

GUIDE TO TRANSFER OF MPF ACCRUED BENEFITS (“BENEFITS”) UNDER EMPLOYEE CHOICE ARRANGEMENT (“ECA”) Sections 148A and 148B of the Mandatory Provident Fund Schemes (General) Regulation (Cap 485A)

註：此乃「僱員自選安排」強積金累算權益（「權益」）轉移指南。如需下載本指南之中文版本，請瀏覽宏利網站www.manulife.com.hk

Note: Chinese copy of the Guide to Transfer of MPF Accrued Benefits (“Benefits”) Under Employee Choice Arrangement is available on our website www.manulife.com.hk

Explanation of terms used in Form MPF(S)-P(P), the Explanatory Notes and this Guide:

- (a) “Contribution account” – has the same meaning as in section 2 of the Mandatory Provident Fund Schemes (General) Regulation (“the Regulation”). Generally, it is an account in an MPF registered scheme (“scheme”) which is mainly used to receive MPF contributions (both employer and employee portions) made by an employer for an employee and on behalf of the employee. Contribution account may also include an account of a self-employed person in New Scheme which is mainly used to receive MPF contributions made by himself while self-employed.
- (b) “Personal account” – has the same meaning as in section 2 of the Regulation. Generally, it is an account (other than a contribution account and TVC account) in a scheme which is mainly used to receive the benefits transferred from other contribution or personal account(s).
- (c) “Original Scheme” – the scheme from which your benefits are to be transferred.
- (d) “New Scheme” – the scheme to which your benefits are to be transferred. If you elect to transfer your benefits to another account within the same scheme, the new scheme on this Form will be the same as the original scheme.
- (e) “Calendar year” – the one-year period from 1 January to 31 December.

Rights of employees under the ECA

- (1) Under the ECA, an employee can, **during employment**, make an election to transfer part of the accrued benefits from a contribution account in Original Scheme to an account in New Scheme nominated by him.
- (2) The table below shows the parts of benefits derived from the mandatory contributions in a contribution account and the transferability of these parts of benefits in a contribution account under the ECA.

Parts of benefits in a contribution account		Under ECA
(a)	Employer mandatory contributions in current employment	Not transferable
(b)	Employee mandatory contributions in current employment	Transferable to an MPF personal account once per calendar year ¹
(c)	Mandatory contributions that have been transferred into the contribution account and are attributable to former employment(s)	Transferable to an MPF personal account or contribution account anytime

- (3) The transferability of benefits derived from voluntary contributions is subject to the governing rules of Original Scheme. Please check this information from the MPF Scheme Brochure and the Key Scheme Information Document of Original Scheme, which can be found on the website of the trustee of Original Scheme. You may also consult your employer or contact the trustee of Original Scheme.
- (4) You can only elect to transfer out the benefits derived from your employee mandatory contributions once per calendar year (unless the governing rules of Original Scheme provide for more frequent transfer-out). **The date the trustee of New Scheme receives the completed election form is adopted for counting that quota.** You may check that date from the transfer statement issued by your trustee of Original Scheme, or consult your trustee of Original Scheme directly.
- (5) Please note that the benefits derived from your employee mandatory contributions in current employment and employee voluntary contributions in current employment (if any) can be transferred to **a personal account** only. They cannot be transferred to another contribution account (Note: if you are concurrently working for more than one employer, you would have other contribution accounts).
- (6) After your benefits are transferred out from Original Scheme, future contributions made by your existing employer (both employer and employee portions) will continue to be made to your contribution account with the trustee of Original Scheme. If you want to transfer the benefits derived from the subsequent employee mandatory contributions to your account in New Scheme, you should make a separate transfer election in the next calendar year (or earlier if the governing rules of Original Scheme allow for more frequent transfer-out in a calendar year).

