

### Important Notes

- You should consider your own risk tolerance level and financial circumstances before making any investment choices or investing according to the Default Investment Strategy. When, in your selection of funds or the Default Investment Strategy, you are in doubt as to whether a certain fund or the Default Investment Strategy is suitable for you (including whether it is consistent with your investment objective), you should seek financial and / or professional advice and choose the investment choice(s) most suitable for you taking into account your circumstances.
- In the event that you do not make any investment choices, please be reminded that your contributions made and / or accrued benefits transferred into the Plan will be invested in accordance with the Default Investment Strategy, which may not necessarily be suitable for you.
- Members should note that BCT (Pro) Asian Income Retirement Fund does not provide any guarantee on capital or investment return or dividend yield. The fund may pay dividends out of net distributable income and/or capital, which will result in an immediate decrease or adjustment in the net asset value per unit of the fund. The payment of dividends (if any) will involve an investment time-lag and is subject to out-of-market risk. There is no assurance on the dividend distribution frequency and the dividend amount/yield may fluctuate.
- The fund (including dividends distributed) are subject to the same vesting, preservation and withdrawal requirements applicable to mandatory and voluntary contributions (as applicable).
- Your investment decision should not be based on this document alone. Please read the MPF Scheme Brochure for BCT (MPF) Pro Choice for further details including the risk factors.
- Investment involves risks. Past performance is not indicative of future performance. The price of constituent funds may fall as well as rise.

## BCT (MPF) Pro Choice BCT (Pro) Asian Income Retirement Fund Frequently Asked Questions

### 1) What is the main investment objective of the Asian Income Retirement Fund?

The objective of the Asian Income Retirement Fund is to provide members with stable income (by way of distribution of dividend which will be reinvested in the Asian Income Retirement Fund or invested in the Age 65 Plus Fund based on the member's age) and capital appreciation over the medium to long term (5-year to 10-year period), by investing as a feeder fund solely in the distribution class of "Taikang Age of Longevity Unit Trust Fund - Taikang Asian Income Retirement Fund", an underlying APIF which in turn invests in a portfolio of investment-grade Asian USD fixed income securities and Hong Kong and Mainland China-related equity securities. It is expected that the Asian Income Retirement Fund will seek an expected total return of 2% above the concurrent Hong Kong Consumer Price Index (not guaranteed) through income generation and capital appreciation over the medium to long term for addressing members' pre- and post-retirement needs.

### 2) What is the meaning of stable income provided by the Asian Income Retirement Fund?

The Asian Income Retirement Fund seeks to provide regular and stable income by way of distribution of dividend to members' MPF accounts. Currently, it is intended that dividend will be

distributed on a monthly basis (starting from the 7th month or earlier as advised by the investment manager after launch) and re-invested into the Asian Income Retirement Fund (if member's age is below 65) or invested into the BCT (Pro) Age 65 Plus Fund ("Age 65 Plus Fund") (if member's age is at or above 65). It is expected that the monthly dividend amount per unit of the Asian Income Retirement Fund will remain stable throughout a certain period of time, e.g. quarterly.

**3) How would the dividend be distributed if the member has switched out all or part of his/her investment in the Asian Income Retirement Fund and invested into other constituent fund(s) after the record date?**

Provided the member has an account with BCT, the dividend distributed will be reinvested into the Asian Income Retirement Fund if the member is below age 65 as at the record date, or invested into the Age 65 Plus Fund if the member is at or above age 65 as at the record date, despite the fact that the member has switched out all or part of the investment in the Asian Income Retirement Fund and invested into other constituent fund(s) after the record date.

**4) How would the dividend be arranged if the accrued benefits in member's MPF account have been transferred to another MPF scheme after the record date (i.e. no account at BCT after the transfer)?**

If the relevant person's MPF account at BCT has been terminated at the time of dividend distribution, the relevant amount will be paid to the transferee trustee of the MPF scheme of which such person's accrued benefits have been transferred to.

**5) How would the dividend be arranged if the member (at or above age 65) has withdrawn all accrued benefits from his/her MPF account after the record date?**

The relevant amount will be paid to the relevant person separately by cheque if his/her MPF account at BCT has already been terminated at the time of dividend distribution.

**6) Would the distribution of dividends lead to the dividends not being invested for a period of time?**

According to the fund features, for member at age of below 65 as at the record date, dividends distributed will be reinvested into the Asian Income Retirement Fund. While for member at age of 65 or above as at the record date, dividends distributed will be invested into the Age 65 Plus Fund.

The process of distributing dividends to members' MPF accounts may involve an investment time-lag that dividends are not invested in any constituent fund for a period within 5 business days from the Ex-Dividend Date and there may be market fluctuations during this period. Members should be aware of such out-of-market risk. However, since dividends are distributed on a monthly basis instead of less frequently periods such as quarterly or yearly, it will help to lower the impact of out-of-market risk.