

**Bills Committee on  
Mandatory Provident Fund Schemes (Amendment) Bill 2015**

**Responses to Matters Raised by  
Members at the Meeting on 15 December 2015 and  
in the letter from the Hon TANG Ka-piu dated 21 December 2015**

**Purpose**

This paper sets out the responses from the Government and the Mandatory Provident Fund Schemes Authority (“MPFA”) to matters raised by Members at the Bills Committee meeting on 15 December 2015 and in the letter from the Hon TANG Ka-piu dated 21 December 2015.

**(a) The estimated number and percentage of existing default scheme members whose accrued benefits would be transferred to and invested into the Default Investment Strategy (“DIS”), and the amount of accrued benefits involved after the commencement of the new statutory DIS arrangement**

1. At present, the Default Investment Arrangements (“DIA”) of Mandatory Provident Fund (“MPF”) schemes are not regulated under the Mandatory Provident Fund Schemes Ordinance (Cap.485) (“MPFSO”). Approved trustees are not required to provide statistics such as the number of scheme members and accounts, as well as the amounts of the accrued benefits involved, in relation to the DIA under their schemes, to the MPFA.
2. With a view to preparing for the implementation of the DIS, the MPFA has asked the approved trustees to start identifying the DIA account holders who will be subject to the transitional process<sup>1</sup>. Though the work is still in progress, a rough estimate recently provided by the approved trustees is that there are currently about a million accounts investing in existing default funds<sup>2</sup>. Based on

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<sup>1</sup> With the introduction of the DIS, subject to exceptions, approved trustees will be required to issue a specified notice to DIA account holders for opting out from the DIS arrangements under the proposed section 34DH of MPFSO.

<sup>2</sup> As at 30 September 2015, there are 3.762 million contribution accounts and 5.028 million personal accounts.

information available to the MPFA, as of the end of October 2015, assets in constituent funds (“CFs”) comprising existing DIA is roughly estimated to be 11.7% of the net asset value (“NAV”) of the MPF System, or HK\$69.6 billion. Also, according to a member survey conducted by the MPFA in 2013, it was found that some 24.1% of scheme members indicated that they had never made an investment choice. An earlier industry survey<sup>3</sup> suggested that less than 20% of scheme members (involving less than 10% of total assets) invested in the DIA. We would like to emphasize that the number of DIA accounts, scheme members and assets involved may vary over time. New members will be joining the MPF System without giving investment instructions and existing DIA account holders giving subsequent investment instructions, or exiting from the MPF System. Numbers relevant today might be substantially different from numbers on commencement date which might also be different from the numbers of accounts that are eventually subject to the transitional process as set out in the Bill.

3. It is also expected that only a proportion of the actual amounts of assets in existing default funds and accounts would be transferred to the DIS, given that a proportion of investment in existing default funds are members’ conscious choices (not subject to the transitional process) and some that are subject to the transitional process may opt out from the new DIS during the statutory transitional process. Some may also be excluded from the DIS if they are over aged 60 before the commencement of the Bill or have their assets in guaranteed funds where promised return will be lost if transferred to the DIS. Given these uncertainties, it is difficult to precisely estimate the number of accounts and the total amount of benefits that will ultimately be transferred to and invested into the DIS. We expect that approved trustees will have a clearer picture closer to mid-2016. That said, in view of the implementation of the DIS, the MPFA will keep the situation in view and collect from approved trustees DIS-related statistical data for assessment.

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<sup>3</sup> “The evolving MPF system: an objective assessment”, Ernst & Young, commissioned by the Joint Industry Group, comprising Hong Kong Federation of Insurers, Hong Kong Investment Funds Association and the Hong Kong Trustees’ Association, May 2012.

**(b) Regarding other jurisdictions adopting similar standardized default investment arrangements in their retirement schemes, the fee levels, investment returns, number of schemes offered and the NAV of such default investments**

4. We have to emphasize that it is difficult to make a like-with-like comparison of DIA among different jurisdictions. As explained in the consultation paper – “Providing Better Investment Solutions to MPF Members”, although many jurisdictions set rules about which funds are used as the default funds in mandatory defined contribution pension plans, the rules differ between jurisdictions and the main difference lies in the degree of official regulatory prescription. There are differences on whether a default fund is required or prescribed, the type of investment fund used as a default and how it is administered. Some pension systems adopt a more directive approach with prescribed or mandated default arrangement, e.g. Chile, Mexico, Peru and India (National Pension System), Estonia, New Zealand and Slovakia. Some adopt a lighter regulatory regime and regulate by way of guidelines and criteria for default fund arrangement, e.g. Australia (MySuper), the United Kingdom (work-based DC pension schemes) and the United States (401(k) plans).
5. Based on the research conducted by the MPFA, we are not aware of any privately-managed pension systems in other jurisdictions that have put in place arrangements substantially similar to the proposed DIS. The proposed DIS is uniquely structured for the MPF System in Hong Kong. That said, we set out below the default arrangements adopted by Chile and Mexico, where age-based standardized DIA are adopted in their privately-managed pension systems for Members’ reference.

