

# Supplement to the HSBC Mandatory Provident Fund – ValueChoice Principal Brochure

16 July 2018

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This Supplement forms part of the 'Principal Brochure' and should be read in conjunction with the 'Principal Brochure' dated 16 July 2018. If you are in doubt about the meaning or effect of the contents of this document, you should seek independent professional advice.

Please note that the 'Principal Brochure' of the HSBC Mandatory Provident Fund – ValueChoice will be amended as follows:

## **Changes to be effective from 1 November 2018:**

### **Service Providers**

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<<The "**Sponsor**" section will be replaced in its entirety with the following>>

#### **Sponsor and Administrator**

#### **The Hongkong and Shanghai Banking Corporation Limited**

Principal place of business:

1 Queen's Road Central  
Central, Hong Kong

Mailing address:

PO Box 73770  
Kowloon Central Post Office

<<The "**Administrator**" section will be deleted in its entirety without replacement>>

### **Personal data**

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<<This paragraph will be replaced in its entirety with the following>>

To obtain the latest copy of the personal data statement, please write to the Data Protection Officer, HSBC Provident Fund Trustee (Hong Kong) Limited, c/o The Hongkong and Shanghai Banking Corporation Limited, PO Box 73770 Kowloon Central Post Office.

### **Date of this document**

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<<This paragraph will be replaced in its entirety with the following>>

The Hongkong and Shanghai Banking Corporation Limited and HSBC Provident Fund Trustee (Hong Kong) Limited have prepared and accepted responsibility for this document. The contents in this document are accurate as of 1 November 2018.

**Changes to be effected immediately:**

**Hang Seng Index Tracking Fund**

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<<The first and second paragraphs shall be replaced in their entirety with the following>>

The investment objective of the Hang Seng Index Tracking Fund is to match as closely as practicable the performance of the Hang Seng Index by investing directly in an approved ITCIS (Hang Seng Index ETF) with a similar investment objective.

For efficient portfolio management, the approved ITCIS held by the Hang Seng Index Tracking Fund may gain exposure to the Hang Seng Index or its constituent stocks through investing in financial instruments, engaging in borrowings, securities lending and entering into repurchase agreements, as allowed under the applicable laws and regulations.

**Hang Seng China Enterprises Index Tracking Fund**

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<<The first and second paragraphs shall be replaced in their entirety with the following>>

The investment objective of the Hang Seng China Enterprises Index Tracking Fund is to match as closely as practicable the performance of the Hang Seng China Enterprises Index by investing directly in an approved ITCIS (Hang Seng China Enterprises Index ETF) with a similar investment objective.

For efficient portfolio management, the approved ITCIS held by the Hang Seng China Enterprises Index Tracking Fund may gain exposure to the Hang Seng China Enterprises Index or its constituent stocks through investing in financial instruments, engaging in borrowings, securities lending and entering into repurchase agreements, as allowed under the applicable laws and regulations.

**Definitions**

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<<The definition of “**7. Management fees**” shall be replaced in its entirety with the following>>

‘**Management fees**’ includes fees paid to the Trustee, Custodian, Administrator, Investment Manager (including fees based on fund performance, if any) and Sponsor of the scheme for providing their services to the relevant fund. They are usually charged as a percentage of the net asset value (NAV) of a fund.

The fee breakdown of the management fees in respect of each Constituent Fund (“CF”) and its underlying approved pooled investment fund(s) and/or ITCIS(s) (“Underlying Funds”) is as follows:

	Management fees (current level (pa) of the net asset value of the relevant CF and/or Underlying Funds)					
	CF level				Underlying Funds level	
	Sponsor	Administrator	Trustee/ Custodian	Investment Agent	Trustee/ Custodian	Investment Manager
MPF Conservative Fund	0.05%	0.45%	0.055%	-	0.045%	0.15%
Global Bond Fund	0.05%	0.45%	0.055%	-	0.045%	0.19%
ValueChoice Balanced Fund						
Global Equity Fund						
ValueChoice US Equity Fund						
ValueChoice European Equity Fund						
ValueChoice Asia Pacific Equity Fund	0.05%	0.45%	0.055%	0.10%	Up to 0.05%	0.05%
Hang Seng Index Tracking Fund						
Hang Seng China Enterprises Index Tracking Fund						
Core Accumulation Fund#	0.05%	0.41%	0.04%	-	0.03%	0.22%
Age 65 Plus Fund#						

# In the case of the Core Accumulation Fund and the Age 65 Plus Fund, management fees payable to the parties named above (excluding the Custodian), or their delegates, can only (subject to certain exceptions in the ‘MPF Ordinance’) be charged as a percentage of the net asset value of the fund. These management fees are also subject to a statutory daily limit equivalent to 0.75% per annum of the net asset value of the Fund which applies across both the fund and underlying approved pooled investment fund(s) and ITCIS(s).

### **Explanatory notes**

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<<The last sentence of the third paragraph of bullet (d) shall be replaced in its entirety with the following>>

For the Hang Seng Index Tracking Fund and the Hang Seng China Enterprises Index Tracking Fund, on top of the Investment management fee, there are fees payable to the Investment Agent.

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