

**AMTD MPF SCHEME (the “Plan”)  
NOTICE TO PARTICIPATING EMPLOYERS AND MEMBERS**

**This document is important and requires your immediate attention. If you are in any doubt about the contents of this document, you should seek independent professional financial advice.**

The directors of AMTD Asset Management Limited (the “**Sponsor**”), accepts responsibility for the information contained in this document as being accurate as at the date of this document.

Unless otherwise defined herein, terms used in this document bear the same meaning as in the principal brochure dated May 2010, as amended by a first addendum dated October 2012, a second addendum dated July 2013, a third addendum dated December 2013 and a fourth addendum dated January 2014 (collectively, the “**Principal Brochure**”).

**Key points relating to withdrawal of accrued benefits by instalments**

1. From 1 February 2016, Members who reach the age of 65 or retire after the age of 60 may choose to withdraw their accrued benefits attributable to mandatory contributions and if applicable, voluntary contributions by instalments by submitting a claim form specifying the exact amount of withdrawal.
2. Please note that bank charges may apply if Members choose to be paid the withdrawal amount directly to their bank account.
3. The claim form for withdrawal by instalments is available at AMTD website at [www.amtd.com.hk](http://www.amtd.com.hk) and AMTD MPF Hotline at 3161 3688.

Dear Participating Employer / Member,

Thank you for your continued support of the Plan.

We are writing to inform you that certain changes will be made to the Principal Brochure and the Trust Deed to reflect certain changes to be effected under the Mandatory Provident Fund Schemes (Amendment) Ordinance 2015 (“**Amendment Ordinance**”), as well as for enhancement of disclosures and updates of information.

These changes under the Amendment Ordinance generally take effect in two stages: (i) 1 August 2015, and (ii) 1 February 2016. Please find below further information about these changes.

**I. Key changes that took effect from 1 August 2015**

**1. Terminal illness**

With effect from 1 August 2015, in addition to the existing grounds for withdrawal of all accrued benefits (i.e. accrued benefits derived from both mandatory and voluntary contributions), namely reaching retirement age of 65, early retirement, total incapacity, permanent departure from Hong Kong, small balance and death, Members will also be entitled to withdraw accrued benefits on the ground of terminal illness.

Please note that in the case of an employee member, depending on the terms of the relevant participation agreement, an employee member may or may not be entitled to withdraw his accrued benefits attributable to voluntary contributions without cessation of employment.

The existing grounds on which a Member is entitled to receive accrued benefits will remain unchanged.

Members who wish to make a claim on the ground of terminal illness are required to submit the specified form(s) that will be available from the Trustee and provide the prescribed supporting documents as specified in the relevant form(s).

## **2. Payment of benefits**

With effect from 1 August 2015, the Trustee will pay to the Member the accrued benefits not later than the later of (i) 30 days after the date on which the claim is lodged and (ii) 30 days after the contribution day in respect of the last contribution period that ends before the claim is lodged (or such other period as may be prescribed by the MPF Ordinance or the Regulation) and in such manner as are set out in the Rules and in accordance with the MPFS Ordinance and the Regulation.

Please note that payment may be delayed if the claimant fails to satisfy the Trustee that he or she is entitled to the benefits, or in circumstances where the Trustee has grounds to postpone payment under the MPFS Ordinance or the Regulation.

## **3. Membership certificate**

With effect from 1 August 2015, Members newly enrolled in the Plan will no longer receive a membership certificate and a notice of acceptance from the Trustee. Such new Members will instead receive a notice of participation within 30 days after the later of (a) the date on which all the information required for the application is submitted and (b) the date on which the Member agrees to comply with the governing rules of the Plan.

## **4. Other changes under the Amendment Ordinance**

The Trust Deed will be amended to reflect the above changes (where applicable), as well as the following changes, with immediate effect:

- enhancing the provisions in relation to the deduction of necessary transactions costs;
- reflecting that establishment of new constituent funds is subject to Mandatory Provident Fund Schemes Ordinance;
- clarifying the handling of claims by a committee of estate appointed under Mental Health Ordinance pursuant to s.165A of the Mandatory Provident Fund Schemes Ordinance (General) Regulation;
- reflecting that notice can be given by such means as may be prescribed by the Mandatory Provident Fund Schemes (General) Regulation; and
- enhancing the provisions in relation to disclosure of information to regulators and other permitted organizations.