	<b>Chile</b>	<b>Mexico</b>
No. of Operators	6	11
No. of Funds	Each operator offers five funds (i.e. Fund A to E). Each fund is subject to regulatory limits on equity investment.	Each operator offers four funds (i.e. SB1 to SB4) for members. Operators may provide additional fund(s) for

	Chile	Mexico
		voluntary contributions. Each fund is subject to a number of investment restrictions, including limits on equity investment.
DIA	Members not making a fund choice will be assigned to one of the three funds of Fund B, Fund C or Fund D based on their age <sup>4</sup> .	Members not making a fund choice will be assigned to one of the four funds based on their age <sup>5</sup> .
Fee charging arrangements	Operators charge fees as a percentage of members' salary, regardless of which fund(s) they invest. Fees are charged when contributions are made and thus charges are front-loaded. In	Operators charge fees as a percentage of assets under management.  The average fees charged by operators were 1.11% in November 2015. However, the fee of

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Fund	Equity Limit (% of Total Assets of the Fund)	Age of Members
Fund B	25-60%	Men: 35 years and below Women: 35 years and below
Fund C	15-40%	Men: 36 to 55 years Women: 36 to 50 years
Fund D	5-20%	Men: 56 years and above Women: 51 years and above

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Fund	Equity Limit (% of Total Assets of the Fund)	Age of Members
SB4	40%	36 years and below
SB3	30%	37 – 45 years
SB2	25%	46 – 59 years
SB1	5%	Over 60 years

	Chile	Mexico
	December 2015, the average fees are 1.16% of members' salary. However, the investment fees of underlying funds, which are normally deducted from the assets of funds, have not been reflected in the fee level of 1.16% of members' salary.	1.11% did not include investment fees incurred by underlying funds.
NAV (as at end November 2015)	The NAV of investments made by members without making a fund choice is not available. The total asset size of Fund B, Fund C and Fund D of all schemes amounted to 77,103,792 million Chilean peso (equivalent to approximately HK\$842 billion).	The NAV of investments made by members without making a fund choice is not available. The total asset size of SB1, SB2, SB3 and SB4 of all schemes amounted to 2,511,619 million Mexican peso (equivalent to approximately HK\$1,156 billion)
Investment Return (December 2014 to November 2015)	The annualized real investment returns of Fund B, Fund C and Fund D were 2.99%, 3.01% and 2.79% respectively.	The annualized investment returns of SB1, SB2, SB3 and SB4 were 2.06%, 2.53%, 2.67% and 3.14% respectively.

**(c) The fee levels and investment returns of the past 10 years of existing MPF CFs that met the globally diversified investment principle of the DIS**

6. Among existing MPF CFs, mixed assets funds invest in a diversified portfolio of equities and bonds with risk profile depending on the proportion of equities and bonds invested by the relevant fund. Mixed assets funds are further categorized into the following four

sub-fund types according to the percentage of maximum equity content set out in the offering documents of funds: mixed assets funds (>20%-40% equity), mixed assets funds (>40%-60% equity), mixed assets funds (>60%-80% equity) and mixed assets funds (>80%-100% equity). The fund expense ratio (“FER”) and annualized return of each category of mixed assets funds in the past 10 years are provided in the table below and the fee level of these funds are set out in the **Annex**.

<b>Mixed Assets Fund (Maximum Equity Content)</b>	<b>FER<sup>6</sup></b>	<b>10-year Annualised Rate of Return<sup>7</sup></b>	<b>Range of NAV<sup>8</sup> (HK\$ million)</b>
Mixed Assets Fund (>20%-40% equity)	1.65%	3.5%	3 – 2,648
Mixed Assets Fund (>40%-60% equity)	1.72%	4.0%	2 – 6,969
Mixed Assets Fund (>60%-80% equity)	1.61%	4.7%	13 – 5,374
Mixed Assets Fund (>80%-100% equity)	1.81%	4.4%	3 – 15,993

**(d) The NAV of each of the seven guaranteed funds which were currently determined by the approved trustees as DIA, and the conditions for guaranteed return of these funds**

7. At present, four approved trustees use guaranteed funds as DIA for seven MPF schemes. Among the seven MPF schemes, one scheme spreads the DIA contributions evenly into the 12 CFs under the scheme, one of which being a guaranteed fund.
8. Some of the guaranteed funds in the MPF market provide “conditional” guarantees, which require fulfillment of conditions such as the completion of a specified number of years of continuous investment, or in the event of retirement, death, total incapacity, etc.,

<sup>6</sup> FER is compiled on the basis of FERs of MPF CFs with their financial year end dates falling within the period from 1 January 2014 to 31 December 2014 which was published on 30 November 2015. The average FER is asset-weighted.

<sup>7</sup> It refers to the 10-year period ended October 2015.

<sup>8</sup> It refers to the NAV as at end October 2015.

of a scheme member. If a scheme member withdraws / switches / transfers out of the guaranteed fund before the fulfillment of such conditions, the relevant balances will not be entitled to the guarantee.

9. There are also guaranteed funds providing “unconditional” guarantees. The “unconditional” guarantees are capital guarantees such that the account balance at year end will not be lower than the account balance brought forward from last year plus contributions and accrued interest less any withdrawals made during that year. When benefits are withdrawn or switched, generally, the relevant amount involved will be entitled to the guarantee up to the point of the withdrawal / switch, but not afterwards.

10. The NAV of DIA using guaranteed funds are as follows –

<b>Name of Approved Trustee</b>	<b>No. of MPF Schemes</b>	<b>No. of Years of Continuous Investment</b>	<b>Latest FER available</b>	<b>NAV (HK\$ million)</b>
<b>Conditional Guarantees</b>				
FWD	2	5 years	2.21% and 2.31%	\$624.30 (30 June 2015)
Mass Mutual	1 <sup>9</sup>	The guarantee is provided in the event of occurrence of one of the qualifying events including normal or early retirement, death and total incapacity.	3.75%	\$118.79 (30 October 2015)

<sup>9</sup> DIA contributions equally spread among all CFs.

