to it under the MPFS Ordinance or the Regulation.

3.2 Voluntary Contributions

3.2.1 Employer’s Voluntary Contribution

- S.11 (a) Subject to the provisions of the relevant Participation Agreement, every Employer may elect to pay to the Trustee, in respect of each Employee Member employed by it, for each contribution period after the

Commencement Date, out of the Employer's own funds, a Voluntary Contribution (the "Employer's Voluntary Contribution") under Section 11 of the MPFS Ordinance.

- R.59 (b) If an Employer elects to pay an Employer's Voluntary Contribution as referred to in Rule 3.2.1(a) in respect of the Employee Members employed by such Employer, the Employer shall specify the amount of the Employer's Voluntary Contribution in the Application Form for each relevant contribution period and incorporate relevant provision in the Participation Agreement, which amount shall be equal to either one of the following (the "Employer's Voluntary Contribution Rate"):
- (i) a specified percentage of the Employee Member's Relevant Income or Basic Salary;
 - (ii) a specified percentage of the part of the Employee Member's Relevant Income which exceeds the Maximum Level of Relevant Income, if any; or
 - (iii) any other specified percentage, defined formula or amount as set out by the Employer in the Application Form, subject to any restrictions or limitations as the Trustee may impose from time to time.

PROVIDED THAT the Employer shall pay the Employer's Voluntary Contribution to the Trustee in respect of the relevant Employee Member at the same time when the Employer pays the Employer's Mandatory Contribution and the Employee's Mandatory Contribution pursuant to Rule 3.1 or if no Mandatory Contribution is required to be made by the Employer, on a specified day of each contribution period as set out in the Participation Agreement (or in such other notification as the Trustee may approve).

3.2.2 Employee's Standard Voluntary Contribution

- S.11 (a) Subject to the provisions of the Participation Agreement, every Employee Member may elect to pay to the Trustee, for each contribution period after the Commencement Date, a Voluntary Contribution (the "Employee's Standard Voluntary Contribution") under Section 11 of the MPFS Ordinance out of the Employee Member's Relevant Income.
- (b) If an Employee Member elects to pay an Employee's Standard Voluntary Contribution as referred to in Rule 3.2.2(a), it shall notify his Employer and the Trustee in writing of the amount of the Employee's Standard Voluntary Contribution for each relevant contribution period which amount shall, subject to such limitations as may be imposed in the Principal Brochure, be equal to either one of the following (the "Employee's Standard Voluntary Contribution Rate"):

- (i) a specified percentage of the Employee Member's Relevant Income or Basic Salary;
- (ii) a specified percentage of the part of the Employee Member's Relevant Income which exceeds the Maximum Level of Relevant Income, if any;
or
- (iii) any other specified percentage, defined formula or amount as advised to the Trustee in writing by the Employee Member, subject to any restrictions or limitations as the Trustee may impose from time to time.

PROVIDED THAT (i) the Employer may in the relevant Participation Agreement impose any restriction in relation to the Employee's Standard Voluntary Contribution Rate as may be permitted by law; and (ii) the Employee Member must arrange to give any written instructions in relation to the Employee's Standard Voluntary Contribution Rate to the Trustee through his Employer but such written instructions must be signed by the Employee Member. Notwithstanding that, the Trustee may accept an instruction given by the Employee Member in such other manner as the Trustee may consider appropriate.

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- (c) If an Employee Member elects to pay an Employee's Standard Voluntary Contribution as referred to in Rule 3.2.2(a), his Employer shall deduct the Employee's Standard Voluntary Contribution from the relevant Employee Member's Relevant Income for each relevant contribution period and pay the Employee's Standard Voluntary Contribution to the Trustee at the same time as the Employer pays the Employer's Mandatory Contribution and the Employee's Mandatory Contribution pursuant to Rule 3.1, or if no Mandatory Contribution is required to be made by the Employee Member, on a specified day of each contribution period as set out in the Participation Agreement (or in such other notification as the Trustee may approve).
- (d) An Employer may change the Employer's Voluntary Contribution Rate in respect of any Employee Member and an Employee Member may change his Employee's Standard Voluntary Contribution Rate PROVIDED THAT:
 - (i) changes to the Employer's Voluntary Contribution Rate and to the Employee's Standard Voluntary Contribution Rate must take effect on the same date and shall not have a retrospective effect;
 - (ii) unless the Trustee and the Employer agree otherwise, the Trustee must be given three (3) months' prior written notices of any changes mentioned in Rule 3.2.2(d)(i);

- (iii) unless the Trustee and the Employer agree otherwise, the Employer will give three (3) months' prior written notice to the relevant Employee Member of any changes to the Employer's Voluntary Contribution Rate;
- (iv) any notice in relation to changes to Employee's Standard Voluntary Contribution Rate must either be (1) signed by the relevant Employee Member and his Employer and given to the Trustee through the Employer; or (2) given to the Trustee in such other manner as the Trustee considers appropriate;
- (v) any notice for changes to the Employer's Voluntary Contribution Rate and changes to the Employee's Standard Voluntary Contribution Rate must be given to the Trustee at the same time;
- (vi) subject to the provisions of the Participation Agreement, each of the Employer and Employee Member may, unless the Trustee agrees otherwise, make changes to the respective Employer's Voluntary Contribution Rate and Employee's Standard Voluntary Contribution Rate only twice in each Financial Year; and
- (vii) the Trustee shall be entitled to require the Employer and the Employee Member to execute any document or give any confirmation as may be prescribed by the Trustee from time to time to confirm the above changes before the changes take effect.

For the avoidance of doubt, a change in the Employer's Voluntary Contribution Rate shall not oblige the Employee Members to change their Employee's Standard Voluntary Contribution Rates and a change in an Employee's Standard Voluntary Contribution Rate shall not oblige the Employer to change its Employer's Voluntary Contribution Rate.

3.2.3 Member's Special Voluntary Contribution

- (a) Subject to the prior approval of the Trustee, an SVC Member may make a Special Voluntary Contribution to the Plan by giving to the Trustee at least one month's written notice (or such shorter period of notice as the Trustee may from time to time agree) in a form prescribed by the Trustee.
- (b) Special Voluntary Contribution shall be paid by the Member from his own funds or, in the case of an SVC Member who is also an Employee Member, deducted from his Relevant Income PROVIDED THAT if it is deducted from his Relevant Income, the written consent of his Employer shall be required and the amount of deduction shall be restricted to the extent permitted by law.
- (c) The Special Voluntary Contribution made by a Member will be credited to the Special Voluntary Sub-Account of that Member.

- (d) If a Member is permitted to make the contributions under Rule 3.2.3(a) above, the amount of Special Voluntary Contribution must not be lower than or exceed the respective limits as may be determined by the Trustee from time to time. Notwithstanding the above, the Trustee reserves the right not to accept any Special Voluntary Contribution at any time by giving to the Member a prior notice in writing.
- (e) The Trustee reserves the right to impose a handling fee up to the maximum level as specified in the Principal Brochure for each Special Voluntary Contribution made to the Plan. Such handling fee shall be deducted from the Special Voluntary Contribution and retained by the Trustee for its own use and benefit.

S.11 3.2.4 SEP Member's Voluntary Contribution

- (a) Every SEP Member may elect to pay to the Trustee, for each contribution period after the Commencement Date, a Voluntary Contribution (the "SEP Voluntary Contribution") under Section 11 of the MPFS Ordinance.
- (b) If a SEP Member elects to pay a SEP Voluntary Contribution, he shall notify the Trustee in writing of the amount of the SEP Voluntary Contribution at least three (3) months (or such shorter period as the Trustee may agree) prior to the time of making such SEP Voluntary Contribution to the Trustee.
- (c) An SEP Member may change the SEP Voluntary Contribution PROVIDED THAT three (3) months prior notice in writing for that change has been given to the Trustee.

3.2A Special Contribution

The Trustee may exercise any discretion or power conferred by this Deed in relation to any Special Contribution, PROVIDED THAT such Special Contribution shall be dealt with in accordance with the MPFS Ordinance and the Regulation. The Trustee shall be entitled to take such actions as may be required under the MPFS Ordinance or the Regulation in relation to Special Contributions, including but not limited to the provision of information, and shall not incur any liability to any Employer or Member or any other person as a result of so doing, unless expressly provided for in this Deed or under applicable laws.

3.2B Tax Deductible Voluntary Contributions

- (i) A TVC Member may make Tax Deductible Voluntary Contributions to the Plan in such amounts and at such times as the TVC Member may agree with the Trustee from time to time.
- (ii) The amount of Tax Deductible Voluntary Contributions that a TVC

Member may contribute must not be lower than or exceed the respective limits as may be determined by the Trustee from time to time subject to any restrictions under applicable laws. Notwithstanding the above, the Trustee reserves the right not to accept any Tax Deductible Voluntary Contributions at any time.

- (iii) For the avoidance of doubt, an Employee Member, a SEP Member and a Personal Account Member may also participate in the Plan as a TVC Member to make Tax Deductible Voluntary Contributions in accordance with this Deed.

- 3.3 3.3.1 At least one (1) month (or such shorter period as the Trustee may agree) before making the first contribution or first transfer of accrued benefits, as the case may be, to a Contribution Account, Personal Account, TVC Account or SVC Account, the relevant Member (or where applicable, his Employer) must forward the relevant Investment Mandate to the Trustee (except where Clause 11.2A(viii) applies in respect of a Special Voluntary Sub-Account).

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- 3.3.2 Subject to the MPFS Ordinance, the Regulation, any codes and guidelines as may from time to time be issued by the MPF Authority, the Trustee may at its discretion impose any restrictions or limitations on the instructions to be given by a Member (or Employer) in an Investment Mandate

PROVIDED ALWAYS THAT a Member shall be entitled to apply (subject to Clause 11.2A(ii)) 100 per cent of the Subscription Money to acquire Units of any Constituent Fund and/or invest in accordance with the Default Investment Strategy.

- 3.3.3 For the purposes of Rule 3.3.1, each of the Employee Members must arrange to forward his Investment Mandate to the Trustee through his Employer but the Investment Mandate must be given in accordance with Clauses 11.2B to 11.2C and be completed and signed by the relevant Employee Member. Notwithstanding that, the Trustee may accept an Investment Mandate given by the Employee Members in such other manner as the Trustee may consider appropriate.

