



Notice to Participating Employers and Members of the HSBC Mandatory Provident Fund – ValueChoice (collectively, ‘Scheme Participants’, ‘you’ or ‘yours’)

The Hongkong and Shanghai Banking Corporation Limited and HSBC Provident Fund Trustee (Hong Kong) Limited have prepared and accepted responsibility of this notice. The contents in this notice are accurate as of the date of its issuance.

March 2019

Important: This notice is important and requires your immediate attention. If you are in any doubt about the content of this notice, you should seek independent professional advice.

Restructuring of the HSBC Mandatory Provident Fund – ValueChoice (the ‘HSBC ValueChoice’), and the HSBC Mandatory Provident Fund – SuperTrust Plus (the ‘HSBC SuperTrust Plus’) (each, a ‘Scheme’ and collectively, the ‘Schemes’)

This notice is in relation to the restructuring of the Schemes whereby the HSBC ValueChoice is to be merged with the HSBC SuperTrust Plus (the ‘Merger’) with effect from 1 July 2019 (the ‘Effective Date’), subject to the relevant regulatory approval.

About the Merger

- With effect from the Effective Date, the Members and the Participating Employers of the HSBC ValueChoice immediately before the Effective Date will automatically become scheme participants of the HSBC SuperTrust Plus. As part of the Merger, the assets of each constituent fund under the HSBC ValueChoice will be transferred to the corresponding constituent fund under the HSBC SuperTrust Plus. Each corresponding constituent fund under the HSBC SuperTrust Plus share the same name, investment objectives and policies, fee level and fees and charges structure with the relevant constituent fund under the HSBC ValueChoice.
- You need not undergo any formality for completing such transfer. However, if you wish to opt out from the Merger, you must submit a valid transfer instruction through the transferee trustee (i.e. the trustee of the Registered Scheme which you wish to transfer to) and such instruction must reach The Hongkong and Shanghai Banking Corporation Limited (‘HSBC Bank’), the Administrator of the HSBC ValueChoice. Please refer to 2.5(b) of this notice for details.

Benefits of the Merger

- The Merger will enable you to enjoy the economies of scale that will allow fixed costs associated with the constituent funds to spread over a larger asset base, with an aim that the fund expense ratio could be lower in the long run.
- A wider and more diversified choice of funds will be offered to you. For details, please refer to 2 of this notice.
- The Merger will be in the interests of the Scheme Participants of the HSBC ValueChoice and there will be no adverse impact on their accrued benefits. In particular, if you are investing in the Core Accumulation Fund under the HSBC ValueChoice, although 2.4(d) of this notice refers to the unit price of this fund differs from that of the Core Accumulation Fund under the HSBC SuperTrust Plus, the balance held by you in respect of the Core Accumulation Fund will be the same immediately before and after the Merger. Please refer to 2.4(d) of this notice for details.
- Also, after the Merger, you will be able to continue to enjoy the services they currently enjoy under the HSBC ValueChoice.

Quick facts of the Merger

- **The board of directors of HPFT (as defined on page 2 of this notice) has endorsed the Merger. Also, the Merger has met the requirements set out in the 'Master Trust Deeds' of each of the HSBC ValueChoice and the HSBC SuperTrust Plus. In particular, the 'Master Trust Deed' of the HSBC ValueChoice confers on HPFT to undergo the Merger without the need to obtain Members' consent.**
- **The costs of the Merger will be borne by HPFT and HSBC Bank (as defined on page 1 of this notice), as agreed between themselves. No costs of the Merger will be borne by the Scheme Participants.**
- **There will be suspension of services due to the Merger. Please refer to 2.5(a) of this notice for details. Also, please observe the cut-off dates/times for certain instructions, as set out in 2.5(b) of this notice if you wish to have your relevant valid instructions to be effective under the HSBC ValueChoice before the Merger.**

How to know more about the Merger

- **Seminars will be held to brief the Scheme Participants on the Merger. Further details of the seminars will be available on HSBC MPF website www.hsbc.com.hk/mpf in or around April 2019.**
- **If you have any questions or concerns about the Merger, please contact the HSBC MPF Member Hotline (852) 3128 0128 or HSBC MPF Employer Hotline (852) 2583 8033.**

We, HSBC Provident Fund Trustee (Hong Kong) Limited ('HPFT', 'we' or 'us'), are the trustee of the Schemes. The information accompanying this notice contains details of the restructuring of the Schemes that is the Merger, pursuant to clause 21A of the trust deed of the HSBC ValueChoice. The Merger is scheduled to take effect on the Effective Date, subject to the relevant regulatory approval. Terms not defined in this notice have the same meaning as in the Principal Brochures of the Schemes.