## **II. Key changes that will take effect from 1 February 2016 - Phased withdrawal**

With effect from 1 February 2016, a Member who (i) reaches the age of 65 or (ii) permanently ceases employment or self-employment after reaching the age of 60 (“**Eligible Member**”) may elect to have his benefits accrued under the Plan (“**Eligible Benefits**”) derived from mandatory contributions and, where applicable, voluntary contributions, paid in a lump sum or by instalments. Such election is not available in other circumstances when a Member becomes entitled to benefits in respect of mandatory and/or voluntary contributions and the benefits will be paid in a lump sum only.

If an Eligible Member elects to have his Eligible Benefits paid by instalments, for each instalment, he is required to give instructions to the Trustee by submitting a separate claim form (available at AMTD website at [www.amtd.com.hk](http://www.amtd.com.hk) and AMTD MPF Hotline at 3161 3688) specifying the amount of withdrawal. Please note that bank charges may apply if Members choose to be paid the withdrawal amount directly to their bank account.

Such withdrawal instructions will apply to benefits both in respect of mandatory contributions and, where applicable, voluntary contributions, on a pro-rata basis. For example, if an Eligible Member is entitled to accrued benefits of HK\$80,000 which are derived from mandatory contributions (“**Mandatory Benefits**”) and HK\$20,000 which are derived from voluntary contributions (“**Voluntary Benefits**”), and the Eligible Member wishes to withdraw HK\$5,000, then HK\$4,000 will be withdrawn from the Mandatory Benefits, and HK\$1,000 will be withdrawn from the Voluntary Benefits, in proportion to the benefits attributable to mandatory contributions and voluntary contributions, respectively.

To meet each instalment payment, the units in all of the constituent funds invested by the Eligible Member will be realised on a pro-rata basis, or in such other manner as the Trustee shall, in consultation with the Sponsor, deem appropriate and notify the relevant Eligible Member.

Eligible Members should note that in the case of withdrawal by instalment, any balance remaining in an Eligible Member’s account will continue to be invested in the relevant constituent fund(s) and therefore subject to investment risks.

If accrued benefits are paid out by instalment upon request, subject as otherwise provided by the Regulation, unless otherwise agreed between the Trustee and the Eligible Member, each instalment shall be paid no later than 30 days (or such other period as may be prescribed by the Regulation) after the date on which the Eligible Member instructs the Trustee to pay that instalment in accordance with the specified form.

Save as disclosed above, no fees or financial penalties shall be charged or imposed for payment of benefits other than an amount representing the necessary transaction costs that are incurred, or reasonably likely to be incurred, by the Trustee in selling or purchasing investments in order to give effect to the payment and are payable to a party other than the Trustee.

### **III. Other matters**

#### **1. Offsetting of severance payments or long service payments**

The relevant disclosures in the Principal Brochure will be enhanced with immediate effect to clarify that, in respect of severance or long service payment due to a Member from a participating employer, unless otherwise stated in the relevant participation agreement, such amount will be set off from the participating employer’s contributions made in respect of that Member, first against the accrued benefits derived from the vested portion of the participating employer’s voluntary contribution and then against the accrued benefits derived from the participating employer’s mandatory contribution.

#### **2. Change of the name and registered office of the Sponsor**

The Sponsor has changed its name from “AMTD Financial Planning Limited” to “AMTD Asset Management Limited”. The Sponsor has also change its registered office to Room 2501-2503, 25/F, World Trade Centre, 280 Gloucester Road, Causeway Bay, Hong Kong.

The aforesaid changes took effect from 31 Dec 2014.

**3. Change of Name of one of the Investment Manager**

The name of RCM Asia Pacific Limited, one of the investment managers of the constituent funds in the Plan, changed to “Allianz Global Investors Asia Pacific Limited” with effect from 1 June 2015.

**4. Amendments to Principal Brochure and Trust Deed**

The Principal Brochure will be revised to reflect the above changes, where applicable and the Trust Deed of the Plan will be amended by way of a second supplemental deed (“Second Supplemental Deed”) to reflect the relevant changes under the Amendment Ordinance.

The changes described in this Notice are in summary form only. Members should review the revised Principal Brochure for further details on the changes made.

The revised Principal Brochure, the Trust Deed (including the supplemental deeds) will be available during normal working hours at the offices of the Trustee and the Sponsor free of charge upon request.

The revised Principal Brochure and the Second Supplemental Deed are expected to be available from Dec 2015.

Should you have any enquiries regarding the changes, please contact AMTD MPF Hotline at 3161 3688.

Yours faithfully,

AMTD Asset Management Limited

Dec 2015