- 3.3.4 If a Member (or Employer) fails to submit to the Trustee an Investment Mandate in accordance with Rule 3.3.1 and, if applicable, Rule 3.3.3 or otherwise or all or part of the Investment Mandate given is regarded as invalid in accordance with Clause 11.2D, the Trustee shall apply all (or the relevant part) of the relevant Subscription Money in respect of such Member as follows:

S. 1(c),
34DB

- 3.3.4.1 prior to 1 April 2017, the accrued benefits, contributions and accrued benefits transferred from another scheme (or the relevant percentage thereof) received by the Trustee for the Member's

account shall be invested in the Default Fund; and

- 3.3.4.2 with effect from 1 April 2017, the accrued benefits, contributions and accrued benefits transferred from another scheme (or the relevant percentage thereof) received by the Trustee for the Member's account shall be invested in accordance with Part 4AA of the MPFS Ordinance and this Deed,

and the Trustee shall notify the relevant Member (or Employer) of such investment arrangement after it has been effected. Notwithstanding the above, the relevant Member (or Employer) shall have the right to:

- (i) subject to Clause 11.2C, redeem any Units in the Default Fund (as the Trustee shall prescribe for the time being) so acquired or any Units invested in accordance with the Default Investment Strategy, as the case may be, and apply such redemption proceeds to acquire Units in one or more Constituent Fund and/or invest in accordance with the Default Investment Strategy by submitting a Rebalancing Instruction Form or Switching Instruction Form in accordance with the provisions of Clause 13.3, and
- (ii) submit a new Investment Mandate in accordance with Clause 13.1.1 with respect to any relevant future contributions,

PROVIDED THAT no handling fee as provided in Clause 13.5.2 may be imposed by the Trustee.

S. 2,
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- 3.3.5 Without prejudice to Rule 3.3.4, if a Member who has a Pre-existing Account is an existing member (within the meaning of section 34DF of the MPFS Ordinance), subject to section 34DC of the MPFS Ordinance, all his accrued benefits and any contributions or accrued benefits transferred to the Plan for the account of the Member held in or made to a DIA account (within the meaning of section 34DF of the MPFS Ordinance) shall be invested according to Division 3 of Part 4AA of the MPFS Ordinance. Notwithstanding the aforesaid, Division 3 of Part 4AA of the MPFS Ordinance does not apply to the Member if the Trustee reasonably believes that the Trustee has received specific investment instructions from the Member to invest any of the accrued benefits in the Pre-existing Account according to the Default Fund.
- 3.3.6 Without prejudice to Rule 3.3.4, if a Member who has a Pre-existing Account is a Member to whom section 34DM of the MPFS Ordinance applies, subject to section 34DC of the MPFS Ordinance, such part of his accrued benefits held in the Pre-existing Account which are invested in the Default Fund (as the Trustee shall prescribe from time to time)

immediately before 1 April 2017 shall be invested according to Division 4 of Part 4AA of the MPFS Ordinance. Any contributions and, subject to section 34DC of the MPFS Ordinance, accrued benefits transferred to the Plan for the account of the Member (or the relevant percentage thereof) received by the Trustee for the account of such Member on or after 1 April 2017 shall be invested in the manner as specified in the Principal Brochure unless the Trustee has received an Investment Mandate from such Member for such contributions and accrued benefits transferred to the Plan.

3.4 The Trustee shall as soon as practicable after the receipt of an application for investment in any Constituent Fund and the Subscription Monies in cleared funds have been received, reconciled and validated by the Trustee, deduct any sums which may be deducted therefrom in accordance with the terms of this Deed. The Trustee shall have the discretion to retain such cleared funds in an interest-bearing account until the acquisition of Units of the Constituent Fund selected by the Member concerned on the relevant Dealing Day and the interest generated therefrom shall belong to the Plan. The Trustee shall then apply the Subscription Monies (excluding any interest generated therefrom) to invest in the Constituent Fund specified in the relevant Investment Mandate of the Member concerned. Units shall be acquired by converting the monetary value of the Subscription Money to Units of the relevant Constituent Fund at the Issue Price of such Constituent Fund on:

- (a) a Dealing Day as soon as reasonably practicable after the Subscription Money in cleared funds has been received, reconciled and validated by the Trustee; or
- (b) if permitted under this Deed, the MPFS Ordinance and the Regulation, a Dealing Day specified by such Member PROVIDED ALWAYS THAT such specified Dealing Day must not be a date earlier than the date on which the Subscription Money in cleared funds has been received, reconciled and validated by the Trustee,

and the Units acquired shall be rounded down to four (4) decimal places or such other number of decimal places as the Trustee may determine from time to time and be credited to the relevant Contribution Account, Personal Account or SVC Account and the respective sub-accounts of such Contribution Account or of such Personal Account or of such SVC Account, or the TVC Account as the case may be.

3.5 At the request of an Employer, the Trustee may accept a transfer of payment from the Employer's existing occupational retirement scheme and the Trustee shall regard such payment as a Mandatory Contribution and/or Voluntary Contribution

and/or otherwise in accordance with the applicable laws and regulations so far as the relevant Participating Plan is concerned. The Employer shall give instructions to the Trustee as to how such transfer payment should be allocated to the Contribution Accounts of the respective Employee Members of the relevant Participating Plan. The Trustee shall have no obligation to inquire into the appropriateness or accuracy of the allocation, basis of allocation or any other matter in relation to the allocation of the transfer payment specified by the Employer to the Contribution Accounts of the respective Employee Members of the relevant Participating Plan.

- 3.5A (i) If the total amount of Subscription Monies or transfer payment the Trustee receives under Rules 3.4 and 3.5 is less than the total amount as stated in the relevant accounts or statements or instructions given by the relevant Employer and as a result of which the Trustee is unable to allocate such Subscription Monies or transfer payment to the relevant accounts of the Employee Members or reconcile such Subscription Monies or transfer payment with the relevant accounts or statements or instructions given by the Employer, the Trustee shall be entitled to use any amount standing to the credit of the Forfeiture Account of the relevant Participation Plan to make up the shortfall. If the amount standing to the credit of the Forfeiture Account is insufficient to make up the shortfall, the Trustee shall be entitled to allocate the Subscription Monies or transfer payment, together with the full amount standing to the credit of the Forfeiture Account, into the relevant accounts of the Employee Members concerned in the priorities set out below or, to the extent permitted by the MPFS Ordinance and its subsidiary legislation, in such other manner as the Trustee may consider fair and appropriate in the circumstances:
- (a) firstly, allocate into the Employee's Mandatory Sub-Account of each Member such respective sum as stated in the relevant accounts or statements or instructions given by the relevant Employer;
 - (b) secondly, allocate into the Employee's Standard Voluntary Sub-Account of each Member such respective sum as stated in the relevant accounts or statements or instructions given by the relevant Employer;
 - (c) thirdly, allocate into the Employer's Mandatory Sub-Account of each Member such respective sum as stated in the relevant accounts or statements or instructions given by the relevant Employer;
 - (d) fourthly, allocate into the Employer's Voluntary Sub-Account of each Member such respective sum as stated in the relevant accounts or statements or instructions given by the relevant Employer;

and if the monies are insufficient for allocation into a particular type of sub-account for all the Members concerned, such monies shall be allocated into such type of sub-account for all such Members on a pro-rata basis.

- (ii) If the total amount of Subscription Monies or transfer payment the Trustee receives under Rules 3.4 and 3.5 is greater than the total amount as stated in the relevant accounts or statements or instructions given by the relevant Employer, any excess amount shall be refunded to the Employer or otherwise dealt with in such manner as the Trustee and Employer may agree.

3.6 The amount of any contribution otherwise required to be made by an Employer may be offset against any amount standing to the credit of the Forfeitures Account of the relevant Participating Plan.

3.7 All contributions made in accordance with the Rules 3.1 and 3.2 above shall, unless the Trustee otherwise agrees, be paid in Hong Kong and in Hong Kong dollars.

3.8 Any contributions from an Employer or a Member and any payments transferred into the Plan pursuant to Rule 6 shall become subject to the provision of the Deed and the relevant Participation Agreement immediately upon receipt by the Trustee.

3.9 (i) No interest shall be payable to any Plan Participant:

- (a) on any Subscription Money or Trust's asset held by the Trustee either pending investment or pending payment to a Plan Participant; or
- (b) on any asset being transferred to the Plan or transferred from the Plan or in the process of being credited to any of the Contribution Accounts, Personal Accounts, TVC Accounts, or SVC Accounts whether or not any interest is actually earned on such accounts.

- (ii) Any interest actually earned on amounts specified in (i) above shall form part of the Trust Fund and shall be used for the purpose of paying any of the fees and charges as provided in Clause 20 of this Deed.

4. ACCOUNTS

R.78(6),(6A)

4.1 The Trustee shall in respect of each Employee Member arrange for the Employee Member's Contribution Account to be divided into the following sub-accounts:

- (a) "Employer's Mandatory Sub-Account" – specifying
 - (i) the contributions paid in respect of the Employee Member by the Employee Member's current Employer as Mandatory Contributions;

- (ii) any contribution surcharges paid by the Employee Member's Employer on arrears if the Relevant Income of the Employee Member is less than the Minimum Level of Relevant Income and such Employee Member does not have an Employee's Mandatory Sub-Account;
 - (iii) the Employee Member's Minimum MPF Benefits (if any), to which Section 5(1) of Schedule 2 to the Exemption Regulation applies, transferred to the Plan which are attributable to the current Employer's contributions;
 - (iv) the income or profits arising from any investments of the contributions, surcharges and benefits mentioned in any of the sub-paragraphs (i), (ii) and (iii), but taking into account any losses in respect thereof;
- (b) "Employee's Mandatory Sub-Account" – specifying
 - (i) the Employee Member's contributions paid by the Employee Member's current Employer on behalf of the Employee Member as Mandatory Contributions;
 - (ii) any contribution surcharges paid by the Employee Member's Employer on arrears if -
 - (A) the Relevant Income of the Employee Member is not less than the Minimum Level of Relevant Income;
 - (B) the contributions have been made under sub-paragraph (i) in respect of the Employee Member; or
 - (C) the Minimum MPF Benefits have been transferred under sub-paragraph (iii) in respect of the Employee Member;
 - (iii) the Employee Member's Minimum MPF Benefits (if any), to which Section 5(1) of Schedule 2 to the Exemption Regulation applies, transferred to the Plan which are attributable to the Employee Member's contributions of the current employment;
 - (iv) the income or profits arising from any investments of the contributions, surcharges and benefits mentioned in any of the sub-paragraphs (i), (ii) and (iii), but taking into account any losses in respect thereof;
- (c) "Employee's Mandatory Transfer Sub-Account" – specifying

