

Maturity and termination of the Manulife MPF 2020 Retirement Fund Frequently Asked Questions

1. What are the key points of the termination of the Manulife MPF 2020 Retirement Fund (the “termination”)?

Pursuant to section 3.4.24 of the MPF Scheme Brochure, the Manulife MPF 2020 Retirement Fund (the “2020 Retirement Fund”) has a maturity date which is January 4, 2021 and accordingly it will be terminated with effect from January 4, 2021. The redemption proceeds of the 2020 Retirement Fund will be transferred to, and applied to subscribe units in, the Manulife MPF Smart Retirement Fund (the “Smart Retirement Fund”). The management fees of the 2020 Retirement Fund and the Smart Retirement Fund are at the same level, i.e. 0.99% per annum of net asset value of the fund.

2. When will the termination take place?

The effective date of termination of the 2020 Retirement Fund is January 4, 2021.

3. What will happen to the assets in the terminating 2020 Retirement Fund?

We will redeem all units in the terminating 2020 Retirement Fund and the redemption proceeds will be applied to subscribe units in the Smart Retirement Fund.

4. Why is the termination taking place? What are the benefits?

The 2020 Retirement Fund has a maturity date and upon reaching its maturity date, i.e. January 4, 2021, it should be terminated and the redemption proceeds should be transferred to, and applied to subscribe units in, the Smart Retirement Fund. The Smart Retirement Fund is a matured retirement fund designed to enable accrued benefits investing in any other Retirement Funds upon their maturity to be switched to the Smart Retirement Fund, thereby combining the assets of the Retirement Funds upon their maturity into the Smart Retirement Fund for investment.

5. How many constituent funds will there be after the termination?

There will be 29 constituent funds under the Manulife Global Select (MPF) Scheme after completion of the termination of the 2020 Retirement Fund.

6. Will my accrued benefits and account balances be affected at all by the termination?

We will work closely with all service providers such as the investment manager and the trustee of the underlying funds and the scheme administrator to ensure proper arrangements are in place for the transition and a smooth transfer of accrued benefits of the members from the 2020 Retirement Fund to the Smart Retirement Fund.

Units of the 2020 Retirement Fund in a member’s account will be redeemed on January 4, 2021 and the redemption proceeds will be applied to subscribe units in the Smart Retirement Fund on the same day. Please refer to the “Notice to participating employers and scheme members of the Manulife Global Select (MPF) Scheme” dated September 25, 2020 for further details.

There will be no bid and offer spreads or other transaction costs in relation to the redemption of units in the 2020 Retirement Fund and the subsequent subscription of units in the Smart Retirement Fund.

We do not foresee any loss of accrued benefits of members due to the termination of the 2020 Retirement Fund. However, if there is any unfortunate event (other than circumstances beyond

the control of us) resulting in any loss of accrued benefits of the members as a result of such termination, we will compensate the loss incurred.

7. How will the transfer of accrued benefits take place for the 2020 Retirement Fund?

On January 4, 2021, all units in the 2020 Retirement Fund will be redeemed and the redemption proceeds will be applied to subscribe units in the Smart Retirement Fund on the same day. Please refer to the “Notice to participating employers and scheme members of the Manulife Global Select (MPF) Scheme” dated September 25, 2020 for further details.

A confirmation will be issued to the affected members within one month after January 4, 2021.

8. Will the dealing be suspended due to the termination?

In order to facilitate the termination of the 2020 Retirement Fund, subscription for units in the 2020 Retirement Fund will be suspended from December 23, 2020 to January 4, 2021 (both dates inclusive) while redemption of units in the 2020 Retirement Fund will be suspended from December 31, 2020 to January 4, 2021 (both dates inclusive).

The determination of the net asset value of the 2020 Retirement Fund, however, will continue and remain unaffected during the suspension periods.

