



**Principal Asset Management  
Company (Asia) Limited**

11/F, Island Place Tower  
510 King's Road  
North Point, Hong Kong  
Tel : (852) 2263 0263  
Fax : (852) 2827 1707  
Website : [www.principal.com.hk](http://www.principal.com.hk)

1 November 2011

**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.**

**This notice should be read by all the participating employers, employee members and self-employed persons of Principal MPF Scheme Series 500. Participating employers should notify their employees of the details of this notice upon receipt.**

Dear Participating Employers and Scheme Members,

**Re: Principal MPF Scheme Series 500 (the "Scheme")**

Thank you for your continual support to the Principal MPF Scheme Series 500. We would like to inform you that the following update shall be made to the Explanatory Memorandum of the Scheme.

**(A) Reduction of Management Fees for the MPF Conservative Fund**

With effect from 1 February 2012, the investment management fees for the MPF Conservative Fund shall be reduced from "0.1% p.a. of NAV" to "0.05% p.a. of NAV" (for Class A Units); and from "0.35% p.a. of NAV" to "0.30% p.a. of NAV" (for Class T Units). This will effectively reduce the total management fee (i.e. the investment management fees, trustee and administration fees) for MPF Conservative Fund to 0.95% of NAV for both Class A and Class T Units.

**(B) Reduction of Trustee and/or Administration Fee Payable Out of the Underlying Approved Pooled Investment Funds**

The trustee and/or administration fee payable out of the underlying approved pooled investment funds ("APIFs") which are managed by other investment manager has already been reduced from "0.15% to 0.175% p.a." to "Up to 0.125% to 0.175% p.a." since 16 January 2006. Effective from 16 January 2006, the trustee and/or administration fee charged by the underlying APIFs is subject to the reduced rates and there was no overcharge.

With effect from 1 October 2011, the trustee and/or administration fee payable out of the underlying APIFs which are managed by other investment managers has been further reduced from "Up to 0.125% to 0.175% p.a." to "Up to 0.10% to 0.175% p.a.". The total management fees of the three constituent funds, namely the Stable Growth Fund, Balanced Growth Fund and Aggressive Growth Fund, under the Scheme which invest in these underlying APIFs shall therefore be reduced correspondingly.

The above changes are summarised in the following table for your easy reference.

Effective Date	Trustee and/or Administration Fee payable out of the underlying APIFs managed by other investment managers (based on net asset value of the relevant APIF)
16 January 2006	Reduced from "0.15% to 0.175% p.a." to "Up to 0.125% to 0.175% p.a."
1 October 2011	Reduced from "Up to 0.125% to 0.175% p.a." to "Up to 0.10% to 0.175% p.a."

**(C) Amendments Relating to Statutory Minimum Relevant Income Level**

For contribution periods commencing on or after 1 November 2011, the statutory minimum level of relevant income has been changed from HK\$5,000 to HK\$6,500. After the change, employees whose relevant income are less than HK\$6,500 per month will not be required to make mandatory contributions. The employers, however, must still pay 5% mandatory contributions for such employees. Self-employed persons must also pay 5% mandatory contributions to an MPF scheme in which they participate unless their relevant income is less than HK\$6,500 per month or HK\$78,000 per year.

\*\*\*\*

The above change is fully discussed in the attached Fifth Addendum. This Fifth Addendum forms part of the Explanatory Memorandum and should be read in conjunction with the Explanatory Memorandum and its other addenda. Please read the Fifth Addendum carefully.

Participating Employers and Scheme Members may request a copy of the latest Explanatory Memorandum by contacting our customer service hotline at the telephone number set out below.

If you have any queries on the changes made to the Scheme, please contact our customer service hotline at 2827 1233 or email to [hkinfo@exchange.principal.com](mailto:hkinfo@exchange.principal.com).

Yours faithfully,

For and on behalf of  
**Principal Asset Management Company (Asia) Limited**

*This is a computer generated printout and no signature is required*

**PRINCIPAL MPF SCHEME SERIES 500**  
信安強積金計劃 500 系列 (the “SCHEME”)  
**FIFTH ADDENDUM**

This Fifth Addendum forms part of the Explanatory Memorandum dated 17 February 2006 (the “**Explanatory Memorandum**”) for the Principal MPF Scheme Series 500 and should be read in conjunction with the Explanatory Memorandum, the First Addendum dated 30 November 2007, the Second Addendum dated 4 September 2008, the Third Addendum dated 28 August 2009 and the Fourth Addendum dated 17 September 2010. All capitalised terms in this Fifth Addendum shall have the same meaning as in the Explanatory Memorandum, unless otherwise stated.