- (i) all Mandatory Contributions paid by or in respect of the Employee Member that are attributable to the Employee Member's former employments or former self-employments and transferred to the Employee Member's Contribution Account in the Plan in accordance with Part XII of the Regulation and any contribution surcharges paid in respect of any such Mandatory Contributions;
 - (ii) the Employee Member's Minimum MPF Benefits (if any), to which Section 5(1) of Schedule 2 to the Exemption Regulation applies, transferred to the Plan which are attributable to his former employments;
 - (iia) all Mandatory Contributions paid by or in respect of the Employee Member that are attributable to the Employee Member's former employments or former self-employments, and any contribution surcharges paid in respect of any such Mandatory Contributions, other than Mandatory Contributions or contribution surcharges mentioned in subparagraph (i) or (ii);
 - (iii) the income or profits arising from any investments of the contributions, surcharges and benefits mentioned in any of the subparagraphs (i), (ii) and (iia), but taking into account any losses in respect thereof;
 - (iv) the Special Contributions (if any) paid in respect of the Employee Member and the income or profits arising from any investments of those contributions, but taking into account any losses in respect thereof;
- (d) "Employer's Voluntary Sub-Account" – specifying
 - (i) the Voluntary Contributions (if any) paid in respect of the Employee Member by the Employee Member's current Employer;
 - (ii) the amount (other than Minimum MPF Benefits to which Section 5(1) of Schedule 2 to the Exemption Regulation applies), if any, transferred to the Plan in respect of the Employee Member from an ORSO Exempted Scheme or an ORSO Registered Scheme which are attributable to the current Employer's contributions;
 - (iii) the income or profits arising from any investments of the contributions and amount mentioned in any of the sub-paragraphs (i) and (ii), but taking into account any losses in respect thereof;
- (e) "Employee's Standard Voluntary Sub-Account" – specifying

- (i) the Employee's Standard Voluntary Contributions (if any) paid by the Employee Member while employed by the Employee Member's current Employer;
 - (ii) the amount (other than Minimum MPF Benefits to which Section 5(1) of Schedule 2 to the Exemption Regulation applies), if any, transferred to the Plan in respect of the Employee Member from an ORSO Exempted Scheme or an ORSO Registered Scheme which are attributable to the Employee Member's contributions of the current employment;
 - (iii) the income or profits arising from any investments of the contributions and amount mentioned in any of the sub-paragraphs (i) and (ii), but taking into account any losses in respect thereof;
- (f) [Deleted]
- (g) "Employee's Voluntary Transfer Sub-Account" – specifying
 - (i) all Voluntary Contributions paid by or in respect of the Employee Member's former employments or former self-employments and transferred to the Employee Member's Contribution Account;
 - (ia) all Voluntary Contributions paid by or in respect of the Employee Member that are attributable to the Employee Member's former employments or former self-employments, other than Voluntary Contributions mentioned in subparagraph (i);
 - (ii) the amount (other than Minimum MPF Benefits to which Section 5(1) of Schedule 2 to the Exemption Regulation applies), if any, transferred to the Plan in respect of the Employee Member from an ORSO Exempted Scheme or an ORSO Registered Scheme which are attributable to the Employee Member's voluntary contributions under the former employments;
 - (iii) the income or profits arising from any investments of the contributions and amount mentioned in any of the sub-paragraphs (i), (ia) and (ii), but taking into account any losses in respect thereof;
- (h) such any other sub-account as the Trustee shall consider appropriate or necessary.

Where sections 12A(6A) and (6B) of the MPFS Ordinance is applicable in the case of an Employer and an Employee Member, for the purposes of that case:-

- (i) references in this Rule 4.1 to “current Employer” shall include the previous employer mentioned in Section 12A(6A) of the MPFS Ordinance (the “Previous Employer”);
- (ii) references in this Rule 4.1 to “current employment” shall include employment with the Previous Employer;
- (iii) references in this Rule 4.1 to “former employment” shall not include employment with the Previous Employer;
- (iv) references in this Rule 4.1 to “former employer” shall not include the Previous Employer.

R.78(7) 4.2 The Trustee shall in respect of each SEP Member arrange for the SEP Member’s Contribution Account to be divided into the following sub-accounts:

- (a) “SEP Member’s Mandatory Sub-Account” – specifying
 - (i) the SEP Member’s Mandatory Contributions paid by the SEP Member while self-employed, any contribution surcharge paid by the SEP Member on arrears, and the income or profits arising from any investments of those contributions and surcharges, but taking into account any losses in respect thereof;
- (b) “SEP Member’s Mandatory Transfer Sub-Account” – specifying
 - (i) all Mandatory Contributions paid by or in respect of the SEP Member that are attributable to the SEP Member’s former employments or former self-employments and transferred to the SEP Member’s Contribution Account in the Plan in accordance with Part XII of the Regulation and any contribution surcharges paid in respect of any such Mandatory Contributions;
 - (ii) the SEP Member’s Minimum MPF Benefits (if any), to which Section 5(1) of Schedule 2 to the Exemption Regulation applies, transferred to the Plan;
 - (iia) all Mandatory Contributions paid by or in respect of the SEP Member that are attributable to the SEP Member’s former employments or former self-employments, and any contribution surcharges paid in respect of any such Mandatory Contribution, other than Mandatory Contributions or contribution surcharges mentioned in subparagraph (i) and (ii);
 - (iii) the income or profits arising from any investments of the contributions, surcharges and benefits mentioned in any of the sub-

paragraphs (i), (ii) and (iia), but taking into account any losses in respect thereof;

- (iv) the Special Contributions (if any) paid in respect of the SEP Member and the income or profits arising from any investments of those contributions, but taking into account any losses in respect thereof;
- (c) “SEP Member’s Voluntary Sub-Account” – specifying the Voluntary Contributions (if any) paid by the SEP Member pursuant to Rule 3.2.4 while self-employed and the income or profits arising from any investments of those contributions, but taking into account any losses in respect thereof;
- (d) [Deleted]
- (e) “SEP Member’s Voluntary Transfer Sub-Account” – specifying
 - (i) all Voluntary Contributions paid by or in respect of the SEP Member and transferred to the SEP Member’s Contribution Account;
 - (ia) all Voluntary Contributions paid by or in respect of the SEP Member that are attributable to the SEP Member’s former employments or former self-employments, other than voluntary contributions mentioned in subparagraph (i);
 - (ii) the amount (other than Minimum MPF Benefits to which Section 5(1) of Schedule 2 to the Exemption Regulation applies), if any, transferred to the Plan in respect of the SEP Member from an ORSO Exempted Scheme or an ORSO Registered Scheme;
 - (iii) the SEP Member’s income or profits arising from any investments of the contributions and amount mentioned in any of the subparagraphs (i), (ia) and (ii), but taking into account any losses in respect thereof;
- (f) such any other sub-account as the Trustee shall consider appropriate or necessary.

R.78(8) 4.3 In the case of a Member who holds a Personal Account in the Plan, the Trustee shall arrange for the Member’s Personal Account to be divided into the following sub-accounts:

- (a) “Mandatory Personal Sub-Account” – specifying

- (i) all Mandatory Contributions paid by or in respect of the Personal Account Member that are attributable to the Personal Account Member's current employment or former employments or former self-employments and transferred to the Personal Account Member's Personal Account in the Plan in accordance with Part XII of the Regulation and any contribution surcharges paid in respect of any such Mandatory Contributions;
 - (ii) the Personal Account Member's Minimum MPF Benefits (if any), to which Section 5(1) of Schedule 2 to the Exemption Regulation applies, transferred to the Plan;
 - (iia) all Mandatory Contributions paid by or in respect of the Personal Account Member that are attributable to the Personal Account Member's former employments or former self-employments, and any contribution surcharges paid in respect of any such Mandatory Contributions, other than Mandatory Contributions or contribution surcharges mentioned in subparagraph (i) or (ii);
 - (iii) the income or profits arising from any investments of the contributions, surcharges and benefits mentioned in any of the subparagraphs (i), (ii) and (iia), but taking into account any losses in respect thereof;
 - (iv) the Special Contributions (if any) paid in respect of the Personal Account Member and the income or profits arising from any investments of those contributions, but taking into account any losses in respect thereof;
- (b) "Voluntary Personal Sub-Account" – specifying
- (i) all Voluntary Contributions paid by or in respect of the Personal Account Member and transferred to the Personal Account Member's Personal Account;
 - (ia) all Voluntary Contributions paid by or in respect of the Personal Account Member that are attributable to the Personal Account Member's former employments or former self-employments, other than Voluntary Contributions mentioned in subparagraph (i);
 - (ii) the amount (other than Minimum MPF Benefits to which Section 5(1) of Schedule 2 of the Exemption Regulation applies), if any, transferred to the Plan in respect of the Personal Account Member from an ORSO Exempted Scheme or an ORSO Registered Scheme;

- (iii) the Personal Account Member's income or profits arising from any investments of the contributions and amount mentioned in any of the sub-paragraphs (i), (ia) and (ii), but taking into account any losses in respect thereof;

(c) [Deleted]

- (d) such any other sub-account as the Trustee shall consider appropriate or necessary.

4.4 In the case of a Member who holds a TVC Account in the Plan, the Trustee shall arrange for the Member's TVC Account to specify:

- (a) all Tax Deductible Voluntary Contributions paid by the TVC Member into the TVC Account;
- (b) all accrued benefits:-
 - (i) derived from Tax Deductible Voluntary Contributions; and
 - (ii) transferred to the TVC Account in accordance with Part XII of the Regulation; and
- (c) the income or profits arising from any investments of the contributions and benefits mentioned in sub-paragraphs (a) and (b), but taking into account any losses in respect thereof.

Note: s. 78(8A) General Regulation

4.5 The Trustee shall in respect of each SVC Member arrange for the SVC Member's SVC Account to be divided into the following sub-accounts:

- (a) "Special Voluntary Sub-Account" – specifying
 - (i) the Special Voluntary Contribution (if any) paid by the Member; and
 - (ii) the income or profits arising from any investments of the contributions and amount mentioned in sub-paragraph (i), but taking into account any losses in respect thereof;
- (b) such any other sub-account as the Trustee shall consider appropriate or necessary.

5. TEMPORARY ABSENCE

5.1 Unless otherwise provided in the Participation Agreement, if an Employee Member is temporarily absent from work for the following reasons:

- (i) service with the approval of the Employer in any of the naval, military or air forces of the government or other government or other organization of national importance; or
- (ii) absence due to ill-health, pregnancy or accident not exceeding 12 months prior to termination of the employment by the Employer in accordance with the terms and conditions of employment; or
- (iii) leave of absence for the purposes of attending a course of studies at a university, college or other educational institutions or enabling a Member to obtain any professional, academic or other qualification or absence due to other special circumstances, in every case for such period as the Employer may approve;

the Employee Member's Years of Service shall be deemed to include the approved period of temporary absence PROVIDED THAT if at the expiration of an approved period an Employee Member has not returned to work his employment will be deemed to have terminated at the date such approved period of absence expired except that in the case of an Employee Member having reached the earlier of the Normal Retirement Age and Non-Statutory Normal Retirement Age during such period of approved absence, he shall be deemed to have retired at the earlier of the dates on which he reached Normal Retirement Age or Non-Statutory Normal Retirement Age.

- 5.2 Unless otherwise provided in the Participation Agreement, if an Employee Member is temporarily absent from work for any reason other than those set out in Rule 5.1 and the Employer and the Employee Member are not required under the MPFS Ordinance or other applicable law and regulations to make contributions to the Plan during the period of temporary absence the Employee Member may choose to continue to contribute to the Plan at the rate prescribed in the Rules. The Employee Member's Employer may at his sole discretion agree that the Member's Years of Service shall continue to accumulate during the period of such temporary absence.