As your accrued benefits under the HSBC ValueChoice will be automatically transferred to the HSBC SuperTrust Plus as a result of the Merger, you must read this notice carefully. **Any valid request to transfer-out of the HSBC ValueChoice by a Scheme Participant who does not wish to be transferred to the HSBC SuperTrust Plus under the Merger must be submitted through the transferee trustee and reach HSBC Bank, the Administrator of the HSBC ValueChoice, by the Transfer-out Date.** Any such transfer-out, as with the usual transfer-out, will not be subject to any withdrawal conditions, limitations, charges or penalties.

For the purpose of this notice, unless this notice otherwise specifies, a Scheme Participant immediately before the Merger and whose benefits and membership will be automatically transferred to the HSBC SuperTrust Plus is referred to as '**Transferring Participants**'.

1. Key operators and financial year

HSBC ValueChoice and HSBC SuperTrust Plus have the same key operators, that is HPFT being the Trustee and Custodian and HSBC Bank being the Sponsor and Administrator.

Both Schemes have the same financial year end, that is 30 June.

2. Constituent fund(s) ('CF(s)')

2.1 Reasons for merging the CFs

HPFT believes that the Merger will enable the Scheme Participants who invest in the CFs under the HSBC ValueChoice to enjoy the economies of scale that will allow fixed costs to spread over a larger asset base. Therefore, HPFT expects that there will be no prejudice to the interests of the Scheme Participants of the HSBC ValueChoice as a result of the Merger. Details of the CFs under the respective HSBC ValueChoice and HSBC SuperTrust Plus are set out below.

2.2 CFs available under the HSBC ValueChoice and under the HSBC SuperTrust Plus

We set out in the table below:

- (a) the CFs available under the HSBC ValueChoice and the HSBC SuperTrust Plus respectively before the Merger; and
- (b) the CFs available under the HSBC SuperTrust Plus after the Merger:

Types of Fund	Constituent Funds	Available under the HSBC ValueChoice (Before Merger) (each, a 'HSBC ValueChoice CF')	Available under the HSBC SuperTrust Plus (Before Merger) (each, a 'HSBC SuperTrust Plus CF')	Available under the HSBC SuperTrust Plus (After Merger)
Money Market Fund	MPF Conservative Fund*	✓	✓	✓
Bond Fund	Global Bond Fund*	✓	✓	✓
Guaranteed Fund	Guaranteed Fund		✓	✓
Mixed Assets Fund	Age 65 Plus Fund*	✓	✓	✓
	Core Accumulation Fund*	✓	✓	✓
	Stable Fund		✓	✓
	Balanced Fund		✓	✓
	Growth Fund		✓	✓
	ValueChoice Balanced Fund#	✓		✓~ (to be launched on the Effective Date)
Equity Fund	Global Equity Fund#	✓		✓~ (to be launched on the Effective Date)
	North American Equity Fund		✓	✓
	European Equity Fund		✓	✓
	Asia Pacific Equity Fund		✓	✓
	Hong Kong and Chinese Equity Fund		✓	✓
	Chinese Equity Fund		✓	✓
	ValueChoice US Equity Fund#	✓		✓~ (to be launched on the Effective Date)
	ValueChoice European Equity Fund#	✓		✓~ (to be launched on the Effective Date)
	ValueChoice Asia Pacific Equity Fund#	✓		✓~ (to be launched on the Effective Date)
	Hang Seng Index Tracking Fund*	✓	✓	✓
Hang Seng China Enterprises Index Tracking Fund#	✓		✓~ (to be launched on the Effective Date)	

* Those under the HSBC ValueChoice are the 'Matching HSBC ValueChoice CFs' and those under the HSBC SuperTrust Plus are the 'Matching HSBC SuperTrust Plus CFs', for the purpose of this notice.

These CFs under the HSBC ValueChoice are, for the purpose of this notice, 'Original HSBC ValueChoice CFs'.

~ These CFs to be launched under the HSBC SuperTrust Plus are, for the purpose of this notice, the 'Replicate HSBC ValueChoice CFs'.