The Explanatory Memorandum of the Scheme shall be updated as follows:

**(A) Reduction of Management Fees for the MPF Conservative Fund**

With effect from 1 February 2012, the Management Fees for Class A and Class T Units of the MPF Conservative Fund shall be reduced to 0.95% p.a. of NAV. As a result of the reduction:

- (i) the current level of management fees for Class A and Class T Units of the MPF Conservative Fund in table (C) on page 21 shall be changed from 1.00% of NAV to 0.95% p.a. of NAV; and
- (ii) the rate of investment management fee for the MPF Conservative Fund in the table on page 24 shall be changed from 0.1% p.a. to 0.05% p.a. (for Class A Units); and from 0.35% p.a. to 0.30% p.a. (for Class T Units).

**(B) Update on Trustee and/or Administration Fee Payable Out of the Underlying Approved Pooled Investment Funds**

With effect from 1 October 2011, the fee table column entitled “Trustee and/or Administration Fee (based on net asset value of the relevant fund)” in explanatory note (I) on page 26 shall be updated by replacing “0.15% to 0.175% p.a.”<sup>Note</sup> in the “Approved Pooled Investment Funds managed by other investment managers” row to “Up to 0.10% to 0.175% p.a.”.

**(C) Amendments Relating to Statutory Minimum Relevant Income Level**

With effect from 1 November 2011, the statutory minimum level of relevant income has been changed from HK\$5,000 to HK\$6,500. The reference to “HK\$5,000” in the paragraph entitled “Member’s mandatory contributions” under the “Mandatory Contributions” section on page 13 shall be changed to “HK\$6,500” and the reference to “HK\$5,000 per month” and “HK\$60,000 per year” in the paragraph before the definition of “relevant income” on page 14 shall be changed to “HK\$6,500 per month” and “HK\$78,000 per year”, respectively.

1 November 2011

<sup>Note</sup> The trustee and/or administration fee payable out of the underlying approved pooled investment funds which are managed by other investment manager has already been reduced from “0.15% to 0.175% p.a.” to “Up to 0.125% to 0.175% p.a.” since 16 January 2006. Effective from 1 October 2011, the trustee and/or administration fee payable out of the underlying approved pooled investment funds which are managed by other investment manager has been further reduced from “Up to 0.125% to 0.175% p.a.” to “Up to 0.1% to 0.175% p.a.”.

**PRINCIPAL MPF SCHEME SERIES 500**  
信安強積金計劃 500 系列 (「本計劃」)  
**第五號附件**

本第五號附件構成信安強積金計劃 500 系列日期為 2006 年 2 月 17 日的計劃說明書 (「**計劃說明書**」) 的一部分並應與計劃說明書、日期為 2007 年 11 月 30 日的第一號附件、日期為 2008 年 9 月 4 日的第二號附件、日期為 2009 年 8 月 28 日的第三號附件和日期為 2010 年 9 月 17 日的第四號附件一併閱讀。除非另有說明，否則本第五號附件中的所有定義詞語的涵義與計劃說明書中的定義相同。

本計劃的計劃說明書應作出以下更新：

**(A) 下調強積金保守基金的基金管理費**

自 2012 年 2 月 1 日起，強積金保守基金 A 類別單位和 T 類別單位的基金管理費將下調至每年資產淨值的 0.95%。下調後：

- (i) 第 21 頁 (C) 表中強積金保守基金的基金管理費的 A 類別和 T 類別單位現有水平，應從每年資產淨值的 1.00% 變更為每年資產淨值的 0.95%；及
- (ii) 第 24 頁表中強積金保守基金的投資管理費的費率，就 A 類別單位而言，應從每年 0.1% 變更為每年 0.05%；就 T 類別單位而言，應從每年 0.35% 變更為每年 0.30%。

**(B) 更新相關核准匯集投資基礎基金所需支付的信託及/或行政收費**

自 2011 年 10 月 1 日起，第 26 頁重要說明 (1) 項收費表裡標題欄為「信託及/或行政收費 (根據有關基金的資產淨值計算)」中有關「由其他投資經理管理的核准匯集投資基金」一行中，所訂明的收費「每年 0.15% 至 0.175%」<sup>註</sup>應予以更新並替換為「最高每年 0.10% 至 0.175%」。

**(C) 有關法定的最低入息水平的修訂**

自 2011 年 11 月 1 日起，法定最低有關入息水平已由 5,000 港元更改為 6,500 港元。在第 13 頁「強制性供款」部分中，於段落標題為「成員強制性供款」一欄中提及「5,000 港元」之處應改為「6,500 港元」，另在第 14 頁置於「有關入息」定義之前的段落中提及「每月 5,000 港元」和「每年 60,000 港元」之處應分別改為「每月 6,500 港元」和「每年 78,000 港元」。

2011 年 11 月 1 日

<sup>註</sup> 由其他投資經理管理的相關核准匯集投資基礎基金所需支付的信託及/或行政收費已自 2006 年 1 月 16 日起，由「每年 0.15% 至 0.175%」下調至「最高每年 0.125% 至 0.175%」。由 2011 年 10 月 1 日起，由其他投資經理管理的相關基礎基金所需支付的信託及/或行政收費由「最高每年 0.125% 至 0.175%」進一步下調至「最高每年 0.10% 至 0.175%」。