6. TRANSFERS INTO THE PLAN

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R.34

- 6.1 Subject to Rule 6.3A and Rule 6.3B below, at the request of a Member, the Trustee must accept a transfer payment from any scheme or arrangement of which a Member is also a member. Subject to the provisions of the Participation Agreement and/or Application Form and the Regulation any such transfer payment will be held by the Trustee in the relevant Contribution Accounts, Personal Account, TVC Account or SVC Account of the Member. In the event that the Member is an Employee Member, such Employee Member may, subject to the approval of the Trustee, the provisions of the Participation Agreement and the applicable laws and

regulations, withdraw at any time any or all benefits accrued in the relevant Contribution Account or Personal Account which are attributable to the contributions made in respect of the Employee Member under the prior scheme or arrangement PROVIDED THAT nothing herein shall prejudice the Employee Member's entitlement to the lump sum benefit under Rule 14.1 in the event such Employee Member ceases to be employed by his Employer.

R.145(1)
R.146(1)
&(2)
R.147(1)

6.2 Without limiting the generality of Rule 6.1, an employee who was formerly a member of an employer sponsored scheme (referred to in Rule 6 as "Former Employer Sponsored Scheme"), a member of another master trust scheme (referred to in Rule 6 as a "Former Master Trust Scheme") or a member of an industry scheme (referred to in Rule 6 as a "Former Industry Scheme") may at any time, join the Plan as a Personal Account Member by submitting a Transfer Notice to the Trustee requesting the Trustee to accept a transfer of his accrued benefits (other than accrued benefits attributable to Special Voluntary Contributions) from the Former Employer Sponsored Scheme, the Former Master Trust Scheme or the Former Industry Scheme concerned and to hold such accrued benefits in the Personal Account Member's Mandatory Personal Sub-Account and/or Voluntary Personal Sub-Account, in such proportion as specified by the trustee of the Former Employer Sponsored Scheme, the Former Master Trust Scheme or the Former Industry Scheme concerned.

R.148 6.3 Without limiting the generality of Rule 6.1, a self-employed person who was formerly a member of a Former Master Trust Scheme or a Former Industry Scheme, may at any time, join the Plan as a Personal Account Member by submitting a Transfer Notice to the Trustee requesting the Trustee to accept a transfer of his accrued benefits (other than accrued benefits attributable to Special Voluntary Contributions) from the Former Master Trust Scheme or the Former Industry Scheme concerned and to hold such accrued benefits in the Personal Account Member's Mandatory Personal Sub-Account and/or Voluntary Personal Sub-Account, in such proportion as specified by the trustee of the Former Master Trust Scheme or the Former Industry Scheme concerned.

6.3A Without limiting the generality of Rule 6.1, a person who holds a TVC account (having its meaning as defined in the MPFS Ordinance) in a Registered Scheme ("**transferor TVC account**") may at any time apply to participate in the Plan as a TVC Member and request the Trustee to accept a transfer of his accrued benefits in the transferor TVC account by submitting a Transfer Notice to the Trustee, provided that the Trustee may in its discretion refuse to allow or accept such accrued benefits to be transferred to the Plan.

6.3B Without limiting the generality of Rule 6.1, an SVC Member may request the Trustee to accept a transfer of his accrued benefits, from any scheme or arrangement of which the SVC Member is also a member, to the Plan as Special Voluntary Contributions by submitting a Transfer Notice to the Trustee, provided

that the Trustee may in its discretion refuse to allow or accept such accrued benefits to be transferred to the Plan.

R.145(8) 6.4 In the event that a member of a Former Employer Sponsored Scheme fails to make an election as to which scheme his accrued benefits should be transferred within three (3) months after the approved trustee of the Former Employer Sponsored Scheme concerned has been notified that such member had ceased to be employed by his former employer, the Transfer Notice referred to in Rule 6.2 may be completed and given by the approved trustee of the Former Employer Sponsored Scheme.

6.5 The Trustee shall have no obligation to inquire into the appropriateness or accuracy of the proportion specified by the relevant transferor trustee as to the respective proportion of the accrued benefits to be held in the Personal Account Member's Mandatory Personal Sub-Account, the Voluntary Personal Sub-Account and the SVC Member's Special Voluntary Sub-Account.

R.34 6.6 For the avoidance of doubt, to the extent required by the Regulation, no fees will be charged for transferring accrued benefits to the Plan other than an amount representing the necessary transaction costs as permitted under section 34 or section 35 of the Regulation (as the case may be). Such necessary transaction costs shall include such fees and/or charges as set out in the MPFS Ordinance, the Regulation or guidelines issued by the MPF Authority from time to time. Any amount of necessary transaction cost imposed and received under section 34 or section 35 of the Regulation (as the case may be) shall be used to reimburse the relevant Constituent Fund.

R.155 6.7 Upon receipt of any accrued benefits transferred into the Plan in accordance with this Rule 6, the Trustee, must, as soon as practicable after receiving those benefits, give to the relevant Member a written notice confirming the transfer and stating the amount (expressed in monetary terms) of those benefits.

7. VESTING OF BENEFITS

S.12

7.1 Each Employee Member shall be fully vested at all times with the balance of his:

- (a) Employer's Mandatory Sub-Account;
- (b) Employee's Mandatory Sub-Account;
- (c) Employee's Mandatory Transfer Sub-Account;
- (d) Employee's Standard Voluntary Sub-Account; and
- (e) Employee's Voluntary Transfer Sub-Account.

7.2 Units standing to the credit of the Employer's Voluntary Sub-Account and any other sub-accounts of the Employee Member shall be vested in that Employee Member in accordance with the vesting scale and/or the terms as set out in the relevant Participation Agreement. Subject to the provisions of the relevant Participation Agreement, each Employee Member shall become fully vested with the balance of his Employer's Voluntary Sub-Account on the first of the following:

- (a) attaining Normal Retirement Age;
- (b) Non-Statutory Normal Retirement Age (if it is specified under the relevant Participation Agreement);
- (c) attaining Non-Statutory Early Retirement Age (if it is specified under the relevant Participation Agreement) provided that the conditions for the non-statutory early retirement as set out in the relevant Participation Agreement and/or Application Form are met;
- (d) termination of employment due to Total Incapacity provided that the conditions in Rule 12 are met;
- (e) termination of employment due to Terminal Illness;
- (f) death; and
- (g) the time as specified in the vesting scale of the relevant Participation Agreement upon which an Employee Member shall become fully vested with the balance of his Employer's Voluntary Sub-Account.

S.12

7.3 Each SEP Member shall be fully vested at all times with the balance of his:

- (a) SEP Member's Mandatory Sub-Account;
- (b) SEP Member's Mandatory Transfer Sub-Account;
- (c) SEP Member's Voluntary Sub-Account;
- (d) SEP Member's Voluntary Transfer Sub-Account; and
- (e) other sub-accounts which the Trustee has set up.

7.4 Each Personal Account Member shall be fully vested at all times with the balance of his:

- (a) Mandatory Personal Sub-Account;
- (b) Voluntary Personal Sub-Account; and
- (c) other sub-accounts which the Trustee has set up.

7.4A Each TVC Member shall be fully vested at all times with the balance of his TVC Account.

7.4B In respect of each SVC Account, each SVC Member shall be fully vested at all times with the balance of his:

- (a) Special Voluntary Sub-Account;
- (b) other sub-accounts which the Trustee has set up.

7.5 The provisions of Rules 7.1, 7.2, 7.3, 7.4, 7.4A and 7.4B are subject to the provisions of Rule 21.3 (to the extent applicable).

8. BENEFITS ON ATTAINING NORMAL RETIREMENT AGE

S.15/
R.159

8.1 Subject to the provisions of the MPFS Ordinance and the Regulation (including without limitation Section 15(1) of the MPFS Ordinance and Section 159 of the Regulation) and the terms of the relevant Participation Agreement (so far as accrued benefits attributable to the Voluntary Contributions are concerned), a Member who has attained Normal Retirement Age shall be entitled to receive benefits equal in value to the amount of his Combined Balance in accordance with this Rule 8.

8.2 If a Member remains in the continuous employment of his Employer (in the case of an Employee Member) or self-employment (in the case of an SEP Member) after his Normal Retirement Age, he may elect to remain as a Member and continue to make Voluntary Contributions to the Plan. Notwithstanding that an Employee Member elects to remain as an Employee Member of the Plan and continue to pay Voluntary Contribution to the Plan, the Employer of the Employee Member is not obliged to make Voluntary Contribution after the Employee Member reaches Normal Retirement Age unless the Participation Agreement of the relevant Participating Plan so specifies. Subject to the terms of the relevant Participation Agreement (so far as accrued benefits attributable to the Voluntary Contributions are concerned), the Member shall be entitled to receive on his retirement benefits equal in value to the amount of his Combined Balance as at the Dealing Day as soon as reasonably practicable after the date on which the Trustee receives and approves any necessary and duly completed documentation.

8.3 If a Member remains in the continuous employment of his Employer (in the case of an Employee Member) or self-employment (in the case of an SEP Member) after his Normal Retirement Age, he may elect to terminate his membership of the Plan at his Normal Retirement Age. In this event and subject to the terms of the relevant Participation Agreement (so far as accrued benefits attributable to the Voluntary Contributions are concerned), the Member shall be entitled to receive benefits equal in value to the amount of his Combined Balance as at the Dealing Day as soon as reasonably practicable after the date on which the Trustee receives and approves any necessary and duly completed documentation.

S. 1,
34DBA

- 8.3A A Member may elect to remain in the Plan as a Personal Account Member after his Normal Retirement Age without remaining in continuous employment of his Employer (in the case of an Employee Member) or self-employment (in the case of an SEP Member). In the event of such an election, the Member may request with the Trustee, by completing such documentation as may be required by the Trustee, to redesignate the lump sum benefit (attributable to Voluntary Contributions) to such Personal Account Member's Voluntary Personal Sub-Account, to be held subject to the provisions in this Deed and these Rules. The Trustee must ensure that the benefits so redesignated be invested in accordance with section 34DC of the MPFS Ordinance.
- 8.3B After his Normal Retirement Age, a TVC Member may elect to remain in the Plan as a TVC Member or request to terminate his membership in the Plan as a TVC Member in accordance with this Deed. In either case, the TVC Member shall be entitled to receive benefits equal in value to the amount of his Combined Balance as at the Dealing Day as soon as reasonably practicable after the date on which the Trustee receives and approves any necessary and duly completed documentation.
- 8.4 For the purposes of this Rule, the provisions in the MPFS Ordinance (Sections 12, 13, 14 and 15(1) to (3) excepted) and the Regulation shall apply to the accrued benefits derived from Voluntary Contributions in the same way as they apply to the accrued benefits derived from Mandatory Contributions. For the purposes of this Rule, the provisions in the MPFS Ordinance (Sections 12A and 16 excepted) and the applicable provisions of the Regulation shall apply to the accrued benefits derived from Tax Deductible Voluntary Contributions in the same way as they apply to the accrued benefits derived from Mandatory Contributions.