For cut-off time on various types of instructions involving the 2020 Retirement Fund to be received or processed by us in the transitional arrangement, please refer to Q13 below or the “Notice to participating employers and scheme members of the Manulife Global Select (MPF) Scheme” dated September 25, 2020.

9. Will there be changes to the management fees as a result of the termination?

No. The management fees of the 2020 Retirement Fund and the Smart Retirement Fund are at the same level, i.e. 0.99% per annum of net asset value of the fund.

10. Will the member online service or interactive voice response system continue to be in service during the termination?

Types of instructions	Member online service	Interactive voice response system
Change of investment instruction for future contributions	After December 21, 2020, 4:00pm Hong Kong time, it is not allowed to select to invest into the 2020 Retirement Fund.	
Fund-to-fund switch	After December 22, 2020, 4:00pm Hong Kong time, it is not allowed to select to switch into the 2020 Retirement Fund. After December 30, 2020, 4:00pm Hong Kong time, it is not allowed to select to switch out from the 2020 Retirement Fund.	
One-time rebalancing	After December 22, 2020, 4:00pm Hong Kong time, it is not allowed to select to rebalance to the 2020 Retirement Fund. After December 30, 2020, 4:00pm Hong Kong time, members' accounts with units in the 2020 Retirement Fund are not allowed to make one-time rebalancing instruction until after the transfer is completed.	N/A

11. Do I need to pay any extra fees or charges for the termination?

No. All costs of the termination will be borne by the Manulife Group.

12. Do I need to replace the forms that I am now using?

Yes. New version of application/enrolment forms and investment instruction form (with the 2020 Retirement Fund removed) will be made available from December 1, 2020 and December 22, 2020 respectively via our website at www.manulife.com.hk and other channels.

13. Will there be any special administration arrangement that requires my attention?

The following explains the arrangement for instructions involving the 2020 Retirement Fund which are received or processed before and after their respective cut-off time:

Types of instructions	On or before the cut-off time	After the cut-off time
Subscription requests:		
Contributions or transfer-in monies to invest in the 2020 Retirement Fund	Contributions or transfer-in monies effected on or before December 21, 2020 will be processed as usual.	Contributions or transfer-in monies processed after December 21, 2020 will be deemed and processed as instructions with respect to the Smart Retirement Fund.
Investment instructions:		
Change of investment instruction for future contributions to invest in the 2020 Retirement Fund	Relevant instructions received on or before December 21, 2020, 4:00pm Hong Kong time, will be processed as usual.	Relevant instructions received after December 21, 2020, 4:00pm Hong Kong time, and on or before January 4, 2021, 4:00pm Hong Kong time, will be deemed and processed as instructions with respect to the Smart Retirement Fund. Thereafter, requests for change of investment mandate received will be rejected and the prevailing investment mandate in a member's account will continue to apply.
Fund switching to switch into the 2020 Retirement Fund	Relevant instructions received on or before December 22, 2020, 4:00pm Hong Kong time, will be processed as usual.	Relevant instructions received after December 22, 2020, 4:00pm Hong Kong time, and on or before January 4, 2021, 4:00pm Hong Kong time, will be deemed and processed as instructions with respect to the Smart Retirement Fund. Thereafter, relevant instructions received will be regarded as invalid and rejected.
Fund switching to switch out from the 2020 Retirement Fund	Relevant instructions received on or before December 30, 2020, 4:00pm Hong Kong time, will be processed as usual.	Relevant instructions received after December 30, 2020, 4:00pm Hong Kong time, will be regarded as invalid and rejected.