Name of Approved Trustee	No. of MPF Schemes	No. of Years of Continuous Investment	Latest FER available	NAV (HK\$ million)
<b>Unconditional Guarantees</b>				
AIA	3	Not applicable	1.69% and 1.70%	\$7,174.94 (30 September 2015)
Manulife	1	Not applicable	1.79%	\$10,203.70 (30 September 2015)

11. Based on a rough estimation provided by approved trustees, for MPF schemes using guaranteed funds as the DIA of the schemes, the number of accounts with investment in the guaranteed funds is around 210 000.
12. Regarding the Hon TANG Ka-piu's enquiry on the supervision of the DIS transfer arrangements, we would like to emphasize that approved trustees will have to comply with the proposed Divisions 3 and 4 of Part 4AA of MPFSO in transferring the assets invested in DIA into the DIS. Failure to comply with the DIS-related transitional arrangements includes revocation of its approval as an approved trustee, suspension or termination of its administration of the scheme by the MPFA or financial penalties.
- (e) Regarding the proposed section 34DC(3), a list of the fees or charges permitted to be charged to the proposed Core Accumulated Fund and Age 65 Plus Fund of the DIS in addition to the management fees, and the approximate amount of such fees or charges currently charged by the trustees to the existing CFs**
13. The control of payment for services to the DIS is set out under the proposed section 34DC of MPFSO (i.e. Clause 8 of the Bill). Payments for services (i.e. fees) to the approved trustee, a specified service provider, a sponsor or promoter must not in total exceed 0.75% of NAV of a DIS CF per annum.



14. According to the MPFA's internal analysis conducted with reference to the fee information available in June 2014, the difference between the average FER and average aggregate management fees (simple average) was estimated to be 0.20%. In other words, the component of fees and expenses other than management fees ("other fees and expenses") in FER amounted to 0.20% of NAV as an average across all CFs. Based on the information disclosed by the industry in relation to existing CFs to the MPFA, these other fees and expenses that could apply to the proposed Core Accumulation Fund and Age 65 Plus Fund of the DIS would primarily be out-of-pocket expenses in relation to discharge of trustees' duties, including: auditor's fees; legal and other professional charges; preparation cost and publication expenses; printing and postage, fund price publication expenses, bank charges; dealing costs, transaction costs incurred in buying or selling underlying investments, governmental fees and charges (including, without limitation, stamp duty, licence fee and other duties); and any other charges and expenses properly incurred and permitted by the MPFSO and its Regulations and the trust deed of the scheme. A similar range of items would be applicable for underlying investment funds.

15. Other fees and expenses vary by fund type (being higher, for example, for equity funds). Generally speaking, funds with smaller asset sizes on average had higher percentages of "other fees and expenses" (in terms of a percentage of NAV) than those with bigger asset sizes. Those mixed assets funds with an asset size of \$100 million and below were estimated to have an average "other fees and expenses" of 0.32% of NAV, while those with an asset size over \$10,000 million had an average "other fees and expenses" of 0.14% of NAV.

**(f) A comparison of the MPFA's power of on-going supervision over the existing CFs and the proposed Core Accumulation Fund and Age 65 Plus Fund of the DIS.**

16. Basically, the existing supervision powers applicable to CFs will be equally applicable to the DIS CFs. These powers include –

- (i) general power of inspection in section 30A of MPFSO;
- (ii) power to request an approved trustee to give MPFA information and documents in section 31 of MPFSO;
- (iii) investigation power in section 32 of MPFSO; and
- (iv) power to require an approved trustee to notify the MPFA of events of significant nature in section 62 of the MPF Schemes (General) Regulation (Cap. 485A) (“the General Regulation”).

17. In the Bill, we also propose to extend the existing statutory reporting requirements to cover DIS investment, transfer, notification, fee-charging and de-risking requirements to facilitate the MPFA’s assessment of the trustees’ compliance with the DIS requirements. These powers include –

- (i) power to require an approved trustee to arrange for an auditor to conduct investigation and to submit an auditor’s report to the MPFA, if the MPFA reasonably believes that an approved trustee has breached the requirements on fee control and other DIS requirements in section 30 of MPFSO;
- (ii) power to require a service provider to report certain matters to the MPFA in section 75 of the General Regulation;
- (iii) power to require an auditor to report to the approved trustee on financial statements in section 102 of the General Regulation; and
- (iv) power to require an auditor to report certain matters to the MPFA in section 103 of the General Regulation.

**Financial Services and the Treasury Bureau  
Mandatory Provident Fund Schemes Authority  
January 2016**

**Fee Level of Mixed Assets Funds**

<b>Mixed assets fund (maximum equity content)</b>	<b>Trustee</b>	<b>Scheme</b>	<b>Name of CF</b>	<b>Fund class</b>	<b>Management fees payable at CF &amp; APIF levels</b>
Mixed Assets Fund (21-40)	AIA Company (Trustee) Limited	AIA MPF - Basic Value Choice	Capital Stable Portfolio	n.a.	2.00% - 2.08% per annum (“p.a.”) of NAV
			Fidelity Capital Stable Fund	n.a.	Up to 2.125% p.a. of NAV
			RCM Capital Stable Fund	n.a.	2.07% p.a. of NAV (Trustee fee at the underlying fund level is subject to a minimum of US\$8,000 p.a.)
		AIA MPF - Prime Value Choice	Capital Stable Portfolio	n.a.	1.75% - 1.83% p.a. of NAV
			Fidelity Capital Stable Fund	n.a.	Up to 1.875% p.a. of NAV
			RCM Capital Stable Fund	n.a.	1.82% p.a. of NAV (Trustee fee at the underlying fund level is subject to a minimum of US\$8,000 p.a.)
	Bank Consortium Trust Company Limited	Allianz Global Investors MPF Plan	Allianz Capital Stable Fund	Class A	1.38% p.a. of NAV
				Class B	1.18% p.a. of NAV
				Class T	1.15% p.a. of NAV
		AMTD MPF Scheme	AMTD RCM Capital Stable Fund	n.a.	0.90% p.a. of NAV
		BCT (MPF) Industry Choice	BCT (Industry) E30 Mixed Asset Fund	n.a.	1.57% p.a. of NAV