Note: section 11A(3), MPFSO

- 8.5 A Member's entitlement under this Rule may be paid by instalment if this is so elected by the Member. Any such payment shall be made (to the extent not prohibited by the MPFS Ordinance and the Regulation) in such manner as provided in the Principal Brochure and/or the relevant Participation Agreement, and subject to such terms and conditions as may be determined by the Trustee in consultation with the Sponsor).

9. BENEFITS ON ATTAINING EARLY RETIREMENT AGE

S.15/
R.160

- 9.1 Subject to the provisions of the MPFS Ordinance and the Regulation (including without limitation Section 15(2) of the MPFS Ordinance and Section 160 of the Regulation) and the terms of the relevant Participation Agreement (so far as accrued benefits attributable to the Voluntary Contributions are concerned), a Member who has not attained Normal Retirement Age but has attained Early Retirement Age and certifies to the Trustee by statutory declaration in a form approved by the MPF Authority that he has permanently ceased his employment or self-employment shall be entitled to receive benefits equal in value to the

amount of his Combined Balance as at the Dealing Day as soon as reasonably practicable after the date on which the Trustee receives and approves any necessary and duly completed documentation.

S. 1,
34DBA

9.1A A Member (other than a TVC Member and a SVC Member) may elect to remain in the Plan as a Personal Account Member after reaching his Early Retirement Age. In the event of such an election, the Member (other than a TVC Member and a SVC Member) may request with the Trustee, by completing such documentation as may be required by the Trustee, to redesignate the lump sum benefit (attributable to Voluntary Contributions) to such Personal Account Member's Voluntary Personal Sub-Account, to be held subject to the provisions in this Deed and these Rules. The Trustee must ensure that the benefits so redesignated be invested in accordance with section 34DC of the MPFS Ordinance.

9.2 For the purposes of this Rule, the provisions in the MPFS Ordinance (Sections 12, 13, 14 and 15(1) to (3) excepted) and the Regulation shall apply to the accrued benefits derived from Voluntary Contributions in the same way as they apply to the accrued benefits derived from Mandatory Contributions. For the purposes of this Rule, the provisions in the MPFS Ordinance (Sections 12A and 16 excepted) and the applicable provisions of the Regulation shall apply to the accrued benefits derived from Tax Deductible Voluntary Contributions in the same way as they apply to the accrued benefits derived from Mandatory Contributions.

Note: section 11A(3), MPFSO

9.3 A Member's entitlement under this Rule may be paid by instalment if this is so elected by the Member. Any such payment shall be made (to the extent not prohibited by the MPFS Ordinance and the Regulation) in such manner as provided in the Principal Brochure and/or the relevant Participation Agreement, and subject to such terms and conditions as may be determined by the Trustee in consultation with the Sponsor).

10. BENEFITS ON DEATH

S.15/
R.161

10.1 Subject to the provisions of the MPFS Ordinance and the Regulation (including without limitation Sections 15(4) and (5) of the MPFS Ordinance and Section 161 of the Regulation) and the terms of the relevant Participation Agreement (so far as accrued benefits attributable to the Voluntary Contributions are concerned), if a Member dies before his benefit has been paid, the Trustee shall pay to the Member's personal representative a lump sum benefit equal in value to the amount of the Member's Combined Balance as at the Dealing Day as soon as reasonably practicable after the date on which the Trustee receives and approves any necessary and duly completed documentation. If there are no personal representatives of the Member's estate or if the personal representatives are unwilling to act, the Trustee may treat the Member's accrued benefits as unclaimed benefits. For the purpose of this Clause, any beneficiary designated by a Member to receive a benefit

hereunder shall be disregarded by the Trustee without incurring any liability on the part of the Trustee.

- 10.2 For the purposes of this Rule, the term “personal representatives” has the same meaning as in the MPFS Ordinance. The Regulation shall apply to the accrued benefits derived from Voluntary Contributions in the same way as they apply to the accrued benefits derived from Mandatory Contributions. For the purposes of this Rule, the provisions in the MPFS Ordinance (Sections 12A and 16 excepted) and the applicable provisions of the Regulation shall apply to the accrued benefits derived from Tax Deductible Voluntary Contributions in the same way as they apply to the accrued benefits derived from Mandatory Contributions.

Note: section 11A(3), MPFSO

11. BENEFITS ON PERMANENT DEPARTURE FROM HONG KONG

S.15/
R.162/
163

- 11.1 Subject to the provisions of the MPFS Ordinance and the Regulation (including without limitation Sections 15(2) and (3) of the MPFS Ordinance and Sections 162 and 163 of the Regulation) and the terms of the relevant Participation Agreement (so far as accrued benefits attributable to the Voluntary Contributions are concerned), a Member who has departed or is about to depart from Hong Kong permanently shall be entitled to receive a lump sum benefit equal in value to the amount of his Combined Balance as at the Dealing Day as soon as reasonably practicable after the date on which the Trustee receives and approves any necessary and duly completed documentation.
- 11.2 For the purposes of this Rule, the provisions in the MPFS Ordinance (Sections 12, 13, 14 and 15(1) to (3) excepted) and the Regulation shall apply to the accrued benefits derived from Voluntary Contributions in the same way as they apply to the accrued benefits derived from Mandatory Contributions. For the purposes of this Rule, the provisions in the MPFS Ordinance (Sections 12A and 16 excepted) and the applicable provisions of the Regulation shall apply to the accrued benefits derived from Tax Deductible Voluntary Contributions in the same way as they apply to the accrued benefits derived from Mandatory Contributions.

Note: section 11A(3), MPFSO

- 11.3 Unless otherwise agreed between the Trustee and the Employer, the balance of any Units standing to the credit of the Employer’s Voluntary Sub-Account which is in excess of the Employee Member’s Vested Balance because of the effect of Rule 7.2 shall be credited to the Forfeitures Account.

12. BENEFITS ON TOTAL INCAPACITY

S.15/
R.162/
164

- 12.1 Subject to the provisions of the MPFS Ordinance and the Regulation (including without limitation Sections 15(2) and (3) of the MPFS Ordinance and Sections 162 and 164 of the Regulation) and the terms of the relevant Participation Agreement

(so far as accrued benefits attributable to the Voluntary Contributions are concerned), a Member who submits a claim on the ground of Total Incapacity shall be entitled to receive a lump sum benefit equal in value to the amount of his Combined Balance as at the Dealing Day as soon as reasonably practicable after the date on which the Trustee receives and approves any necessary and duly completed documentation.

- 12.2 For the purposes of this Rule, the provisions in the MPFS Ordinance (Sections 12, 13, 14 and 15(1) to (3) excepted) and the Regulation shall apply to the accrued benefits derived from Voluntary Contributions in the same way as they apply to the accrued benefits derived from Mandatory Contributions. For the purposes of this Rule, the provisions in the MPFS Ordinance (Sections 12A and 16 excepted) and the applicable provisions of the Regulation shall apply to the accrued benefits derived from Tax Deductible Voluntary Contributions in the same way as they apply to the accrued benefits derived from Mandatory Contributions.

Note: section 11A(3), MPFSO

12A. BENEFITS ON TERMINAL ILLNESS

- 12A.1 Subject to the provisions of the MPFS Ordinance and the Regulation (including without limitation Sections 15(2) and (3) of the MPFS Ordinance and Sections 162 and 164A of the Regulation) and the terms of the relevant Participation Agreement (so far as accrued benefits attributable to the Voluntary Contributions are concerned), a Member who submits a claim on the ground of Terminal Illness shall be entitled to receive a lump sum benefit equal in value to the amount of his Combined Balance as at the Dealing Day as soon as reasonably practicable after the date on which the Trustee receives and approves any necessary and duly completed documentation.
- 12A.2 For the purposes of this Rule, the provisions in the MPFS Ordinance (Sections 12, 13, 14 and 15(1) to (3) excepted) and the Regulation shall apply to the accrued benefits derived from Voluntary Contributions in the same way as they apply to the accrued benefits derived from Mandatory Contributions. For the purposes of this Rule, the provisions in the MPFS Ordinance (Sections 12A and 16 excepted) and the applicable provisions of the Regulation shall apply to the accrued benefits derived from Tax Deductible Voluntary Contributions in the same way as they apply to the accrued benefits derived from Mandatory Contributions.

Note: section 11A(3), MPFSO

13. BENEFITS ON SMALL BALANCE

- 13.1 Subject to the provisions of the MPFS Ordinance and the Regulation (including without limitation Section 15(2) of the MPFS Ordinance and Sections 162 and 165

of the Regulation) and the terms of the relevant Participation Agreement (so far as accrued benefits attributable to the Voluntary Contributions are concerned), if:

- (i) a Member's accrued benefits kept in the Plan as at the date of the claim do not exceed HK\$5,000 (or such other amount as prescribed from time to time by Section 162(2) of the Regulation);
- (ii) as at the date of the claim, at least 12 months have elapsed since the Contribution Day in respect of the latest contribution period for which a Mandatory Contribution is required to be made to the Plan or to any other Registered Scheme by or in respect of the Member; and
- (iii) the Member does not have accrued benefits kept in any other Registered Scheme,

the Member shall be entitled to receive as a lump sum benefit equal in value to the amount of his Combined Balance as at the Dealing Day as soon as reasonably practicable after the date of approval by the Trustee of a claim under this Rule 13 submitted by or on behalf of the Member.

- 13.2 For the purposes of this Rule, the provisions in the MPFS Ordinance (Sections 12, 13, 14 and 15(1) to (3) excepted) and the Regulation shall apply to the accrued benefits derived from Voluntary Contributions in the same way as they apply to the accrued benefits derived from Mandatory Contributions. For the purposes of this Rule, the provisions in the MPFS Ordinance (Sections 12A and 16 excepted) and the applicable provisions of the Regulation shall apply to the accrued benefits derived from Tax Deductible Voluntary Contributions in the same way as they apply to the accrued benefits derived from Mandatory Contributions.

Note: section 11A(3), MPFSO

- 13.3 Unless otherwise agreed between the Trustee and the Employer, the balance of any Units standing to the credit of the Employer's Voluntary Sub-Account which is in excess of the Employee Member's Vested Balance because of the effect of Rule 7.2 shall be credited to the Forfeitures Account.

14. BENEFITS ON LEAVING EMPLOYMENT

- 14.1 Subject to the terms of the relevant Participation Agreement (so far as accrued benefits attributable to the Voluntary Contributions are concerned), an Employee Member who ceases to be employed by his Employer (other than in circumstances as referred to in Rule 8, 9, 10, 11, 12 or 12A) shall be entitled to a lump sum benefit equal to the aggregate of the total balance of his Employee's Standard Voluntary Sub-Account and Employee's Voluntary Transfer Sub-Account and the Vested Balance of his Employer's Voluntary Sub-Account as at the Dealing Day as soon as reasonably practicable after the date on which the relevant claim form and any

other necessary and duly completed documentation have been received and approved by the Trustee.