Types of instructions	On or before the cut-off time	After the cut-off time
One-time rebalancing (available at member online service only) to switch into the 2020 Retirement Fund	Relevant instructions received on or before December 22, 2020, 4:00pm Hong Kong time, will be processed as usual.	Not applicable as no such instruction will be accepted at member online service.
One-time rebalancing (available at member online service only) to switch out from the 2020 Retirement Fund	Relevant instructions received on or before December 30, 2020, 4:00pm Hong Kong time, will be processed as usual.	Not applicable as no such instruction will be accepted at member online service.
Redemption requests:		
Withdrawal claims and transfer-out benefits which involve the 2020 Retirement Fund	Relevant instructions effected on or before December 30, 2020 will be processed as usual.	<p>Relevant instructions processed after December 30, 2020 and on or before January 4, 2021 will be processed on or after January 5, 2021. However, if such relevant instructions are related to withdrawal of employee members' accrued benefits attributable to non-regular voluntary contributions or withdrawal of units in the 2020 Retirement Fund from the Flexi Retirement Contribution, redemption that cannot be effected before suspension of redemption will not be further processed.</p> <p>Relevant instructions processed after January 4, 2021 specifying withdrawal from the 2020 Retirement Fund will be regarded as invalid and rejected.</p>
Member enrolment:		
New investment mandate to invest in the 2020 Retirement Fund	Relevant instructions processed on or before December 21, 2020 will be processed as usual.	<p>Relevant instructions processed after December 21, 2020 and on or before January 4, 2021 will be deemed and processed as instructions with respect to the Smart Retirement Fund.</p> <p>Relevant instructions processed after January 4, 2021 will be deemed and processed as instructions with respect to the Default Investment Strategy. Please refer to section 3.3 of the MPF Scheme Brochure for details of the Default Investment Strategy.</p> <p>In either case, the members concerned will be notified.</p>

14. Do I need to take any action if my existing investment mandate is investing in the 2020 Retirement Fund?

If members whose investment mandates are to invest in the 2020 Retirement Fund, do not wish their future contributions and/or transfer-in monies to be invested in the Smart Retirement Fund, they should give instructions to change their investment mandates to other constituent fund(s). Such instructions must be received by the Trustee on or before December 21, 2020, 4:00pm Hong Kong time. Members' instructions may be submitted via our member online service at www.manulife.com.hk or interactive voice response system on (852) 2108 1313, or by paper form.

15. How will future contributions and/or transfer-in monies be invested if members do not give instructions to change their investment mandates before the cut-off time mentioned above?

If we do not receive members' instructions to change their investment mandates before the cut-off time mentioned above, their investment mandates will be automatically updated afterwards so that the allocation percentage to the 2020 Retirement Fund will be replaced by the same allocation percentage to the Smart Retirement Fund. A confirmation will be issued to the affected members within 10 business days after December 22, 2020.

Despite the above arrangement, members may give instructions to change their investment mandates at any time afterwards if they do not wish their future contributions and/or transfer-in monies to be invested in the Smart Retirement Fund.

16. Do I need to take any action if I am currently investing in the 2020 Retirement Fund?

If members who are holding units in the 2020 Retirement Fund do not wish their accrued benefits to be transferred to and invested in the Smart Retirement Fund, they should give instructions to switch their units in the 2020 Retirement Fund to other constituent fund(s). Such instructions must be received by the Trustee on or before December 30, 2020, 4:00pm Hong Kong time. Members' instructions may be submitted via our member online service at www.manulife.com.hk or interactive voice response system on (852) 2108 1313, or by paper form.

17. How can I find out more information about the termination?

We will send a notice to members investing in the 2020 Retirement Fund three months prior to the termination date. The notice will also be provided to new members enrolled during the three months' notification period. Members may also check the notice via our website at www.manulife.com.hk.

Applicable to participating employers and self-employed persons

18. Will the termination affect my contribution payment arrangements?

No. The termination will not affect the contribution payment arrangements.

19. Will the termination affect regular contributions for our employees?

The regular contributions will not be affected. Employers can submit the contributions for their employees as usual.

20. How will our employees be notified regarding the termination?

We will send a notice to members investing in the 2020 Retirement Fund three months prior to the termination date. The notice will also be provided to new members enrolled during the three months' notification period. Members may also check the notice via our website at www.manulife.com.hk.

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