

# AIA MPF – Prime Value Choice Restructuring – FAQs

## FAQs relating to the change of underlying fund of the MPF Conservative Fund

### 1. Which constituent fund will have a change of underlying fund?

The underlying fund of the MPF Conservative Fund (the “MCF”) will be changed from PineBridge Hong Kong Dollar Money Market Fund to AIA Pooled Investment Fund Series – HKD Money Market Fund on 18 October 2024.

Correspondingly, the investment manager at the underlying fund level will be changed from PineBridge Investments Hong Kong Limited to AIA Investment Management HK Limited.

### 2. What are the reasons for changing the underlying fund?

The constituent fund level investment manager of the MPF Conservative Fund (the “MCF”) is AIA Investment Management HK Limited (“AIMHK”). By replacing the existing underlying fund, currently managed by PineBridge Investments Hong Kong Limited, with the new underlying fund, which will be managed by AIMHK, the investment manager of the MCF at the constituent fund level and the underlying fund level will be aligned.

The trustee believes this change will facilitate better coordination and communication with respect to investment management at the constituent fund level and the underlying fund level, which can help to enhance the efficiency of the overall MPF investment management arrangement of the MCF.

### 3. Will there be any change to the fund structure of the MPF Conservative Fund (the “MCF”) after the change of underlying fund?

No. The MCF will remain as a feeder fund investing in only one approved pooled investment fund (“APIF”).

AIA Investment Management HK Limited will ensure that the new MCF APIF will aim to follow the same investment objective, balance of investments and risk and return profile of the existing MCF APIF so that the underlying fund change will not cause any change to the investment objective, balance of investments and risk and return profile of the MCF.

### 4. How will the change of underlying fund take place?

The process will involve full redemption of the units held in the existing underlying approved pooled investment fund (“APIF”) of the MPF Conservative Fund (the “MCF”), and application of all redemption proceeds from the existing MCF APIF to subscribe into the new MCF APIF.

No suspension of dealing at the constituent fund level will be required to effect the underlying fund change. By the effective date (i.e. 18 October 2024), it is expected that the MCF will invest solely in the new MCF APIF.

### 5. Will my accrued benefits be affected by the change of underlying fund?

We do not expect the underlying fund change of the MPF Conservative Fund (the “MCF”) to have any adverse impact on members’ interests, including their accrued benefits.

The value of holdings and the number of units of the members investing in the MCF immediately before the MCF underlying fund change will be the same immediately after the MCF underlying fund change.

## **6. Will there be changes to the management fees as a result of the change of underlying fund?**

As a result of the change of underlying fund, the aggregate management fees of the MPF Conservative Fund will be decreased from “up to 0.9850%” to “up to 0.9740%”.

## **7. Will the online service portal or Interactive Voice Response System services be affected by the change of underlying fund?**

There will be no impact on the online service portal or Interactive Voice Response System services in relation to the MPF Conservative Fund’s change of underlying fund.

## **8. Do I need to pay any fees or charges for the MPF Conservative Fund’s change of underlying fund?**

No. All costs of the restructuring will be borne by the trustee.

## **9. Will the change of underlying fund affect the bonus rebate I am entitled to receive?**

No. Bonus rebate (if any) for members of the MPF Conservative Fund will continue to be invested into the MPF Conservative Fund.

## **10. Do I need to change the forms that I am now using?**

No.

## **11. Do I need to take any action if I am investing/have investment mandate in the MPF Conservative Fund?**

If you do not wish to remain investing in and/or invest your future contributions in the MPF Conservative Fund after the change of underlying fund, you may notify the trustee, AIA Company (Trustee) Limited, to switch your unit holdings and/or future investment out of the MPF Conservative Fund (a) by returning to the trustee a valid and complete Investment Mandate Form by post or by fax to 2565 0001, by noon (Hong Kong time) on 17 October 2024; or (b) by submitting a valid and complete fund switching request online via [aia.com.hk](http://aia.com.hk) or our mobile app, before 4:00 p.m. (Hong Kong time) on 17 October 2024.

Paper submission of instructions must reach the trustee at 8/F, AIA Financial Centre, 712 Prince Edward Road East, Kowloon, Hong Kong.

No fees, penalties or bid/offer spread or other transaction costs will be charged or imposed on any such change of investment mandate and fund switching.

## **12. What do I need to do if I would like to transfer out of the AIA MPF – Prime Value Choice (the “Scheme”)?**

Any participating employers or members (other than the employee members) who wish to opt out of the Scheme before the MPF Conservative Fund’s change of underlying fund takes effect may do so by giving a prior written notice in accordance with the sub-section “6.5 Withdrawal from participation in the Scheme” of the MPF Scheme Brochure.

In addition, the employee members may transfer their accrued benefits attributable to their own mandatory contributions to other MPF schemes via the Employee Choice Arrangement in accordance with the governing rules of the Scheme and the relevant laws and regulations. Kindly note that this transfer option may only be exercised once a year.