- 14.2 Unless otherwise agreed between the Trustee and the Employer, the balance of any Units standing to the credit of the Employer's Voluntary Sub-Account which is in excess of the Employee Member's Vested Balance because of the effect of Rule 7.2 shall be credited to the Forfeitures Account.
- 14.3 For the avoidance of doubt, this Rule 14 applies to cessation of employment due to retirement on the Non-Statutory Retirement Age or the Non-Statutory Early Retirement Age (if it is specified under the relevant Participation Agreement).

15. BENEFITS ON EMPLOYER'S FAILURE TO MAKE A VOLUNTARY CONTRIBUTION

R.33(
3)

- 15.1 If an Employer has failed, in respect of an Employee Member, to make the required Employer's Voluntary Contribution to the Plan within six (6) months after:
- (i) if the amount of the Voluntary Contributions required to be made by the Employer is determined by reference to the income derived from the Employee Member's employment with the Employer, the end of the period covered by the payment of such income;
 - (ii) if the amount of the relevant contributions required to be made by the Employer is determined by reference to a period of employment of the Employee Member with the Employer, the end of such period,

the relevant Employee Member shall be entitled to make a request to the Trustee, in such form as the Trustee may from time to time prescribe, to pay the Employee Member a lump sum benefit equal to the aggregate of the total balance of his Employee's Standard Voluntary Sub-Account and Employee's Voluntary Transfer Sub-Account and the Vested Balance of his Employer's Voluntary Sub-Account as at the Dealing Day as soon as reasonably practicable after the written request for such payment has been approved by the Trustee PROVIDED THAT such request can be submitted to the Trustee only after the expiry of such 6-month period.

- 15.2 Any Employee Member who requests payment of accrued benefits pursuant to Rule 15.1 shall be responsible for all the tax consequences arising therefrom.
- 15.3 Unless otherwise agreed between the Trustee and the Employer, the balance of any Units standing to the credit of the Employer's Voluntary Sub-Account which is in excess of the Employee Member's Vested Balance because of the effect of Rule 7.2 shall be credited to the Forfeitures Account.

15A. WITHDRAWAL OF SPECIAL VOLUNTARY CONTRIBUTION

15A.1 Subject to the approval of the Trustee and the provisions of the relevant Participation Agreement and/or Application Form:

- (a) an SVC Member who has benefits accrued in his Special Voluntary Sub-Account; and
- (b) an Employee Member, who has benefits accrued in his Employee's Voluntary Transfer Sub-Account which are attributable to non-regular voluntary contributions (similar to the nature of the Special Voluntary Contributions under Rule 3.2.3) made by the Employee Member while employed by a former employer,

may redeem any or all Units standing to the credit of his (in the case of an SVC Member) Special Voluntary Sub-Account or (in the case of an Employee Member) Employee's Voluntary Transfer Sub-Account (to the extent of those Units attributable to non-regular voluntary contributions) (as the case may be) at any time by giving to the Trustee at least one month prior written notice (or such shorter period of notice as the Trustee may agree) in such form acceptable to the Trustee PROVIDED THAT unless otherwise agreed by the Trustee,

- (i) the number of such redemptions allowed for each Member in a Financial Year shall not exceed the maximum number as may generally be determined by the Trustee from time to time;
- (ii) the minimum amount of each such redemption or the minimum number of Units of any Constituent Fund to be redeemed in each withdrawal shall not be less than such amount or number (as the case may be) as may generally be determined by the Trustee from time to time;
- (iii) the maximum amount of each redemption or the maximum number of Units of any Constituent Fund to be redeemed in each withdrawal shall not exceed such amount or number (as the case may be) as may generally be determined by the Trustee from time to time; and
- (iv) such Member's entitlement under this Rule may be paid by instalment if this is so elected by the Member. Any such payment shall be made in such manner as provided in the Principal Brochure and/or the relevant Participation Agreement or Application Form, and subject to such terms and conditions as may be determined by the Trustee in consultation with the Sponsor from time to time.

- 15A.2 The Trustee reserves the right to impose a withdrawal fee up to the maximum level as specified in the Principal Brochure for each redemption request made in this Rule 15A. Such withdrawal fee shall be deducted from the redemption proceeds and be retained by the Trustee for its own use and benefit.
- 15A.3 After the redemption proceeds have been paid to the relevant Member under this Rule 15A, his Combined Balance in the relevant sub-account as an SVC Member or Employee Member (as the case may be) shall be reduced accordingly.
- 15A.4 Any redemption under this Rule 15A shall be effected in accordance with the provisions of Clause 16 as at the Dealing Day as soon as reasonably practicable after the Trustee has received, reconciled and validated the written request for redemption submitted by the Member. Any such withdrawal request must be made in a form as may be prescribed by the Trustee from time to time.

16. BENEFITS OF VOLUNTARY CONTRIBUTIONS OF SEP MEMBER/PERSONAL ACCOUNT MEMBER

- 16.1 An SEP Member and a Personal Account Member may withdraw the entire or part of the balance of the SEP Member's Voluntary Sub-Account, SEP Member's Voluntary Transfer Sub-Account and Voluntary Personal Sub-Account (as the case may be) at any time by giving thirty (30) days' prior written notice to the Trustee.

17. PRESERVATION OF ACCRUED BENEFITS DERIVED FROM MANDATORY CONTRIBUTIONS

S.13 Notwithstanding anything contained in this Deed, the Rules and/or the Participation Agreement, for the purposes of preserving accrued benefits derived from Mandatory Contributions or Tax Deductible Voluntary Contributions in the Plan:

- (a) the Trustee shall not pay or otherwise dispose of any part of those accrued benefits derived from Mandatory Contributions to any Member or any other person otherwise than in accordance with the provisions of the MPFS Ordinance or the Regulation;
- (aa) the Trustee shall not pay or otherwise dispose of any part of those accrued benefits derived from Tax Deductible Voluntary Contributions to any Member or any other person otherwise than in accordance with or to the extent not prohibited or restricted by, the provisions of the MPFS Ordinance, the Regulation or any applicable laws or regulations;
- (b) no Member shall have any right or entitlement to those accrued benefits derived from Mandatory Contributions or Tax Deductible Voluntary Contributions otherwise than in accordance with the provisions of the MPFS Ordinance and the Regulation.

18. PORTABILITY OF BENEFITS

R.146
S.14

18.1 18.1.1 Subject to the provisions of the MPFS Ordinance and the Regulation (including without limitation Section 14 of the MPFS Ordinance and Section 146 of the Regulation), if accrued benefits of an Employee Member are held in a Contribution Account in the Plan and the Employee Member ceases to be employed by an Employer or in other circumstances permitted under the MPFS Ordinance and the Regulation, the Employee Member may elect to have those benefits transferred to:

- (a) a Personal Account in the Plan; or
- (b) an account in another master trust scheme nominated by the Employee Member; or
- (c) an existing account of the Employee Member in an industry scheme; or
- (d) if the Employee Member subsequently becomes employed by another employer, the contribution account in the Registered Scheme in which the new employer is participating in relation to that Employee Member.

R.146(4)

18.1.2 An election under this Rule 18.1 is effective,

- (a) in relation to a Personal Account in the Plan, when written notice of the election is given to the Trustee; and
- (b) in relation to an account referred to in Rule 18.1.1(b), (c) or (d), when written notice is given to the approved trustee of the other Registered Scheme.

S. 1,
34DBA

18.1.3 If the Employee Member elects to have the accrued benefits transferred to a Personal Account under Rule 18.1.1(a):

- (a) prior to 1 January 2008, at the time when the election is made, he shall submit to the Trustee a new Investment Mandate for the accrued benefits being transferred;
- (b) on or after 1 January 2008, such transfer should be done by way of transfer of any Units in specie from the Contribution Accounts concerned directly to the relevant Personal Account in accordance with the holdings of the Contribution Account

concerned at the time the transfer is effected, subject to compliance with section 34DC of the MPFS Ordinance with effect from 1 April 2017. Further, if no new Investment Mandate is received by the Trustee at the time when such election is made and when the Personal Account is being first set up, for the purposes of the relevant Personal Account, the Employee Member's accrued benefit in the Personal Account and any further transfer payment into the Personal Account from any scheme or arrangement of which the Member is also a member that have been made before 1 April 2017 shall be invested in the same manner as they were invested immediately before the transfer. Any such further transfer payment that is made to the Personal Account on or after 1 April 2017 will be invested in accordance with the Default Investment Strategy, unless a new Investment Mandate which complies with Clause 11.2B to Clause 11.2C is received by the Trustee.;

PROVIDED THAT the Trustee shall have the absolute discretion to effect such transfer in such manner as the Trustee thinks fit including, but not limited to, transferring any Units in specie from the Contribution Accounts concerned directly to the relevant Personal Account.

R.146(1
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18.2 If an Employee Member fails to notify an election in accordance with Section 146 of the Regulation within 3 months after the Trustee has been notified that the Employee Member has ceased to be employed by the Employer:

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34DBA

- (a) the Employee Member is taken at the end of that period to have elected to have his accrued benefits held in the Contribution Account concerned in the Plan transferred to a separate Personal Account in the Plan; and
- (b) the Trustee is taken at the end of that period to have been notified of the election.

For the purpose of transferring the accrued benefits under Rule 18.2(a) above, the Trustee shall have the absolute discretion to effect such transfer in such manner as the Trustee thinks fit including, but not limited to, transferring any Units in specie from the Contribution Account concerned directly to the relevant Personal Account. The Trustee shall ensure that the accrued benefits transferred under Rule 18.2(a) above on or after 1 April 2017 be invested in accordance with section 34DC of the MPFS Ordinance. Further, if no new Investment Mandate is received by the Trustee at the time when such transfer is made and when the Personal Account is being first set up, for the purposes of the relevant Personal Account, the Regular Employee Member's accrued benefit in the Personal Account and any further

transfer payment into the Personal Account from any scheme or arrangement of which the Regular Employee Member is also a member that have been made before 1 April 2017 shall be invested in the same manner as they were invested immediately before the transfer. Any such further transfer payment that is made to the Personal Account on or after 1 April 2017 will be invested in accordance with the Default Investment Strategy, unless a new Investment Mandate which complies with Clause 11.2B to Clause 11.2C is received by the Trustee.

S. 1,
34DBA

- 18.2A An Employee Member may elect to have all the accrued benefits in his Employee's Mandatory Sub-Account and Employee's Mandatory Transfer Sub-Account transferred in the manner permitted under the Regulation (including without limitation Sections 148A and 148B of the Regulation). For the avoidance of doubt, transfer of accrued benefits in the Employee's Mandatory Sub-Account may only be made once in each calendar year (or such other number of times as the Trustee may, at its discretion, notifies the Members). In respect of any transfer of accrued benefits from one account to another account within the Plan made in accordance with this Rule 18.2A, the Trustee must ensure that the accrued benefits so transferred be invested in accordance with section 34DC of the MPFS Ordinance.