2.3 Fund mapping

It is proposed that each CF available under the HSBC ValueChoice will be merged into the relevant corresponding CF available under the HSBC SuperTrust Plus with the same names, investment objectives and policies, fee levels and fees and charges structure. Please refer to the diagram below:

HSBC ValueChoice		HSBC SuperTrust Plus
MPF Conservative Fund	⇒	MPF Conservative Fund
Global Bond Fund	⇒	Global Bond Fund
Age 65 Plus Fund	⇒	Age 65 Plus Fund
Core Accumulation Fund	⇒	Core Accumulation Fund
ValueChoice Balanced Fund	⇒	ValueChoice Balanced Fund (to be established)
Global Equity Fund	⇒	Global Equity Fund (to be established)
ValueChoice US Equity Fund	⇒	ValueChoice US Equity Fund (to be established)
ValueChoice European Equity Fund	⇒	ValueChoice European Equity Fund (to be established)
ValueChoice Asia Pacific Equity Fund	⇒	ValueChoice Asia Pacific Equity Fund (to be established)
Hang Seng Index Tracking Fund	⇒	Hang Seng Index Tracking Fund
Hang Seng China Enterprises Index Tracking Fund	⇒	Hang Seng China Enterprises Index Tracking Fund (to be established)

What fund offering structure do the HSBC ValueChoice and the HSBC SuperTrust Plus have in common?

- (a) **A Matching HSBC ValueChoice CF shares the same name, investment objective and policy, fee level and fees and charges structure with the relevant Matching HSBC SuperTrust Plus CF.**
There are altogether five Matching HSBC ValueChoice CFs.
- (b) **Each of the Matching HSBC ValueChoice CFs and the Matching HSBC SuperTrust Plus CFs, other than the Hang Seng Index Tracking Fund, is a feeder fund investing solely in an underlying approved pooled investment fund ('APIF'). Each underlying APIF is established in the form of a unit trust. Hang Seng Index Tracking Fund is a feeder fund investing in an approved index tracking collective investment scheme ('approved ITCIS') with a similar investment objective. The underlying APIF and/or (in the case of Hang Seng Index Tracking Fund) approved ITCIS, of each of the Matching HSBC ValueChoice CFs is identical to that of the relevant Matching HSBC SuperTrust Plus CF.**

What fund offering the HSBC ValueChoice has while the HSBC SuperTrust Plus does not?

- (c) Six Replicate HSBC ValueChoice CFs will be launched under the HSBC SuperTrust Plus on the Effective Date. The six Replicate HSBC ValueChoice CFs have the same names, investment objectives and policies, underlying APIF/approved ITCIS (as the case may be), fee levels and fees and charges structure as the corresponding Original HSBC ValueChoice CFs. The issue price of each Replicate HSBC ValueChoice CF will be the same as the unit price of the corresponding Original HSBC ValueChoice CF immediately before the Merger.
- (d) The establishment of the Replicate HSBC ValueChoice CFs will diversify the CFs offering such that the number of CFs under the HSBC SuperTrust Plus will be increased from 14 to 20. In particular, three CFs with preference towards ITCIS, namely, the ValueChoice Balanced Fund, the ValueChoice US Equity Fund and the ValueChoice European Equity Fund, will be added to the HSBC SuperTrust Plus.

What fund offering will the HSBC SuperTrust Plus have upon the Merger?

- (e) The six Replicate HSBC ValueChoice CFs, together with the five Matching HSBC SuperTrust Plus CFs, will be having the investment objectives and policies, fee levels and fees and charges structure the same as those for the existing eleven HSBC ValueChoice CFs now.

- (f) The establishment of the Replicate HSBC ValueChoice CFs, together with the Balanced Fund, the North American Equity Fund and the European Equity Fund, which are actively managed and already included in the HSBC SuperTrust Plus, will offer the Transferring Participants a set of actively managed funds and funds with preference towards ITCIS(s) on one platform in the same asset classes. The HSBC SuperTrust Plus will provide a platform with more comprehensive choices to the Transferring Participants to meet their own preference and risk profile.