Mixed assets fund (maximum equity content)	Trustee	Scheme	Name of CF	Fund class	Management fees payable at CF & APIF levels
		BCT (MPF) Pro Choice	BCT (Pro) E30 Mixed Asset Fund	n.a.	1.625% p.a. of NAV
		Invesco Strategic MPF Scheme	Capital Stable Fund	Unit Class A	1.075% p.a. of NAV
				Unit Class H	0.955% p.a. of NAV (The Investment Manager may in its discretion on giving written notice to the Trustee agree a lower rate of management fee for Class H Units of the Global Bond Fund, Capital Stable Fund, Balanced Fund, Growth Fund, Asian Equity Fund, Hong Kong and China Equity Fund, RMB Bond Fund (Note: RMB Bond Fund is denominated in HKD only and not in RMB), and Invesco Hang Seng Index Tracking Fund with individual employers eligible for Class H Units.)
	Bank of East Asia (Trustees) Limited	BEA (MPF) Industry Scheme	BEA (Industry Scheme) Stable Fund	n.a.	1.20% p.a. of NAV
		BEA (MPF) Master Trust Scheme	BEA (MPF) Stable Fund	n.a.	1.20% p.a. of NAV
		BEA (MPF) Value Scheme	BEA Stable Fund	n.a.	0.90% p.a. of NAV
	China Life Trustees	China Life MPF	China Life	n.a.	1.48% p.a. of NAV

Mixed assets fund (maximum equity content)	Trustee	Scheme	Name of CF	Fund class	Management fees payable at CF & APIF levels
	Limited	Master Trust Scheme	Retire-Easy Capital Stable Fund		
	FWD Pension Trust Limited	FWD MPF Master Trust Comprehensive Scheme	FWD MPF Comprehensive Scheme Stable Portfolio	n.a.	1.719% p.a. of NAV (A flat fee of HK\$6,500 p.a. in relation to valuation of CFs will also be payable by each CF as part of the Fund Administration fee. A flat fee in relation to preparation of financial statements for the CFs in the amount of HK\$7,200 p.a. per CF will be payable by all CFs.)
	HSBC Institutional Trust Services (Asia) Limited	Fidelity Retirement Master Trust	Capital Stable Fund	n.a.	Up to 1.45% p.a. of NAV
	HSBC Provident Fund Trustee (Hong Kong) Limited	Hang Seng Mandatory Provident Fund - SuperTrust Plus	Flexi-Managed Fund	n.a.	1.45% p.a. of NAV
		HSBC Mandatory Provident Fund - SuperTrust Plus	Flexi-Managed Fund	n.a.	1.45% p.a. of NAV
		Schroder MPF Master Trust	Schroder MPF Capital Stable Portfolio	Class B	0.65% p.a. of NAV
				Ordinary Class	0.85% p.a. of NAV

Mixed assets fund (maximum equity content)	Trustee	Scheme	Name of CF	Fund class	Management fees payable at CF & APIF levels
	RBC Investor Services Trust Hong Kong Limited	SHKP MPF Employer Sponsored Scheme	Invesco Global Stable Fund	n.a.	0.770% p.a. of NAV
		Standard Chartered MPF Plan - Advanced	Fidelity Global Investment Fund - Capital Stable Fund	n.a.	0.730% p.a. of NAV
			RCM Capital Stable Fund		
	Sun Life Trustee Company Limited	Sun Life Rainbow MPF Scheme	Sun Life RCM MPF Capital Stable Fund	Class A	Up to 1.930% p.a. of NAV
				Class B	Up to 1.730% p.a. of NAV
Mixed Assets Fund (41-60)	AIA Company (Trustee) Limited	AIA MPF - Basic Value Choice	Balanced Portfolio	n.a.	2.00% - 2.08% p.a. of NAV
			Fidelity Stable Growth Fund	n.a.	Up to 2.125% p.a. of NAV
			RCM Stable Growth Fund	n.a.	2.07% p.a. of NAV (Trustee fee at the underlying fund level is subject to a minimum of US\$8,000 p.a.)
		AIA MPF - Prime Value Choice	Balanced Portfolio	n.a.	1.75% - 1.83% p.a. of NAV
			Fidelity Stable	n.a.	Up to 1.875% p.a. of NAV

Mixed assets fund (maximum equity content)	Trustee	Scheme	Name of CF	Fund class	Management fees payable at CF & APIF levels
	Bank Consortium Trust Company Limited		Growth Fund		
			RCM Stable Growth Fund	n.a.	1.82% p.a. of NAV (Trustee fee at the underlying fund level is subject to a minimum of US\$8,000 p.a.)
			Allianz Global Investors MPF Plan	Class A	1.38% p.a. of NAV
		Allianz Global Investors MPF Plan	Absolute Return Fund	Class B	1.18% p.a. of NAV
				Class T	1.15% p.a. of NAV
			Allianz Stable Growth Fund	Class A	1.38% p.a. of NAV
				Class B	1.18% p.a. of NAV
				Class T	1.15% p.a. of NAV
		AMTD MPF Scheme	AMTD Invesco Target 2018 Retirement Fund	n.a.	0.90% p.a. of NAV
			AMTD RCM Dynamic Allocation Fund		
			AMTD RCM Stable Growth Fund		
		BCT (MPF) Industry Choice	BCT (Industry) Absolute Return Fund	n.a.	1.52% p.a. of NAV
			BCT (Industry)	n.a.	1.57% p.a. of NAV