R.148

- 18.3 Subject to Rule 20.2, the provisions of the MPFS Ordinance and the Regulation (including without limitation Section 14 of the MPFS Ordinance and Section 148 of the Regulation), if accrued benefits of an SEP Member are held in a Contribution Account in the Plan, the SEP Member may, at any time, elect to have those benefits transferred to:

- (a) an account in another master trust scheme nominated by the SEP Member; or
- (b) an existing account of the SEP Member in an industry scheme; or
- (c) an account in an industry scheme to which the SEP Member is eligible to belong; or
- (d) if the SEP Member subsequently becomes employed by an employer, to the contribution account in the Registered Scheme in which the employer is participating in relation to the SEP Member.

R.148(8)

- 18.4 If an SEP Member fails to elect in accordance with Section 148 of the Regulation within 3 months after the Trustee has been notified that the SEP Member has ceased to be self-employed:

- (a) the SEP Member is taken at the end of that period to have elected not to have his accrued benefits held in his Contribution Account transferred under this Rule 18.4 but to retain the benefits in that account; and
- (b) the Trustee is taken at the end of that period to have been notified of the election.

R.149

18.5 Subject to Rule 20.2, the provisions in the MPFS Ordinance and the Regulation (including without limitation Section 14 of the MPFS Ordinance and Section 149 of the Regulation), a Member may elect to have all the accrued benefits held in a Personal Account in the Plan transferred to the Contribution Account or another Personal Account of the Member within the Plan or a contribution account within another Registered Scheme or a personal account within another Registered Scheme, which is a master trust scheme or an industry scheme, as nominated by the Member by giving written notice of the election to the Trustee or the trustee of that other Registered Scheme concerned as the case may be. In respect of any transfer of accrued benefits from one account to another account within the Plan made in accordance with this Rule 18.5, the Trustee must ensure that the accrued benefits so transferred be invested in accordance with section 34DC of the MPFS Ordinance.

S. 1,
34DBA

R.149

18.5A A TVC Member may at any time elect to have all his accrued benefits held in his TVC Account transferred to a Recipient Scheme and, subject to such election being in accordance with the provisions of the Regulation (including without limitation section 149A of the Regulation), the Trustee must comply with the election in accordance with the Regulation. For the purposes of this Rule 18.5A, “**Recipient Scheme**” means a TVC account (having its meaning as defined under the MPFS Ordinance) of the TVC Member within another Registered Scheme as nominated by the TVC Member.

Note: s. 149A, Regulation

18.5B An SVC Member may by giving written notice to the Trustee and/or the trustee of another Registered Scheme (as applicable) in which the SVC Member is entitled to participate, elect to have all the accrued benefits held in an SVC Account in the Plan transferred to an account with that other Registered Scheme nominated by the SVC Member. Where the Trustee is notified (either by the SVC Member, the trustee of the other Registered Scheme or otherwise) that the other Registered Scheme does not have provisions equivalent to the Plan relating to the vesting and payment of Special Voluntary Contributions, then the SVC Member’s election hereunder shall be regarded as invalid and may be ignored by the Trustee without incurring any liability on the part of the Trustee and such SVC Member’s accrued benefits will continue to be retained in his SVC Account.

18.6 Subject to the provisions of Sections 156 and 157 of the Regulation and PROVIDED THAT all the information requested by the Trustee in relation to the

transfer has been given to the Trustee, the Trustee shall, within thirty (30) days after being notified of an election by the approved trustee of another Registered Scheme pursuant to Section 153 of the Regulation, or if an election is made by an Employee Member who ceases to be employed by the relevant Employer, within 30 days after the last Contribution Day in respect of the employment that has ceased, whichever is the later, take all practicable steps to ensure that all the accrued benefits concerned are transferred in accordance with the election. As soon as practicable after making a transfer payment to another Registered Scheme, the Trustee must provide the outgoing Members concerned a transfer statement containing the information set out in Section 154(1) of the Regulation.

R.153(3)

18.7 Subject to the provisions of Sections 156 and 157 of the Regulation, the Trustee after being notified of an election to transfer to a Contribution Account or Personal Account within the Plan in accordance with the Regulation (including without limitation Sections 146(4)(a) and (10)(b), Section 148A(5)(a), Sections 148B(4)(a) and (c) and Sections 149(2)(a) and (c) of the Regulation) shall, within thirty (30) days (or such other period as may be prescribed by the MPFS Ordinance or the Regulation) after being so notified or if an election is made by an Employee Member who ceases to be employed by the relevant Employer, within 30 days (or such other period as may be prescribed by the MPFS Ordinance or the Regulation) after the last Contribution Day in respect of the employment that has ceased, whichever is the later, arrange for the accrued benefits concerned to be transferred to the relevant Contribution Account or Personal Account in accordance with the election.

18.8 After the making of a transfer payment under the Rule or otherwise under the MPFS Ordinance and/or the Regulation, the Members concerned, the Employer of such Members and any other person who would receive a benefit in respect of the Members shall have no claim under the Plan in respect of the benefits to which the payment relates and the Trustee and the Trust Fund shall be discharged of all liability for payment of those benefits to the Member and any other person.

R.151 18.9 An election made under this Rule 18 must be in a form specified or approved by the MPF Authority.

R.152 18.10 If, within 30 days after the Trustee has been notified that a Member has ceased to be employed by an Employer or ceased to be self-employed, the Member has not given written notice of an election under Part XII of the Regulation, the Trustee must, by written notice, inform the Member of:

- (a) the different options that the Member has with respect to the transfer of accrued benefits and the time within which the Member may elect to exercise one of those options; and
- (b) the consequences of not electing to exercise one of those options within that time.

18.11 For the avoidance of doubt, to the extent required by the Regulation, no fees or financial penalties may be charged or imposed for transfer made in accordance with this Rule 18, other than an amount representing the necessary transaction costs as permitted under section 34 or section 35 of the Regulation (as the case may be). Such necessary transaction costs shall include such fees and/or charges as set out in the MPFS Ordinance, the Regulation or guidelines issued by the MPF Authority from time to time. Any amount of such necessary transaction costs imposed and received under section 34 or section 35 of the Regulation (as the case may be) shall be used to reimburse the relevant Constituent Fund.

R.34

19. PAYMENT OF BENEFITS

R.166 19.1 19.1.1 If the accrued benefits are paid in a lump sum, subject to Section 167 of the Regulation and PROVIDED THAT all of the following conditions are satisfied, the Trustee must ensure that the relevant accrued benefits are paid to the claimant within the time specified for payment by the Regulation,

- (a) a claim for the payment of a Member's accrued benefits is lodged with the Trustee in accordance with Part XIII of the Regulation; and
- (b) the claimant satisfies the Trustee that the claimant is entitled to be paid those benefits.

19.1.2 If the accrued benefits are paid by instalment, subject to Section 167 of the Regulation, and PROVIDED THAT:

- (a) a claim for the payment of a Member's accrued benefits is lodged with the Trustee in accordance with Part XIII of the Regulation; and
- (b) the claimant satisfies the Trustee that the claimant is entitled to be paid those benefits,

the Trustee must, unless otherwise agreed between the Trustee and the claimant, ensure that each instalment is paid to the claimant within the time specified for payment by the Regulation.

R.169 19.1.3 If after paying accrued benefits to a claimant in accordance with this Rule 19.1, the Trustee receives an outstanding contribution or contribution surcharge for the benefit of the claimant, the Trustee must pay the contribution or surcharge to the claimant as soon as practicable after receiving it.

R.168

19.2 When the Trustee pays accrued benefits to a claimant in accordance with Part XIII of the Regulation, the Trustee must ensure that the claimant is provided with a benefit payment statement containing the following information:

- (a) the name of the Trustee, the name of the Plan and the account number of the account from which the payment is made;
- (b) the name and address of the Member concerned;
- (c) the total amount of the accrued benefits paid to the claimant and the date on which the benefits were paid to the claimant;
- (d) an itemised statement of any expenses relating to the payment of the accrued benefits that were deducted from those benefits by the Trustee before making the payment;
- (e) if any contribution or contribution surcharge was outstanding at the time of the payment:
 - (i) the fact that a contribution or surcharge is outstanding; and
 - (ii) the amount of the contribution or surcharge if known to the Trustee; and
 - (iii) if the contribution or surcharge was irrecoverable, the fact that it is irrecoverable and the amount concerned if known to the Trustee; and
- (f) any other information as may be specified by the MPF Authority for the purposes of section 168 of the Regulation.

19.3 The Trustee may deduct from the payment of benefits made under the Rules the amount it is required or entitled under the prevailing law to deduct, including but not limited to,

- (i) any income taxes and other taxes, duties, charges and assessments; and
- (ii) any other charges, pledges, liens, mortgages, transfers, assignment and alienation made by or on behalf of the Member concerned in respect of the Member's Voluntary Contribution.

19.4 The Trustee shall not be liable to account to any Employer or Member or otherwise for any payment made or suffered by the Trustee in good faith to any duly empowered fiscal authority of Hong Kong or elsewhere for taxes or other charges in any way arising out of or relating to any transaction of whatsoever nature under

this Deed and the Participation Agreement notwithstanding that any such payment ought not to be or need not have been made or suffered.

- 19.5 19.5.1 Subject to any prevailing legal restrictions, the Trustee shall make payment of moneys due to an Employer or Member in accordance with the provisions of the Plan in Hong Kong dollars or such other currency as the Trustee sees fit or in such other currency as may be agreed between the relevant recipient and the Trustee. Payment shall be made in Hong Kong or such other place as may be agreed between the Trustee and the recipient. In the event of payment being requested in a currency other than Hong Kong dollars or in a place outside Hong Kong, the Trustee may deduct the costs of conversion and transmission (as the case may be) from the moneys payable. The applicable rate of exchange for such conversion shall be such prevailing rate as the Trustee considers appropriate. Any moneys payable by the Trustee shall as the Trustee thinks fit be paid by cheque or warrant or by telegraphic transfer or by other means as determined by the Trustee, to the recipient. Any cheque or warrant may be sent through the post to the address of the recipient as shown in the records of the Trustee. Every such cheque or warrant shall be made payable to the order of the person to whom it is delivered or sent and payment of the cheque or warrant shall be deemed satisfaction of the moneys payable. Where payment is by telegraphic transfer, the Trustee shall be entitled to deduct the costs thereof from the moneys and payment shall be made to such account as designated by the recipient. Where costs are incurred to effect payment by other means as determined by the Trustee at the election of the recipient, the Trustee shall be entitled to deduct such costs from the moneys payable.
- 19.5.2 A receipt signed or purporting to be signed by a Member or any other person who is entitled to receive any payment under this Deed or pursuant to the MPF Ordinance or Regulation shall be a good discharge to the Trustee. If more than one person is entitled to receive a payment under the Plan or a Participating Plan, any one of such persons may give receipt for such payment which shall be as effective a discharge to the Trustee as if he had been the only person who is entitled to receive such payment.
- 19.6 For the avoidance of doubt, to the extent required by the Regulation, no fees or financial penalties may be charged or imposed for payment made in accordance with this Rule 19, other than an amount representing the necessary transaction costs as permitted under section 35A or section 35B of the Regulation (as the case may be). Such necessary transaction costs shall include such fees and/or charges as set out in the MPFS Ordinance, the Regulation or guidelines issued by the MPF Authority from time to time. Subject to the foregoing, in respect of any payment of benefits by instalment under Rule 8 or Rule 9, a fee may be charged to or imposed on the Member or deducted from the Member's account or from the proceeds of realisation of the Units realised to give effect to the payment. Such fee

may be paid to the Trustee or the Sponsor or any of their Associates for rendering services to give effect to such payment of benefits.

