

January 11, 2019

This notice contains important information that requires your attention. Should you have any queries, you are recommended to seek independent professional advice.

Terms used in this document have the same meaning as that in the Principal Brochure dated February 1, 2016 which was subsequently amended by the First Addendum dated November 21, 2016, Second and Third Addendum dated December 5, 2016, Fourth Addendum dated July 28, 2017, Fifth Addendum dated January 1, 2018 and Sixth addendum dated August 1, 2018 (collectively the “Principal Brochure”) unless otherwise defined.

Dear MASS Mandatory Provident Fund Scheme (“Scheme”) Members and Participating Employers,

Thank you for your continued support for the Scheme. We are writing to inform you of the certain changes to the Scheme. You may refer to the below summary for such changes.

This notice is in relation to the Scheme members and participating employers.

Summaries of the changes

1. Set up limitations on non-regular voluntary contribution to reduce withdrawal limit from 52 to 4 times in any year so as to comply with regulatory requirement on non-regular voluntary contribution.
2. Relax free phase withdrawal limit from 4 to 12 times in any year.
3. Enhance fee disclosure of the constituent funds.

Impact of the changes

- There will be no adverse impact on the Scheme members and participating employers. But Scheme members and participating employers who have/ will have non-regular voluntary contribution may be affected by the change 1 above.
- Total management fees and fee structure of all constituent funds of the Scheme will remain unchanged.

Action required

- Scheme member who have/ will have non-regular voluntary contribution may consider taking necessary action in relation to the change in 1 above.
- Nevertheless, if the Scheme member and participating employer do not want to be affected by the above changes, Scheme member and participating employer may consider transferring accrued benefits of such member out of the Scheme by transfer-out/ cessation of participation. Such transfer would be free of charge and carried out under normal procedures and subject to applicable conditions as set out in Clause 5.3.5 and 5.3.6 of the Principal Brochure.

If you would like to obtain further information about the changes, you could call the MASS MPF Hotline at 2533 5522 or visit our office.

Details of the changes are shown as follows:

1. Limitations on non-regular voluntary contribution

To control the frequent in-and-out transaction on non-regular voluntary contribution and potential dilution effect on MPF funds, with effect from April 1, 2019, the maximum number of redemption and withdrawal in relation to non-regular voluntary contribution allowed for all members (including Employee Members, SEP Members, VC Employee Members and Personal Account Members) in any year will be reduced from 52 to 4 times.

2. Relax the limit on free of charge withdrawal of accrued benefits by instalment

With immediate effect, members could withdraw their accrued benefits by instalments free of charges for first 12 instalments instead of first 4 instalments in any year. A fee of \$100 will be charged for each subsequent payment of accrued benefits by instalments in that year (except the withdrawal solely from MPF Conservative Fund, the withdrawal solely or partly from DIS Constituent Funds and members who invest in the DIS Constituent Funds).

3. Enhancement of fee disclosure for all constituent funds

For member's easy understanding, the fee disclosures of all constituent funds are enhanced by showing the fee breakdowns in both constituent funds and APIF level. In addition, with immediate effect, the fee breakdowns as shown under Explanatory Notes H of Clause 5.6.2 of the Principal Brochure are rephrased in below table format for member's easy reference.

Fee breakdown at constituent fund level

Constituent Fund	Trustee Fee	Investment Management Fee	Custodian/ Administration fee
Guaranteed Fund ^{Note 2}	Nil	Nil	Nil
Global Stable Fund ^{Note 2}	0.95%-0.98% p.a. of net asset value	0.33%-0.43% p.a. of net asset value ^{Note 1}	
Global Growth Fund ^{Note 2}			
Hong Kong Equities Fund ^{Note 2}			
MPF Conservative Fund ^{Note 3}	0.61% p.a. of net asset value	Nil	
Global Bond Fund	0.90% p.a. of net asset value	Nil	
Greater China Equity Fund	1% p.a. of net asset value	0.50% p.a. of net asset value	
US Equity Fund	0.47% p.a. of net asset value	Nil	
Asian Balanced Fund	1% p.a. of net asset value	Nil	
Asian Pacific Equity Fund			
Global Equity Fund			
European Equity Fund			
Age 65 Plus Fund	0.59% p.a. of the net asset value	Nil	
Core Accumulation Fund			