Reminders before making an election to transfer

- (7) Before you decide to transfer your benefits to another scheme, you should take into consideration the following factors:
 - (a) services of the trustees (e.g. frequency of issuance of benefit statement to scheme members; number of free fund switching per year);
 - (b) fees and charges of the funds (for detailed information, please refer to the website of the MPFA);
 - (c) the range of fund choices offered by the schemes and in particular whether there are funds available that match what you need; and
 - (d) if you are currently investing in an MPF guaranteed fund, a transfer of the benefits out of that guaranteed fund may result in some or all of the guarantee conditions not being satisfied; thus affecting your entitlement to the guarantee. Please check the MPF Scheme Brochure and the Key Scheme Information Document of Original Scheme or consult the trustee of Original Scheme for details.
- (8) Before deciding to transfer benefits to New Scheme, you should try to understand as much as you can about New Scheme. Please check the information about New Scheme from the MPF Scheme Brochure and the Key Scheme Information Document of New Scheme, which can be found on the website of the trustee of New Scheme or contact the trustee of New Scheme.
- (9) Please ensure that you have an MPF account in New Scheme. Otherwise, you have to submit a membership enrolment form before or at the same time you submit this Form to the trustee of New Scheme. Please consult your trustee of New Scheme for the procedures and required documents for setting up an account.

¹ Unless the governing rules of Original Scheme provide for more frequent transfer-out.

- (10) If you wish to transfer your benefits from a scheme to another, please be aware of how the transferred-in benefits will be invested. In general, the transferred-in benefits will be invested according to the default investment strategy ("DIS") if you either (a) do not give or have not given any investment instructions for the account to the trustee of New Scheme or (b) have given investment instructions for the account to invest benefits according to the DIS. In this regard, please check your investment instruction for future contributions under your transferee account at Manulife where necessary. If you wish to change or specify an investment instruction for the account, including re-investing the accrued benefits into some other constituent funds in the scheme, you are free to give us investment instructions to do so at any time, by submitting instruction(s) either online or by using the "Contribution Investment Instruction (for future contributions) / Fund Switching Instruction (for past accumulations)" form, which can be obtained from our website. For details of the DIS, including its automatic de-risking features and fee level, you may refer to the MPF Scheme Brochure and the Key Scheme Information Document of the Scheme or the related information which is available on our website at www.manulife.com.hk.
- (11) If you have reached, or are approaching, the age of 50 and your benefits are currently invested according to the DIS of the scheme, you should be aware that the de-risking mechanism of the DIS starts at the age of 50. When one or more instruction(s) from members, such as subscription, redemption or switching instructions, are also being processed and with units to be issued/redeemed (except for the Interest Fund where investment to be made in or monies to be withdrawn from) on the same dealing day as the dealing day scheduled for the annual de-risking, such instruction(s) and the annual de-risking in respect of such member will take place on the same day. In such case, the annual de-risking will only take place after processing those instruction(s).
- (12) In order to prevent a third party from filling in incorrect information, please **DO NOT sign on a blank form**. After the completed election form has been received by the trustee of New Scheme, the administration procedures taken by the trustees may not be reversible.
- (13) The number of fund units shown in your current MPF account on the date you elect to transfer may be different from that as of the date on which the fund units are redeemed. The trustee of Original Scheme will redeem all the fund units from the part(s) of benefits in your MPF account that you elect to transfer out on the date of redemption and transfer out the redeemed benefits. The trustee of New Scheme will subscribe fund units in accordance with your instructions. There will be a time-lag of about one to two weeks, during which your benefits will not be invested in any fund. During this period, fund prices may change due to market fluctuations, and there is a risk of a "sell low, buy high" scenario occurring.
- (14) Please refer to the MPFA's publication available from the MPFA website (www.mpfa.org.hk) for the factors to consider when choosing a scheme and the potential risks involved in MPF investment.

Enquiries

- (15) Information about a scheme is set out in the MPF Scheme Brochure and the Key Scheme Information Document of that scheme. This information will assist you in making a decision about whether to make a transfer of benefits to that scheme. Please contact the relevant trustees for enquiries about account details and information on specific schemes or funds.
- (16) For general enquiries regarding the ECA, you may contact the relevant trustees or the MPFA (email: mpfa@mpfa.org.hk or MPFA hotline: 2918 0102).