2.4 Merger of the CFs

In order to achieve the merger of each HSBC ValueChoice CF into the relevant Matching HSBC SuperTrust Plus CF or Replicate HSBC ValueChoice CF (as the case may be), it is proposed that:

- (a) Given the investment objective and structure of each HSBC ValueChoice CF are the same as the relevant Matching HSBC SuperTrust Plus CF or Replicate HSBC ValueChoice CF (as the case may be), each HSBC ValueChoice CF will be merged into the relevant Matching HSBC SuperTrust Plus CF or Replicate HSBC ValueChoice CF (as the case may be).
- (b) The accrued benefits of each Transferring Participant will be redeemed and utilised to subscribe for units in the relevant Matching HSBC SuperTrust Plus CF or Replicate HSBC ValueChoice CF (as the case may be) on the Effective Date, based on the applicable redemption and subscription prices as of the valuation day immediately before the Effective Date, that is the last dealing day of the HSBC ValueChoice. We consider that the above arrangement will be able to minimise any potential market risks and fluctuation in the price of the investments. Further, the redemption will be in specie and not in cash to avoid out-of-market exposure arising from a cash redemption. The balance held by a Transferring Participant under the HSBC ValueChoice immediately before the Merger will be the same as that held by the Transferring Participant under the HSBC SuperTrust Plus immediately after the Merger.
- (c) Other than the Core Accumulation Fund, because the unit price of a HSBC ValueChoice CF is the same as the relevant Matching HSBC SuperTrust Plus CF or Replicate HSBC ValueChoice CF, **the total number of units and the value of those units in a Matching HSBC SuperTrust Plus CF or Replicate HSBC ValueChoice CF (as the case may be) held by a Transferring Participant immediately after the Merger would be the same as the total number of units and the value of those units in the HSBC ValueChoice CF held by the Transferring Participant immediately before the Merger.** The tables below illustrate how the same number of units and unit value is to be transferred from a HSBC ValueChoice CF to a Matching HSBC SuperTrust Plus CF or Replicate HSBC ValueChoice CF:

Before the Merger – HSBC ValueChoice [#]					
Fund Code	Unit Price (HK\$) immediately before the Merger*	Account Balance – Employer Mandatory Contribution		Account Balance – Member Mandatory Contribution	
		No. of units	HK\$	No. of units	HK\$
HSIF	25.00	10.000	250.00	10.000	250.00
GBF	20.00	20.000	400.00	20.000	400.00
		Total:	650.00	Total:	650.00

After the Merger – HSBC SuperTrust Plus [#]					
Fund Code	Unit Price (HK\$) immediately after the Merger*	Account Balance – Employer Mandatory Contribution		Account Balance – Member Mandatory Contribution	
		No. of units	HK\$	No. of units	HK\$
HSIF	25.00	10.000	250.00	10.000	250.00
GBF	20.00	20.000	400.00	20.000	400.00
		Total:	650.00	Total:	650.00

HSIF refers to Hang Seng Index Tracking Fund and GBF refers to Global Bond Fund.

Note:

[#] The above is hypothetical illustration that applies to all HSBC ValueChoice CFs except the Core Accumulation Fund. The hypothetical illustration is for reference only.

* The unit price will be calculated using the fund price as at 28 June 2019, the last dealing day immediate before the Effective Date.

- (d) The unit price of the Core Accumulation Fund under the HSBC ValueChoice is, however, **not** the same as that of the Matching HSBC SuperTrust Plus CF. This is because the Core Accumulation Funds under each of the HSBC ValueChoice and the HSBC SuperTrust Plus were established through converting the ValueChoice Stable Growth Fund and the Stable Growth Fund under these Schemes respectively, and the fund prices of the stable growth funds immediately before the conversion were not the same. As such, the number of units held by the Transferring Participant in the Matching HSBC SuperTrust Plus CF after the Merger will be lesser (because the unit price per unit in the Matching HSBC SuperTrust Plus CF is higher), but **the balance held by a Transferring Participant under the Core Accumulation Fund under the HSBC ValueChoice will be the same as the balance held by the Transferring Participant in the corresponding HSBC SuperTrust Plus CF after the Merger.** The unit price difference will not have any financial impact, whether immediate or ongoing, on the Transferring Participant. The tables below illustrate how the number of units and unit value is to be transferred from the Core Accumulation Fund under the HSBC ValueChoice to the Matching HSBC SuperTrust Plus CF:

Before the Merger – HSBC ValueChoice					
Fund Code	Unit Price (HK\$) immediately before the Merger	Account Balance – Employer Mandatory Contribution		Account Balance – Member Mandatory Contribution	
		No. of units	HK\$	No. of units	HK\$
CAF	12.00	100.000	1,200.00	100.000	1,200.00

After the Merger – HSBC SuperTrust Plus					
Fund Code	Unit Price (HK\$) immediately after the Merger	Account Balance – Employer Mandatory Contribution		Account Balance – Member Mandatory Contribution	
		No. of units	HK\$	No. of units	HK\$
CAF	15.00	80.000	1,200.00	80.000	1,200.00

CAF refers to Core Accumulation Fund

Note:

The above is hypothetical illustration and for reference only.