Fee breakdown at APIF level

Constituent Fund	Underlying Trustee Fee	Investment Management Fee	Custodian/ Administration fee
Guaranteed Fund ^{Note 2}	0.95%-0.98% p.a. of net asset value charged by the trustee at APIF Policy level Up to 0.07% p.a. of net asset value ^{Note 1} charged by the trustee at APIF level	0.33% - 0.43% p.a. of net asset value ^{Note 1}	Nil
Global Stable Fund ^{Note 2}	Up to 0.07% p.a. of net asset value ^{Note 1}	Nil	
Global Growth Fund ^{Note 2}			
Hong Kong Equities Fund ^{Note 2}			

MPF Conservative Fund ^{Note 3}	Up to 0.07% p.a. of net asset value	Up to 0.25% p.a. of net asset value	Nil
Global Bond Fund	0.06%-0.07% p.a. of net asset value	0.45% p.a. of net asset value ^{Note 4}	
Greater China Equity Fund	0.0295% p.a. of net asset value	Nil	
US Equity Fund	0.06%-0.07% p.a. of net asset value	0.45% p.a. of net asset value ^{Note 4}	
Asian Balanced Fund			
Asian Pacific Equity Fund			
Global Equity Fund			
European Equity Fund			
Age 65 Plus Fund	0.08% p.a. of the net asset value	0.08% p.a. of the net asset value	
Core Accumulation Fund			

^{Note 1} Investment manager charges a lump sum fee of up to 0.43% (a lower fee of 0.40% will be charged when prescribed fund size is reached) p.a. of net asset value which including (i) the trustee fee charged by the trustee of the Underlying Investment Funds (“Underlying Trustee Fee”) at Underlying Investment Fund level of up to 0.07% p.a. of net asset value and (ii) investment management fee (being net difference between the lump sum fee of up to 0.43% p.a. of net asset value and the Underlying Trustee Fee).

^{Note 2} The total Management Fees at current level charged for the above constituent funds and their corresponding Underlying Investment Funds are **fixed at 1.38% per annum of net asset value**. To maintain the aggregate management fee at 1.38% p.a. of net asset value, the Trustee has partly waived the trustee fee for the above constituent funds.

^{Note 3} The total Management Fees at current level (after taking into account of rebate mentioned in above Note D) charged for the above constituent fund and its corresponding Underlying Investment Fund is **up to 0.83% per annum of net asset value**.

^{Note 4} After taking into account of rebate mentioned in Explanatory Note E under Clause 5.6.2 of the Principal Brochure.

Any action required

Scheme member who have/ will have non-regular voluntary contribution may consider taking necessary action in relation to the change in 1 above.

Nevertheless, (i) employers, self-employed persons and Personal Account members who wish to opt out from the Scheme may elect to transfer accrued benefits out of the Scheme to other schemes at any time by submitting relevant transfer forms to the new trustees, (ii) employee members who wish to opt out from the Scheme may elect to transfer accrued benefits attributable to employee mandatory contributions to other schemes via Employee Choice Arrangement (“ECA”) once in every calendar year by submitting relevant ECA transfer form to the new trustees.

Such transfer would be free of charge and carried out under normal procedures and subject to applicable conditions as set out in Clause 5.3.5 and 5.3.6 of the Principal Brochure.

Scheme members are reminded that transferring accrued benefits out of the Guaranteed Fund of the Scheme will affect Scheme member’s entitlement of the guarantee. Scheme member will lose his/her guarantee for such transfer-out. For details of the guaranteed mechanism, please refer to Clause 4.3.2 of the Principal Brochure of the Scheme

Amendment to the Principal Brochure of the Scheme

Amendments will be made to the Principal Brochure and other relevant documents (e.g. administrative forms, relevant marketing materials) to reflect the above changes. To reflect the above changes, the Principal Brochure



will be revised by the way of the Seventh Addendum. The Principal Brochure (including its addenda) can be downloaded from our website www.massmutualasia.com after January 11, 2019. You can also obtain hardcopies of the Principal Brochure (including its addenda) at our office or by contacting our MASS MPF Hotline as shown below after January 11, 2019.

Should you have any queries, please do not hesitate to contact our MASS MPF Hotline at 2533-5522. If you are in doubt about the meaning or effect of the contents of this document, you should seek independent professional advice.

For and on behalf of
MassMutual Trustees Limited

A handwritten signature in black ink, appearing to read 'Jonas Wong'.

Jonas Wong
President