No fees, penalties, bid/offer spread or other transaction costs will be charged or imposed on any such transfer.

### **13. How can I find out more information about the MPF Conservative Fund's change of underlying fund?**

We will send a notice to all current and newly joined members of the AIA MPF – Prime Value Choice regarding the MPF Conservative Fund's change of underlying fund, you may obtain the relevant information from our website [aia.com.hk](http://aia.com.hk), or by calling the Member Hotline at 2200 6288 / Employer Hotline at 2100 1888.

## **For Participating Employers and Self-employed Persons only**

### **14. Will the change of underlying fund affect my contribution payment arrangements?**

The MPF Conservative Fund's change of underlying fund will not affect your current contribution payment arrangements.

### **15. Do we need to change the forms that we are now using?**

No.

### **16. Will the change of underlying fund of the MPF Conservative Fund affect regular contributions for our employees?**

The regular contributions for employees will not be affected. You can submit the contributions for your employees as usual.

### **17. How will our employees be notified regarding the change of underlying fund?**

We will send a notice to all current and new employee members regarding the MPF Conservative Fund's change of underlying fund.

## FAQs relating to the change of statement of investment policies of the China HK Dynamic Asset Allocation Fund, the Growth Portfolio, the Balanced Portfolio and the Capital Stable Portfolio

### 1. Which constituent funds will have a change of statement of investment policies?

The respective statement of investment policies of the China HK Dynamic Asset Allocation Fund, the Growth Portfolio, the Balanced Portfolio and the Capital Stable Portfolio will be updated on 18 October 2024.

### 2. What are the changes to the statements of investment policies?

- **China HK Dynamic Asset Allocation Fund:** Expand the scope of investment relating to debt securities to cover debt securities denominated in Hong Kong dollars and issued by issuers including corporations, government and government related entities.
- **Growth Portfolio, the Balanced Portfolio and the Capital Stable Portfolio:** Expand the exposure range for both equity and debt securities.

Please see below for details:

|                          | Before the Effective Date (18 October 2024)  | On and after the Effective Date (18 October 2024)   |
|--------------------------|--|---|
| Growth Portfolio         | <ul style="list-style-type: none"><li>• Equity content: Around 90%</li><li>• Bonds, cash and cash-based investments: Around 10%</li></ul>          | <ul style="list-style-type: none"><li>• Equity content: Between 70% and 100%</li><li>• Debt securities and cash or cash-based investments: Between 0% and 30%</li></ul> |
| Balanced Portfolio       | <ul style="list-style-type: none"><li>• Equity content: Around 50%</li><li>• Bonds, cash and cash-based investments: Around 50%</li></ul>          | <ul style="list-style-type: none"><li>• Equity content: Between 35% and 65%</li><li>• Debt securities and cash or cash-based investments: Between 35% and 65%</li></ul> |
| Capital Stable Portfolio | <ul style="list-style-type: none"><li>• Equity content: Around 30%</li><li>• Debt securities and cash/cash-based investments: Around 70%</li></ul> | <ul style="list-style-type: none"><li>• Equity content: Between 15% and 45%</li><li>• Debt securities and cash or cash-based investments: Between 55% and 85%</li></ul> |

### 3. What are the reasons for changing the statements of investment policies ("SIPO")?

We believe the change of SIPO will enhance the performance of the China HK Dynamic Asset Allocation Fund (the "China HK DAA Fund") and the Growth Portfolio, the Balanced Portfolio and the Capital Stable Portfolio (collectively, the "Lifestyle Funds") in the long run.

- **Change of SIPO of the China HK DAA Fund:**
  - o We believe the change of SIPO will increase the flexibility of the Investment Manager and expand the investible universe for the underlying funds of the bond content of the China HK DAA Fund in order to capture the steady growth of the HK dollar-denominated bond market.

- **Change of SIPO of the Lifestyle Funds:**

- o We believe the change of SIPO will increase the flexibility of the Investment Manager and expand the available choices of underlying funds for investment by the Lifestyle Funds.

**4. Will there be any change to the fund structure of the constituent funds after the change of statements of investment policies (“SIPO Changes”)?**

No. The China HK Dynamic Asset Allocation Fund, the Growth Portfolio, the Balanced Portfolio and the Capital Stable Portfolio will each remain as a portfolio management fund investing in two or more approved pooled investment funds (“APIFs”) and/or approved index-tracking collective investment schemes (“Approved ITCISs”).

**5. Will there be changes to the management fees as a result of the change of statements of investment policies (“SIPO Changes”)?**

The SIPO Changes will not give rise to any increase to the management fees of the China HK Dynamic Asset Allocation Fund, the Growth Portfolio, the Balanced Portfolio and the Capital Stable Portfolio.