As of 31 January 2019, CAF unit price under the HSBC SuperTrust Plus and the HSBC ValueChoice is HK\$17.76 and HK\$12.09 respectively.

- (e) No bid and offer spreads or other transaction costs will be levied in respect of the redemptions and subscriptions of units of the CFs of the Schemes or underlying APIFs or approved ITCISs to effect the Merger.
- (f) As **the overall fees and charges payable by the Transferring Participants under the HSBC SuperTrust Plus in respect of the Matching HSBC SuperTrust Plus CFs and Replicate HSBC ValueChoice CFs immediately after the Merger will be the same as the overall fees and charges payable by them under the HSBC ValueChoice immediately before the Merger,** the Merger will not in itself have any adverse financial impact on the interests of the Transferring Participants.
- (g) The costs of the Merger will be borne by HPFT and HSBC Bank, as agreed between themselves. No costs of the Merger will be borne by the Scheme Participants.

2.5 Suspension

- (a) Suspension of services

To facilitate smooth transition and system migration for the purpose of the Merger, **the webpage ‘MPF/ORSO’ on Personal Internet Banking and interactive voice response system (the ‘IVRS’) will be suspended from 4 pm, 27 June 2019 to 11.59 pm, 1 July 2019 (both days inclusive).** A message regarding the suspension of services will be posted at HSBC MPF website and recorded in the IVRS. During the above suspension period, no dealing instruction and enquiry can be made via Personal Internet Banking (excluding enquiry of ‘Projection on MPF Benefits’ on Personal Internet Banking) or IVRS.

For the avoidance of doubt, other than the suspension period specified above, dealing instructions through Personal Internet Banking or IVRS will be processed in the normal business manner, subject to the terms already set out on the relevant webpage or IVRS. In particular, **dealing instructions through Personal Internet Banking or IVRS received before the suspension period will be completed before the Effective Date, subject to the terms already set out on the relevant webpage or IVRS (as applicable).**

Kindly note however that **Business Internet Banking and its webpage will not be suspended.**

(b) Cut-off dates/times for dealing instructions

Scheme Participants may submit valid dealing instructions to the Administrator by the following respective cut-off dates/times in order to have their instructions processed under the HSBC ValueChoice before the Effective Date:

Instruction	Received on or before
Participating Employers and Members	
Contribution	Via Business Internet Banking: 11.59 pm, 20 June 2019 By DDA – 20 June 2019 By Cheque – 21 June 2019 By Direct Credit – 24 June 2019
	Via paper form: 17 June 2019 By DDA – 17 June 2019 By Cheque – 18 June 2019 By Direct Credit – 19 June 2019
Members	
Portfolio rebalance ¹ /asset switch of existing balance ² /contribution redirection ³	Via Personal Internet Banking or IVRS [^] : 4 pm, 27 June 2019
	Via paper form: 21 June 2019
Redemption* (including all types of claim reasons, but excluding transfer-out)	Via paper form: 11 June 2019
Participating Employers and Members	
Transfer-out*	Any valid transfer instruction [#] through the transferee trustee must reach the Administrator by: <ul style="list-style-type: none"> • Scheme – 11 June 2019 • Member <ul style="list-style-type: none"> o Non ECA (Employee Choice Arrangement) – 11 June 2019 o ECA – 13 June 2019 <p>(each date in this cell is the 'Transfer-out Date')</p>

* These instructions cannot be processed via Business Internet Banking, Personal Internet Banking or IVRS.

[^] Asset switch of existing balance instruction cannot be processed via IVRS.

[#] Any valid request to transfer-out must be accompanied by a transfer form completed by all relevant parties, including the transferee trustee.

The respective dates in the table above were determined by reference to the time required for the relevant transactions to be processed in the normal business manner, and the Effective Date of the Merger.