20. CESSATION OF PARTICIPATION IN THE PLAN

- 20.1 Subject to the provisions of the MPFS Ordinance and the Regulation, any Employer may cease to participate in the Plan by giving to the Trustee not less than six (6) months prior written notice (or such shorter notice as the Trustee may agree in writing) PROVIDED THAT such notice must expire on a Dealing Day.
- 20.2 Any SEP Member, Personal Account Member and SVC Member may at any time cease to participate in the Plan by giving a written notice to the Trustee.
- 20.3 Notwithstanding the above, the membership of an Employee Member, SEP Member, Personal Account Member, TVC Member or SVC Member or the participation of an Employer under the Plan may be terminated by the Trustee in accordance with Rules 2.1.5, 2.1.6 and 2.1.7 (as applicable).
- 20.4 Subject to Rules 20.1 and 20.3, the relevant provisions of the MPFS Ordinance and the Regulation, an Employer who ceases to participate in the Plan under Rule 20.1 or 20.3 shall have the right to elect to have the accrued benefits of its Employee Members held in the Contribution Accounts of such Employee Members in respect of the Employee Member's employment with the Employer transferred to another Registered Scheme in which the Employer is a participant.
- 20.5 An Employee Member, SEP Member, a Personal Account Member or TVC Member who ceases to participate in the Plan under Rule 20.2 or 20.3 shall have the right to elect to have his accrued benefits transferred in accordance with Part XII of the Regulation. An SVC Member who ceases to participate in the Plan under Rule 20.2 or 20.3 may elect to have his accrued benefits in his SVC Account transferred in accordance with Rule 18.5B.
- 20.5A Where permitted to do so by the MPFS Ordinance and the Regulation, any other person shall have the right to elect in accordance with the MPFS Ordinance and the Regulation to have accrued benefits held in the Plan transferred to another Registered Scheme.
- 20.6 Upon transfer of the assets attributable to a Participating Plan to another Registered Scheme and/or to Personal Accounts in accordance with the proviso to Rule 20.4, the Trustee shall have no further liabilities or obligations whatsoever in relation to the Employer, Employee Members (except to the extent that such Employee Members have become Personal Account Members as a result of the proviso to Rule 20.4), the Personal Account Member, the SEP Member, the TVC Member or the SVC Member of the relevant Participating Plan or to any other person who is entitled to make a claim under that Participating Plan or the Plan and the relevant Participation Agreement shall be automatically terminated.

21. MISCELLANEOUS

- S.16 21.1 Any benefit under the Plan shall be strictly personal and non-assignable. No part of any accrued benefits derived from Mandatory Contributions kept under the Plan shall be taken in execution of a judgment debt or be the subject of any charge, pledge, lien, mortgage, transfer, assignment or alienation by or on behalf of a Member and any purported disposition to the contrary is void. Notwithstanding any provisions in this Deed but subject to the provisions of the Participation Agreement and the operation of Rule 21.3.1, if any attempt is made to alienate any benefit derived from the Vested Balance of the Employer's Voluntary Contributions kept under the Plan or if it becomes payable to any person other than the person entitled to it under the Plan, it shall be forfeited to the Trustee unless the Trustee in its discretion decides to pay it in case of hardship to the Member or to his spouse or dependant, in which case, such benefit may be paid to the Member or to his spouse or dependent. No payment shall be made to a purported assignee, mortgagee or chargee.
- R.170-174 21.2 Any benefit which is not claimed after the date on which it becomes payable shall be treated in accordance with the provisions in Part XIII of the Regulation relating to unclaimed benefits.
- S.16 21.3 21.3.1 The interest of any Employee Member or any other person derived from Employer's Voluntary Contributions kept under the Plan shall stand charged with the following payments to an Employer:
- (a) any debts or liabilities owed by the Employee Member to the Employer arising out of any criminal, negligent or fraudulent act or omission of the Employee Member;
 - (b) any debts, liabilities or any other indebtedness owed by the Employee Member to the Employer and acknowledged in writing by such Employee Member; and
 - (c) any amount paid by the Employer to the Employee Member as severance payment or long service payment under the Employment Ordinance.
- The Trustee may rely on a certificate (in such form as prescribed by the Trustee) from the Employer for the purposes of proving the debts or liabilities in paragraphs (a) and (b) above, notwithstanding the requirement in paragraph (b).
- 21.3.2 Where any liability arises to pay any tax or other expense in respect of any benefit under a Plan, the Trustee may deduct the amount payable from the benefit.

21.3.3 The Trustee may, at the request of the Employer and to the extent allowed by laws, reduce any benefit payable under the Plan to an Employee Member to take account of any severance payment or long service payment payable to that Member under the Employment Ordinance. Subject as otherwise provided in the Participation Agreement and to the extent permitted by the MPFS Ordinance, on receipt of such request the Trustee may pay the amount of any such reduction (the “Relevant Amount”) to the Employee Member's Employer:

- (a) out of the Vested Balance of the Employer's Voluntary Contributions (if any) of the relevant Employee Member; and
- (b) if after payment under paragraph (a) above any part of the Relevant Amount remains outstanding, out of the Employer's Mandatory Contributions of the relevant Employee Member.

21.3.4 Subject to the operation of Rule 21.3.1, the Trustee may, at the request of the Employer and to the extent allowed by law, forfeit to the Employer's Forfeiture Account any benefit which derives from the Vested Balance of the Employer's Voluntary Contributions to the Plan in respect of an Employee Member who has been dismissed by the Employer (or who has resigned to avoid dismissal) because of fraud, dishonesty or gross misconduct against the Employer. The Trustee may rely on a certificate (in such form as prescribed by the Trustee) of the Employer and any such benefit shall be so forfeited or deemed to be so forfeited as at the date of dismissal PROVIDED THAT, in case of hardship the Trustee may pay the forfeited amount or any part thereof for or towards the maintenance or personal support or otherwise of the Employee Member or his spouse or dependent in such manner and proportion (but so that no payment shall be made to any creditors of the Employee Member) as the Trustee may in its sole discretion determine.

21.3.5 Subject to the provisions of the Participation Agreement and the operation of Rule 21.3.1, the Trustee may to the extent allowed by law, forfeit to the Trustee any benefit which derives from the Employer's Voluntary Contributions to the Plan in respect of any Member who has been adjudged bankrupt by a Hong Kong court of competent jurisdiction. The Trustee may rely on a bankruptcy order issued by the court (or a copy thereof) and any such benefit shall be so forfeited or deemed to be so forfeited as at the date of bankruptcy order PROVIDED THAT, in case of hardship the Trustee may pay the forfeited amount or any part thereof for or towards the maintenance or personal support or otherwise of the Member or his spouse or dependent in such manner and proportion (but so that no payment shall be made to any creditors of the Member) as the Trustee may in its sole discretion determine.

- 21.4 If any mis-statement is made by a Member as to any relevant matter under this Deed, including without limitation his dependants' status or age, the Trustee shall be entitled to make adjustments to the benefits payable in respect of the Member.
- 21.5 In the event that accrued benefits are required to be transferred from one account ("old account") of a Member to another account ("new account") of the same Member (regardless of whether the two accounts are in the same Participation Plan), the Trustee shall have the absolute discretion to effect the transfer in such manner as the Trustee thinks fit, including, but not limited to, debiting from the old account the relevant Units concerned and crediting such Units to the new account.
- 21.6 Unless otherwise provided in this Deed and the Rules, any monies standing to the credit of the Forfeiture Account of an Employer shall be dealt with in such manner as the Employer and the Trustee may agree.

shall form part of this Participation Agreement and the details provided therein shall apply for the purposes of the Participating Plan and (ii) subject to the relevant applicable law and in respect of Voluntary Contributions, it shall not be the duty of the Trustee to oversee or ensure that any contributions or other monies payable under the Deed, the Rules, the Participation Agreement or any other applicable directions, are in fact paid, that any applicable definition of earnings or income (howsoever expressed) is properly applied or that the calculation of contributions is correct.

3. The Employer hereby covenants with the Trustee to comply with and be bound by the provisions of the Deed and this Participation Agreement and all applicable laws and regulations.
4. The Employer warrants that the information from time to time to be provided by the Employer in the Application Form and any other information to be provided by the Employer in relation to each Employee Member will be correct in all respects.
5. Subject to the provisions of the Deed and this Participation Agreement, the Employer undertakes and agrees to hold the Trustee indemnified against any and all proceedings, costs, charges, liabilities and expenses occasioned by any and all actions, claims, demands or proceedings in connection with the Plan or the Participating Plan either:
 - (a) arising out of the breach by the Employer of the warranty referred to in paragraph 4; or
 - (b) as a result of any failure or omission on the part of the Employer to duly and punctually perform or observe any obligations pursuant to the Deed and this Participation Agreement or otherwise so far as they relate to the Employer and Employee Members of the Participating Plan (whether they relate to the Employer and such Employee Members alone or together with another Employer and the Employee Members of other Participating Plans).
6. The Employer undertakes and agrees to pay all fees and expenses which are payable by it under the terms of the Deed and this Participation Agreement.
7. The Employer further undertakes and agrees to make Voluntary Contributions in respect of its Employee Members in accordance with the provisions of the Deed and the information specified in the Application Form. Unless otherwise stated in the Application Form, the Trustee and the Employer agree that the vesting, withdrawal and any other matters relating to the Voluntary Contributions made by the Employer shall be governed by the provisions of the Deed.
8. This Participation Agreement shall be governed by the laws of Hong Kong.

IN WITNESS whereof this Participation Agreement has been entered into the day and year first above written.

SIGNED for and on behalf of the **Trustee** by)
)
)
)

SIGNED for and on behalf of the **Employer** by)
)
)
)

Appendix 1

[names of Employee Members]

Appendix 2

[authorised signatories]