Mixed assets fund (maximum equity content)	Trustee	Scheme	Name of CF	Fund class	Management fees payable at CF & APIF levels
			E50 Mixed Asset Fund		
		BCT (MPF) Pro Choice	BCT (Pro) Absolute Return Fund	n.a.	1.32% p.a. of NAV
			BCT (Pro) E50 Mixed Asset Fund	n.a.	1.625% p.a. of NAV
	Bank of Communications Trustee Limited	BCOM Joyful Retirement MPF Scheme	BCOM Stable Growth (CF) Fund	n.a.	0.875% p.a. of NAV
	Bank of East Asia (Trustees) Limited	BEA (MPF) Industry Scheme	BEA (Industry Scheme) Balanced Fund	n.a.	1.20% p.a. of NAV
		BEA (MPF) Master Trust Scheme	BEA (MPF) Balanced Fund	n.a.	1.20% p.a. of NAV
		BEA (MPF) Value Scheme	BEA Balanced Fund	n.a.	0.90% p.a. of NAV
	BOCI-Prudential Trustee Limited	BOC-Prudential Easy-Choice Mandatory Provident Fund	BOC-Prudential Stable Fund	n.a.	1.55% p.a. of NAV



Mixed assets fund (maximum equity content)	Trustee	Scheme	Name of CF	Fund class	Management fees payable at CF & APIF levels
		Scheme			
		My Choice Mandatory Provident Fund Scheme	My Choice Stable Fund	n.a.	0.97% p.a. of NAV
	FWD Pension Trust Limited	FWD MPF Master Trust Basic Scheme	FWD MPF Basic Scheme Stable Growth Portfolio	n.a.	1.56% - 1.875% p.a. of NAV (A flat fee of HK\$6,500 p.a. in relation to valuation of CFs will also be payable by each CF as part of the Fund Administration fee. A flat fee in relation to preparation of financial statements for the CF in the amount of HK\$7,200 p.a. per CF will be payable by all CFs.)
		FWD MPF Master Trust Comprehensive Scheme	FWD MPF Comprehensive Scheme Stable Growth Portfolio	n.a.	1.66% - 1.975% p.a. of NAV (A flat fee of HK\$6,500 p.a. in relation to valuation of CFs will also be payable by each CF as part of the Fund Administration fee. A flat fee in relation to preparation of financial statements for the CFs in the amount of HK\$7,200 p.a. per CF will be payable by all CF.)
	HSBC Institutional Trust Services (Asia) Limited	Fidelity Retirement Master Trust	Stable Growth Fund	n.a.	Up to 1.45% p.a. of NAV
	HSBC Provident Fund Trustee (Hong Kong) Limited	Hang Seng Mandatory Provident Fund -	Stable Fund	n.a.	1.55% p.a. of NAV

Mixed assets fund (maximum equity content)	Trustee	Scheme	Name of CF	Fund class	Management fees payable at CF & APIF levels
		SuperTrust Plus			
		HSBC Mandatory Provident Fund - SuperTrust Plus	Stable Fund	n.a.	1.55% p.a. of NAV
		Schroder MPF Master Trust	Schroder MPF	Class B	0.65% p.a. of NAV
			Stable Growth Portfolio	Ordinary Class	0.85% p.a. of NAV
	Manulife Provident Funds Trust Company Limited	Manulife Global Select (MPF) Scheme	Manulife MPF Fidelity Stable Growth Fund	n.a.	1.95% p.a. of NAV
	Principal Trust Company (Asia) Limited	Principal MPF Scheme Series 600	Principal Stable Yield Fund	Class D	1.25% p.a. of NAV
				Class I	1.49% p.a. of NAV
		Principal MPF Scheme Series 800	Principal Stable Yield Fund	Class D	1.25% p.a. of NAV
				Class I	1.49% p.a. of NAV
	Principal Trust Company (Hong Kong) Limited	Principal MPF - Simple Plan	Principal Stable Fund	n.a.	1.75% p.a. of NAV
		Principal MPF - Smart Plan	Principal Stable Fund	n.a.	1.75% p.a. of NAV
	RBC Investor Services Trust Hong Kong	SHKP MPF Employer	Fidelity Stable Growth Fund	n.a.	0.770% p.a. of NAV

Mixed assets fund (maximum equity content)	Trustee	Scheme	Name of CF	Fund class	Management fees payable at CF & APIF levels
	Limited	Sponsored Scheme	RCM Stable Growth Fund		
		Standard Chartered MPF Plan - Advanced	HSBC MPF "A" - Stable Fund	n.a.	0.730% p.a. of NAV
			Standard Chartered Stable Fund - Advanced	n.a.	0.705% p.a. of NAV
		Standard Chartered MPF Plan - Basic	Standard Chartered Stable Fund - Basic	n.a.	0.705% p.a. of NAV
	Sun Life Trustee Company Limited	Sun Life Rainbow MPF Scheme	Sun Life First State MPF Balanced Portfolio Fund	Class A	Up to 1.775% p.a. of NAV
				Class B	Up to 1.575% p.a. of NAV
			Sun Life First State MPF Stable Income Fund	Class A	Up to 1.775% p.a. of NAV
				Class B	Up to 1.575% p.a. of NAV
			Sun Life RCM MPF Stable	Class A	Up to 1.930% p.a. of NAV
				Class B	Up to 1.730% p.a. of NAV