Valid dealing instructions given by the Scheme Participants after the respective dates in the table above will also be processed in the normal business manner. However, note that dealing instructions cannot be given via Personal Internet Banking or IVRS during the period from 4 pm, 27 June 2019 to 11.59 pm, 1 July 2019 (both days inclusive) as described in (a) of this section above.

¹ Change the investment allocation of existing investments, new contributions and transfer-in benefits.

² Change the investment allocation of existing investments only.

³ Change the investment allocation of the new contributions and transfer-in benefits.

If any instructions (including any transfer-in instructions) cannot be effected under the HSBC ValueChoice before the Effective Date, they will be carried out under the HSBC SuperTrust Plus as soon as practicable after the Effective Date as if the instructions were given under the HSBC SuperTrust Plus. **In particular, any valid request to transfer-out of the HSBC ValueChoice by a Scheme Participant who does not wish to be transferred to the HSBC SuperTrust Plus under the Merger must be submitted through the transferee trustee and reach the Administrator by the Transfer-out Date.**

All other instructions, such as updating members' records and particulars, will continue to be handled and processed in the normal business manner.

Where the Scheme Participant also participates in the HSBC SuperTrust Plus, his/her dealing instructions with respect to the HSBC SuperTrust Plus CF will not be subject to the cut-off dates/times in the table above.

3. Transfer of membership

3.1 Generally

With effect from the Effective Date, Transferring Participants will become scheme participants of the HSBC SuperTrust Plus. The HSBC SuperTrust Plus Trustee will maintain accounts in respect of each Transferring Participant under the HSBC SuperTrust Plus.

3.2 Participation agreements and other instructions under the HSBC ValueChoice

- (a) On and with effect from the Effective Date, all participation agreements, application forms, enrolment forms, investment mandates and any other agreements or instructions including direct debit instructions and any outstanding instructions (including any amendments thereto) validly executed or given to the HSBC ValueChoice Trustee by the Transferring Participants will become applicable to the participation of such Transferring Participants in the HSBC SuperTrust Plus and will take effect as if the same had been executed or given to the HSBC SuperTrust Plus Trustee under the HSBC SuperTrust Plus. In addition, the governing rules of the HSBC SuperTrust Plus will apply to the Transferring Participants after the Merger.
- (b) On and with effect from the Effective Date, investment mandates for the HSBC ValueChoice CFs shall become investment mandates for the respective Matching HSBC SuperTrust Plus CFs or Replicate HSBC ValueChoice CFs (as the case may be). The investment mandates will apply to the future contributions and transfer-in benefits paid to the HSBC SuperTrust Plus. **The investment allocation of the accrued benefits to be transferred from the HSBC ValueChoice to the HSBC SuperTrust Plus immediately after the Merger will be the same as the investment allocation applicable to such accrued benefits immediately before the Merger.**

3.3 Dual membership under both the HSBC ValueChoice and the HSBC SuperTrust Plus

Where a Transferring Participant is also a member under the HSBC SuperTrust Plus, the above arrangement in 3.2 only applies to the Transferring Participant under the HSBC ValueChoice and will not affect his/her participation, including the arrangement of investment mandate and future contributions, in the HSBC SuperTrust Plus. No action is required of such a Transferring Participant in respect of his/her participation in the HSBC SuperTrust Plus.

3.4 Payment

On and with effect from the Effective Date, all payments formerly made to the HSBC ValueChoice should be made payable to **'HSBC MPF SuperTrust Plus'** or **'HSBC Provident Fund Trustee (Hong Kong) Limited A/C HSBC Mandatory Provident Fund – SuperTrust Plus'**.

4. Notification regarding the transfer

Transfer and confirmation statements informing each Transferring Participant of the units and corresponding amounts that are transferred out of each relevant HSBC ValueChoice CF and transferred to the relevant Matching HSBC SuperTrust Plus CF or Replicate HSBC ValueChoice CF (as the case may be) will be sent by post to the last known address of each Transferring Participants in or around August 2019. The transfer-out amounts and transfer-in amounts stated in the transfer and confirmation statements will be in the same decimal places with exactly the same amounts (that is no deviation will be noted from the amounts including decimal places). In the interim pending the receipt of the transfer and confirmation statements, from 2 July 2019 onwards, you may check the account balances via Personal Internet Banking, IVRS and ATM and check the transfer-in and transfer-out amounts from the HSBC MPF Member Hotline or HSBC MPF Employer Hotline (please refer to 6.3 below for details).

