

August 18, 2009

Dear MASS Mandatory Provident Fund Scheme ("Scheme") Members,

**Change of name of the Capital Preservation Fund to MPF Conservative Fund**

In order to better reflect the nature of a capital preservation fund, the name of the Capital Preservation Fund of the Scheme will be changed to MPF Conservative Fund with effect from September 30, 2009. This change will not affect the investment policy or objective of the fund.

**Legg Mason Fund Series**

As advised by one of the Scheme's Investment Managers, Legg Mason Asset Management Hong Kong Limited ("Legg Mason"), the following changes shall be applicable to the Legg Mason Fund Series generally or the specified investment funds, as the case may be.

**1. Investment Policy of the Legg Mason Fund Series**

Certain clarifications are made to the investment policy of the underlying investment funds of the Hong Kong Equities Fund, MPF Conservative Fund, Guaranteed Fund, Global Stable Fund and Global Growth Fund of the Scheme respectively. Despite the clarifications, the investment objectives and policy of the said constituent funds of the Scheme shall remain unchanged. The clarifications shall not have any impact on the current portfolio of the respective underlying funds or the manner in which they are currently being managed.

**2. Change of name of the Legg Mason Preservation Fund to Legg Mason Money Market Fund**

As advised by Legg Mason, the name of the underlying investment fund of the MPF Conservative Fund will be changed from Legg Mason Preservation Fund to Legg Mason Money Market Fund with effect from September 30, 2009.

**3. Change of name of the Legg Mason Conservative Fund to Legg Mason Stable Growth Fund**

As advised by Legg Mason, the name of the underlying investment fund of the Guaranteed Fund will be changed from Legg Mason Conservative Fund to Legg Mason Stable Growth Fund with effect from September 30, 2009.

**4. Changes to the fees and charges payable out of the respective underlying investment funds of the Global Stable Fund, Guaranteed Fund, Global Growth Fund and MPF Conservative Fund**

With effect from September 30, 2009, the fees and charges payable to the trustee, administrator and custodian of the respective underlying investment funds of the captioned funds respectively shall be changed. The fees payable to the trustee and the administrator, and the charges payable to the custodian will be paid individually out of the respective funds concerned. For details, please refer to the Tables below.

**Before September 30, 2009**

Type of charges & expenses	Fee Level
Annual Trustee Fee	0.20% per annum of the net asset value of the relevant unit class of the Underlying Investment Fund (inclusive of fees and charges of the Trustee, Administrator and Custodian)

**Effective from September 30, 2009**

Type of charges & expenses	Net asset value of the relevant Underlying Investment Fund	Fee Level
Annual Trustee Fee	For the first US\$200 million For the balance over US\$200 million	0.05% 0.04%
Annual Administrator's Fee	Up to US\$100 million Over US\$100 million and up to US\$250 million Over US\$250 million and up to US\$500 million Over US\$500 million	US\$13,800 US\$27,600 US\$41,400 US\$55,200
Custodian Charges	The custodian charges will vary depending on the markets invested in by the underlying investment fund, the size of those investments and the number of transactions. (Calculation method remains unchanged)	

Notwithstanding the changes to the Trustee's fee and Administrator's fee, the total annual amount in respect of the Trustee's fee, the Administrator's fee and the Custodian charges, charged to the relevant unit class of the Underlying Investment Fund of the MPF Conservative Fund, Global Stable Fund, Guaranteed Fund and Global Growth Fund respectively shall not exceed 0.20% per annum of the net asset value of the relevant Underlying Investment Fund relating to the relevant unit class.

**5. Fee Rebate**<sup>Note 1</sup>

- (i) With effect from September 30, 2009 and for a period of 36 months up to and inclusive of September 29, 2012, an additional rebate equal to 0.08% per annum of the net asset value of the MPF Conservative Fund will be rebated and will be re-invested into the relevant Underlying Investment Fund of the MPF Conservative Fund.
- (ii) With effect from September 30, 2009 and for a period of 36 months up to and inclusive of September 29, 2012, an additional rebate equal to 0.13% per annum of the net asset value of the Hong Kong Equities Fund, Guaranteed Fund, Global Stable Fund and Global Growth Fund will be rebated and will be re-invested into the relevant Underlying Investment Fund of the respective constituent funds.

**Amendments to the Trust Deed of the Scheme**

Certain amendments are made to the Trust Deed to reflect the latest legislative amendments to the MPF legislation. In particular, the definition of "relevant income" is revised to include housing allowance or other housing benefits in determining the relevant income for computation of mandatory contribution purpose.

References to the above contained in the Trust Deed, Principal Brochure and any other relevant documents have been amended accordingly. The latest version of the Trust Deed will be available for inspection at our head office during normal business hours (9:00 a.m. to 5:30 p.m.) from Monday to Friday. The latest version of the Principal Brochure and any other relevant documents can be obtained at our head office from September 30, 2009 onwards or by contacting our MASS MPF Hotline at 2919 9115.

For details of all the fees and charges of the Scheme, please refer to the latest Principal Brochure. If you are in doubt about the meaning or effect of the contents of this document, you should seek independent professional advice.

Should you have any queries, please do not hesitate to contact our MASS MPF Hotline at 2919 9115.

MassMutual Trustees Ltd.



K P Tay  
President

Note 1 For details of the rebate, please refer to Note F of the Explanatory Note under clause 5.6.2 of the Principal Brochure of the Scheme.