Mixed assets fund (maximum equity content)	Trustee	Scheme	Name of CF	Fund class	Management fees payable at CF & APIF levels
			Growth Fund		
Mixed Assets Fund (61-80)	Bank Consortium Trust Company Limited	Allianz Global Investors MPF Plan	Allianz Balanced Fund	Class A	1.38% p.a. of NAV
				Class B	1.18% p.a. of NAV
				Class T	1.15% p.a. of NAV
		AMTD MPF Scheme	AMTD Invesco Target 2028 Retirement Fund	n.a.	0.90% p.a. of NAV
				AMTD RCM Balanced Fund	0.90% p.a. of NAV
		BCT (MPF) Industry Choice	BCT (Industry) E70 Mixed Asset Fund	n.a.	1.57% p.a. of NAV
		BCT (MPF) Pro Choice	BCT (Pro) E70 Mixed Asset Fund	n.a.	1.625% p.a. of NAV
		Invesco Strategic MPF Scheme	Balanced Fund	Unit Class A	1.075% p.a. of NAV
				Unit Class H	0.955% p.a. of NAV (The Investment Manager may in its discretion on giving written notice to the Trustee agree a lower rate of management fee for Class H Units of the Global Bond Fund, Capital Stable Fund, Balanced Fund, Growth Fund, Asian Equity Fund, Hong Kong and China

Mixed assets fund (maximum equity content)	Trustee	Scheme	Name of CF	Fund class	Management fees payable at CF & APIF levels
					Equity Fund, RMB Bond Fund (Note: RMB Bond Fund is denominated in HKD only and not in RMB) and Invesco Hang Seng Index Tracking Fund with individual employers eligible for Class H Units.)
	BOCI-Prudential Trustee Limited	BOC-Prudential Easy-Choice Mandatory Provident Fund Scheme	BOC-Prudential Balanced Fund	n.a.	1.55% p.a. of NAV
	China Life Trustees Limited	China Life MPF Master Trust Scheme	China Life Balanced Fund	n.a.	1.05% p.a. of NAV
			China Life Retire-Easy Balanced Fund	n.a.	1.48% p.a. of NAV
	HSBC Institutional Trust Services (Asia) Limited	Fidelity Retirement Master Trust	Balanced Fund	n.a.	Up to 1.45% p.a. of NAV
	HSBC Provident Fund Trustee (Hong Kong) Limited	Hang Seng Mandatory Provident Fund - SuperTrust Plus	Stable Growth Fund	n.a.	1.65% p.a. of NAV
		Hang Seng Mandatory	ValueChoice Stable Growth	n.a.	0.79% p.a. of NAV

Mixed assets fund (maximum equity content)	Trustee	Scheme	Name of CF	Fund class	Management fees payable at CF & APIF levels
		Provident Fund - ValueChoice	Fund		
		HSBC Mandatory Provident Fund - SuperTrust Plus	Stable Growth Fund	n.a.	1.65% p.a. of NAV
		HSBC Mandatory Provident Fund - ValueChoice	ValueChoice Stable Growth Fund	n.a.	0.79% p.a. of NAV
	Manulife Funds Trust Company Limited	Provident Manulife Global Select (MPF) Scheme	Manulife MPF 2015 Retirement Fund	n.a.	1.9% p.a. of NAV
	MassMutual Trustees Limited	MASS Mandatory Provident Fund Scheme	Asian Balanced Fund	n.a.	1.51% - 1.52% p.a. of NAV
			Global Stable Fund	n.a.	1.38% p.a. of NAV. Such rate is exclusive of certain costs and expenses, including but not limited to, the fees and expenses of the Registrar of the Underlying Investment Fund and transaction fees as may from time to time be agreed between the investment manager and the trustee of the Underlying Investment Fund.
	Principal Trust	Principal MPF	Principal Long	Class D	1.25% p.a. of NAV

Mixed assets fund (maximum equity content)	Trustee	Scheme	Name of CF	Fund class	Management fees payable at CF & APIF levels
	Company (Asia) Limited	Scheme Series 600	Term Accumulation Fund	Class I	1.49% p.a. of NAV
		Principal MPF Scheme Series	Principal Long Term	Class D	1.25% p.a. of NAV
		800	Accumulation Fund	Class I	1.49% p.a. of NAV
	RBC Investor Services Trust Hong Kong Limited	SHKP MPF Employer Sponsored Scheme	Fidelity Balanced Fund	n.a.	0.770% p.a. of NAV
			RCM Balanced Fund		
			SHKP MPF Fund	n.a.	0.715% p.a. of NAV
		Standard Chartered MPF Plan - Advanced	Fidelity Global Investment Fund - Balanced Fund	n.a.	0.730% p.a. of NAV
			Invesco Global Balanced Fund		
			RCM Balanced Fund		
			Standard Chartered	n.a.	0.705% p.a. of NAV

Mixed assets fund (maximum equity content)	Trustee	Scheme	Name of CF	Fund class	Management fees payable at CF & APIF levels
			Balanced Fund - Advanced		
			Templeton MPF Asian Balanced Fund	n.a.	0.730% p.a. of NAV
		Standard Chartered MPF Plan - Basic	Standard Chartered Balanced Fund - Basic	n.a.	0.705% p.a. of NAV
	Sun Life Trustee Company Limited	Sun Life Rainbow MPF Scheme	Sun Life RCM	Class A	Up to 1.930% p.a. of NAV
			MPF Balanced Fund	Class B	Up to 1.730% p.a. of NAV
Mixed Assets Fund (81-100)	AIA Company (Trustee) Limited	AIA MPF - Basic Value Choice	Fidelity Growth Fund	n.a.	Up to 2.125% p.a. of NAV
			Growth Portfolio	n.a.	2.00% - 2.08% p.a. of NAV
			Manager's Choice Fund	n.a.	2.00% - 2.18% p.a. of NAV
			RCM Growth Fund	n.a.	2.07% p.a. of NAV (inclusive of the trustee fee at the underlying fund level which is subjected to a minimum of US\$8,000 p.a.)
		AIA MPF - Prime Value	Fidelity Growth Fund	n.a.	Up to 1.875% p.a. of NAV