5. Recognition of scheme service years and benefit entitlement

Notwithstanding the Merger, **the scheme service years and benefit entitlement for all Transferring Participants under the HSBC ValueChoice will be recognised under the HSBC SuperTrust Plus after the Merger.**

6. Default investment arrangement

- 6.1 The default investment arrangement under each of the Schemes is the MPF Default Investment Strategy (as described on pages 4 to 9 of the 'Principal Brochure' of the HSBC ValueChoice). Accordingly, where a Transferring Participant is currently under the MPF Default Investment Strategy ('DIS'), the contributions payable by or in respect of him/her after the Merger will be invested according to the MPF Default Investment Strategy (as described on pages 4 to 8 of the 'Principal Brochure' of the HSBC SuperTrust Plus), the default investment arrangement under the HSBC SuperTrust Plus.
- 6.2 To ensure smooth transition and taking into account that both 29 and 30 June 2019 are not dealing days, no DIS de-risking under the HSBC ValueChoice will take place during the period from 28 June 2019 to 30 June 2019 (both dates inclusive). After the Merger, the first DIS de-risking under the HSBC SuperTrust Plus will take place on 2 July 2019, the first available dealing day after the Merger.
- 6.3 If you wish to have more details of the HSBC SuperTrust Plus, please visit HSBC MPF website www.hsbc.com.hk/mpf or contact the HSBC MPF Member Hotline (852) 3128 0128 or HSBC MPF Employer Hotline (852) 2583 8033.

7. Trust deed and Principal Brochure

The Scheme Participants may wish to inspect copies of the master trust deed of the HSBC SuperTrust Plus by visiting the Administrator's offices during normal business hours, free of charge or obtain copies from the Administrator at a cost of HK\$500 each. Should you wish to visit the Administrator's offices to inspect copies of the master trust deed, please call HSBC MPF Employer Hotline on (852) 2583 8033 or HSBC MPF Member Hotline on (852) 3128 0128 to arrange for an appointment.

To preserve the environment by reducing paper usage, the Trustee will not be sending a copy of the 'Principal Brochure' of the HSBC SuperTrust Plus to the Scheme Participants. Scheme Participants may wish to review the Principal Brochure to understand more about the details of the HSBC SuperTrust Plus. The 'Principal Brochure' of the HSBC SuperTrust Plus is available on HSBC MPF website for download. If you wish to request a copy of the 'Principal Brochure' of the HSBC SuperTrust Plus, please contact the HSBC MPF Member Hotline (852) 3128 0128 or HSBC MPF Employer Hotline (852) 2583 8033.

8. Seminars

Seminars will be held to brief the Scheme Participants on the Merger. Further details of the seminars will be available on HSBC MPF website www.hsbc.com.hk/mpf in or around April 2019.

9. Impacts of the Merger on Scheme Participants

As the Trustee of the Schemes, **we are committed to ensuring that the interests of our scheme participants are adequately protected in the Merger and that the Merger would not create any adverse impact on the accrued benefits of the scheme participants of the Schemes. Also, after the Merger, the Transferring Participants will be able to continue to enjoy the services they currently enjoy under the HSBC ValueChoice.** The Merger has been structured to ensure that accrued benefits of the scheme participants of the Schemes are adequately protected. The Merger will be in the interests of the Scheme Participants of the HSBC ValueChoice and there will be no adverse impact on the accrued benefits and services currently enjoyed by the Scheme Participants of the HSBC ValueChoice. **In this regard, note that you may continue to access Personal Internet Banking or Business Internet Banking (as the case may be) after the Merger by your existing username and password.**

We will keep you informed in case of any changes in the arrangements in relation to the Merger and will let you know if any actions need to be taken by you. In this connection, please notify us at your earliest convenience if there is any change of your correspondence address.

Frequently Asked Questions on the Merger have been posted at HSBC MPF website www.hsbc.com.hk/mpf. If you have any questions or concerns about the Merger, please do not hesitate to contact the HSBC MPF Member Hotline (852) 3128 0128 or HSBC MPF Employer Hotline (852) 2583 8033.

Issued by The Hongkong and Shanghai Banking Corporation Limited and HSBC Provident Fund Trustee (Hong Kong) Limited

Note: Investment involves risks. Past performance is not indicative of future performance. The value of financial instruments, in particular stocks and shares, and any income from such financial instruments, may go down as well as up. For further details including the product features and risks involved, please refer to the relevant 'Principal Brochure'.