**6. Will my accrued benefits be affected by the change of statements of investment policies of the China HK Dynamic Asset Allocation Fund, the Growth Portfolio, the Balanced Portfolio and the Capital Stable Portfolio? Will there be any suspension due to these changes?**

We do not expect these changes to have any adverse impact on members’ interests, including their accrued benefits. There is no suspension requirement for the relevant constituent funds due to these changes.

**7. Will the online service portal or Interactive Voice Response System services be affected by the change of statements of investment policies of the China HK Dynamic Asset Allocation Fund, the Growth Portfolio, the Balanced Portfolio and the Capital Stable Portfolio?**

There will be no impact on the online service portal or Interactive Voice Response System services in relation to these changes.

**8. Do I need to pay any fees or charges for the change of statements of investment policies of the China HK Dynamic Asset Allocation Fund, the Growth Portfolio, the Balanced Portfolio and the Capital Stable Portfolio?**

No. All costs of the restructuring will be borne by the trustee.

**9. Will the change of statements of investment policies of the China HK Dynamic Asset Allocation Fund, the Growth Portfolio, the Balanced Portfolio and the Capital Stable Portfolio affect the bonus rebate I am entitled to receive?**

No. Bonus rebate (if any) for members of the relevant constituent funds will continue to be invested into the corresponding constituent fund.

**10. Do I need to change the forms that I am now using?**

No.

### **11. Do I need to take any action if I am investing/have investment mandate in the constituent funds (“CFs”) affected by the change of statements of investment policies?**

If you do not wish to remain investing in and/or invest your future contributions in any of the relevant CFs (i.e. the China HK Dynamic Asset Allocation Fund, the Growth Portfolio, the Balanced Portfolio and the Capital Stable Portfolio) after these changes, you may notify the trustee, AIA Company (Trustee) Limited, to switch your unit holdings and/or future investment out of the relevant CFs (a) by returning to the trustee a valid and complete Investment Mandate Form by post or by fax to 2565 0001, by noon (Hong Kong time) on 17 October 2024; or (b) by submitting a valid and complete fund switching request online via [aia.com.hk](http://aia.com.hk) or our mobile app, before 4:00 p.m. (Hong Kong time) on 17 October 2024.

Paper submission of instructions must reach the trustee at 8/F, AIA Financial Centre, 712 Prince Edward Road East, Kowloon, Hong Kong.

No fees, penalties or bid/offer spread or other transaction costs will be charged or imposed on any such change of investment mandate and fund switching.

### **12. What do I need to do if I would like to transfer out of the AIA MPF – Prime Value Choice (the “Scheme”)?**

Any participating employers or members (other than the employee members) who wish to opt out of the Scheme before the change of statements of investment policies of the China HK Dynamic Asset Allocation Fund, the Growth Portfolio, the Balanced Portfolio and the Capital Stable Portfolio takes effect may do so by giving a prior written notice in accordance with the sub-section "6.5 Withdrawal from participation in the Scheme" of the MPF Scheme Brochure.

In addition, the employee members may transfer their accrued benefits attributable to their own mandatory contributions to other MPF schemes via the Employee Choice Arrangement in accordance with the governing rules of the Scheme and the relevant laws and regulations. Kindly note that this transfer option may only be exercised once a year.

No fees, penalties, bid/offer spread or other transaction costs will be charged or imposed on any such transfer.

### **13. How can I find out more information about the change of statements of investment policies of investment policies of the China HK Dynamic Asset Allocation Fund, the Growth Portfolio, the Balanced Portfolio and the Capital Stable Portfolio?**

We will send a notice to all current and newly joined members of the AIA MPF – Prime Value Choice regarding the change of statements of investment policies, you may obtain the relevant information from our website [aia.com.hk](http://aia.com.hk), or by calling the Member Hotline at 2200 6288 / Employer Hotline at 2100 1888.

## For Participating Employers and Self-employed Persons only

**14. Will the change of statements of investment policies of the China HK Dynamic Asset Allocation Fund, the Growth Portfolio, the Balanced Portfolio and the Capital Stable Portfolio (the “SIPO Changes”) affect my contribution payment arrangements?**

The SIPO Changes will not affect your current contribution payment arrangements.

**15. Do we need to change the forms that we are now using?**

No.

**16. Will the change of statements of investment policies of the China HK Dynamic Asset Allocation Fund, the Growth Portfolio, the Balanced Portfolio and the Capital Stable Portfolio affect regular contributions for our employees?**

The regular contributions for employees will not be affected. You can submit the contributions for your employees as usual.

**17. How will our employees be notified regarding the change of statements of investment policies of the China HK Dynamic Asset Allocation Fund, the Growth Portfolio, the Balanced Portfolio and the Capital Stable Portfolio (the “SIPO Changes”)?**

We will send a notice to all current and new employee members regarding the SIPO Changes.