Mixed assets fund (maximum equity content)	Trustee	Scheme	Name of CF	Fund class	Management fees payable at CF & APIF levels
		Choice	Growth Portfolio	n.a.	1.75% - 1.83% p.a. of NAV
			Manager's Choice Fund	n.a.	1.75% - 1.93% p.a. of NAV
			RCM Growth Fund	n.a.	1.82% p.a. of NAV (inclusive of the trustee fee at the underlying fund level which is subjected to a minimum of US\$8,000 p.a.)
	Bank Consortium Trust Company Limited	Allianz Global Investors MPF Plan	Allianz Growth Fund	Class A	1.38% p.a. of NAV
				Class B	1.18% p.a. of NAV
				Class T	1.15% p.a. of NAV
			Allianz Oriental Pacific Fund	Class A	1.38% p.a. of NAV
				Class B	1.18% p.a. of NAV
				Class T	1.15% p.a. of NAV
		AMTD Scheme MPF	AMTD Invesco Target 2038 Retirement Fund	n.a.	0.90% p.a. of NAV
			AMTD Invesco Target 2048 Retirement Fund		
			AMTD RCM Growth Fund		

Mixed assets fund (maximum equity content)	Trustee	Scheme	Name of CF	Fund class	Management fees payable at CF & APIF levels
		BCT (MPF) Pro Choice	BCT (Pro) E90 Mixed Asset Fund	n.a.	1.45% p.a. of NAV
			BCT (Pro) SaveEasy 2020 Fund	n.a.	1.45% p.a. of NAV (the fee shall be reduced to 1.2% five years prior to reaching the beginning (i.e. 1 January) of the applicable target year)
			BCT (Pro) SaveEasy 2025 Fund		
			BCT (Pro) SaveEasy 2030 Fund		
			BCT (Pro) SaveEasy 2035 Fund		
			BCT (Pro) SaveEasy 2040 Fund		
	Bank Communications Trustee Limited	of BCOM Joyful Retirement MPF Scheme	BCOM Balanced (CF) Fund	n.a.	0.875% p.a. of NAV
			BCOM Dynamic	n.a.	1.125% p.a. of NAV

Mixed assets fund (maximum equity content)	Trustee	Scheme	Name of CF	Fund class	Management fees payable at CF & APIF levels
			Growth (CF) Fund		
	Bank of East Asia (Trustees) Limited	BEA (MPF) Industry Scheme	BEA (Industry Scheme) Growth Fund	n.a.	1.20% p.a. of NAV
		BEA (MPF) Master Trust Scheme	BEA (MPF) Growth Fund	n.a.	1.20% p.a. of NAV
		BEA (MPF) Value Scheme	BEA Growth Fund	n.a.	0.90% p.a. of NAV
	BOCI-Prudential Trustee Limited	BOC-Prudential Easy-Choice Mandatory Provident Fund Scheme	BOC-Prudential Growth Fund	n.a.	1.55% p.a. of NAV
		My Choice Mandatory	My Choice Balanced Fund	n.a.	0.97% p.a. of NAV
		Provident Fund Scheme	My Choice Growth Fund	n.a.	0.99% p.a. of NAV
	China Life Trustees Limited	China Life MPF Master Trust Scheme	China Life Growth Fund	n.a.	1.05% p.a. of NAV

Mixed assets fund (maximum equity content)	Trustee	Scheme	Name of CF	Fund class	Management fees payable at CF & APIF levels
	FWD Pension Trust Limited	FWD MPF Master Trust Basic Scheme	FWD MPF Basic Scheme	n.a.	1.619% p.a. of NAV (A flat fee of HK\$6,500 p.a. in relation to valuation of CFs will also be payable by each CF as part of the Fund Administration fee. A flat fee in relation to preparation of financial statements for the CFs in the amount of HK\$7,200 p.a. per CF will be payable by all CF.)
			Balanced Growth Portfolio		
		FWD MPF Master Trust Comprehensive Scheme	FWD MPF Comprehensive Scheme	n.a.	1.719% p.a. of NAV (A flat fee of HK\$6,500 p.a. in relation to valuation of CFs will also be payable by each CF as part of the Fund Administration fee. A flat fee in relation to preparation of financial statements for the CFs in the amount of HK\$7,200 p.a. per CF will be payable by all CFs.)
	Balanced Growth Portfolio				
	FWD MPF Comprehensive Scheme	FWD MPF Comprehensive Scheme	n.a.	1.66% - 1.975% p.a. of NAV (A flat fee of HK\$6,500 p.a. in relation to valuation of CFs will also be payable by each CF as part of the Fund Administration fee. A flat fee in relation to preparation of financial statements for the CFs in the amount of HK\$7,200 p.a. per CF will be payable by all CFs.)	
		Growth Portfolio			
HSBC Institutional Trust Services (Asia) Limited	Fidelity Retirement Master Trust	Fidelity SaveEasy 2020 Fund	n.a.	Up to 1.45% p.a. of NAV (the fee shall reduce to up to 1.2% p.a. of NAV five years prior to reaching the beginning (i.e. 1 January) of the applicable target year for the particular SaveEasy Fund)	
		Fidelity SaveEasy 2025			

Mixed assets fund (maximum equity content)	Trustee	Scheme	Name of CF	Fund class	Management fees payable at CF & APIF levels
			Fund		
			Fidelity		
			SaveEasy 2030		
			Fund		
			Fidelity		
			SaveEasy 2035		
			Fund		
			Fidelity		
			SaveEasy 2040		
			Fund		
			Fidelity		
			SaveEasy 2045		
			Fund		
			Fidelity		
			SaveEasy 2050		
			Fund		
			Growth Fund	n.a.	Up to 1.45% p.a. of NAV
	HSBC Provident Fund Trustee (Hong Kong) Limited	Hang Seng	Balanced Fund	n.a.	1.70% p.a. of NAV
		Mandatory	Growth Fund	n.a.	1.75% p.a. of NAV
		Provident Fund - SuperTrust			
		Hang Seng	Balanced Fund	n.a.	1.70% p.a. of NAV
		Mandatory	Growth Fund	n.a.	1.75% p.a. of NAV

Mixed assets fund (maximum equity content)	Trustee	Scheme	Name of CF	Fund class	Management fees payable at CF & APIF levels
		Provident Fund - SuperTrust Plus			
		Hang Seng Mandatory Provident Fund - ValueChoice	ValueChoice Balanced Fund	n.a.	0.79% pa of NAV
		HSBC Mandatory Provident Fund - SuperTrust	Balanced Fund	n.a.	1.70% p.a. of NAV
			Growth Fund	n.a.	1.75% p.a. of NAV
		HSBC Mandatory Provident Fund - SuperTrust Plus	Balanced Fund	n.a.	1.70% p.a. of NAV
			Growth Fund	n.a.	1.75% p.a. of NAV
		HSBC Mandatory Provident Fund - ValueChoice	ValueChoice Balanced Fund	n.a.	0.79% p.a. of NAV
		Schroder MPF Master Trust	Schroder MPF	Class B	0.65% p.a. of NAV
			Balanced Investment Portfolio	Ordinary Class	0.85% p.a. of NAV
			Schroder MPF	Class B	0.65% p.a. of NAV

Mixed assets fund (maximum equity content)	Trustee	Scheme	Name of CF	Fund class	Management fees payable at CF & APIF levels
	Manulife Provident Funds Trust Company Limited	Manulife Global Select (MPF) Scheme	Growth Portfolio	Ordinary Class	0.85% p.a. of NAV
			Manulife MPF 2020 Retirement Fund	n.a.	1.9% p.a. of NAV
			Manulife MPF 2025 Retirement Fund		
			Manulife MPF 2030 Retirement Fund		
			Manulife MPF 2035 Retirement Fund		
			Manulife MPF 2040 Retirement Fund		
			Manulife MPF		

Mixed assets fund (maximum equity content)	Trustee	Scheme	Name of CF	Fund class	Management fees payable at CF & APIF levels
			2045 Retirement Fund		
			Manulife MPF Aggressive Fund		
			Manulife MPF Fidelity Growth Fund	n.a.	1.95% p.a. of NAV
			Manulife MPF Growth Fund	n.a.	1.9% p.a. of NAV
	MassMutual Trustees Limited	MASS Mandatory Provident Fund Scheme	Global Growth Fund	n.a.	1.38% p.a. of NAV Such rate is exclusive of certain costs and expenses, including but not limited to, the fees and expenses of the Registrar of the Underlying Investment Fund and transaction fees as may from time to time be agreed between the investment manager and the trustee of the Underlying Investment Fund.
	Principal Trust Company (Asia) Limited	Principal MPF Scheme Series 600	Principal Aggressive Strategy Fund	Class D	1.25% p.a. of NAV
				Class I	1.49% p.a. of NAV
			Principal Global Growth	Class D	1.25% p.a. of NAV
				Class I	1.49% p.a. of NAV



Mixed assets fund (maximum equity content)	Trustee	Scheme	Name of CF	Fund class	Management fees payable at CF & APIF levels
			Fund		
		Principal MPF	Principal	Class D	1.25% p.a. of NAV
		Scheme Series 800	Global Growth Fund	Class I	1.49% p.a. of NAV
	Principal Trust Company (Hong Kong) Limited	Principal MPF - Simple Plan	Principal Balanced Fund	n.a.	1.75% p.a. of NAV
			Principal Growth Fund		
		Principal MPF - Smart Plan	Principal Balanced Fund	n.a.	1.75% p.a. of NAV
			Principal Growth Fund		
	RBC Investor Services Trust Hong Kong Limited	Standard Chartered MPF Plan - Advanced	Fidelity Global Investment Fund - Growth Fund	n.a.	0.730% p.a. of NAV
			HSBC MPF "A" - Balanced Fund		
			RCM Growth Fund		
			Schroder MPF Balanced		

Mixed assets fund (maximum equity content)	Trustee	Scheme	Name of CF	Fund class	Management fees payable at CF & APIF levels
			Investment Fund		
			Standard Chartered Growth Fund - Advanced	n.a.	0.705% p.a. of NAV
		Standard Chartered MPF Plan - Basic	Standard Chartered Growth Fund - Basic	n.a.	0.705% p.a. of NAV
	Sun Life Trustee Company Limited	Sun Life Rainbow MPF Scheme	Sun Life First State MPF	Class A	Up to 1.775% p.a. of NAV
			Progressive Growth Fund	Class B	Up to 1.575% p.a. of NAV

**Mandatory Provident Fund Schemes Authority**  
**January 2016**