

Form for Responding to Consultation Questions

Q1. Do you support the direction of introducing a core fund in the manner set out in paragraph 36 (a) to (d) above?

Yes No

Comments:

Q2. Do you agree that the CF that is the default fund should be substantially the same in all MPF schemes?

Yes No

Comments:

Q3. Do you agree that it is appropriate that the core fund be based on a standardized default fund?

Yes No

Comments:

Q4. Do you agree that the appropriate investment approach of the core fund is one that automatically reduces risk over time as the member gets closer to age 65? If not, what other option would you propose?

Yes No

Comments:

Q5. Do you have any preliminary views on the technical issues set out in paragraph 48, in particular whether consistency is required on all aspects of default fund design in all schemes or can some elements be left to the decision of individual product providers?

Comments:

CONSISTENCY REQUIRED FOR BETTER
BENCHMARKING. AND STIMULUS
FOR COMPETITION

Q6. Do you agree that keeping total fee impact for the core fund at or under 0.75% is a reasonable initial approach?

Yes No

Comments:

Q7. Do you agree that keeping total expense impact (i.e. FER) for the core fund at or under 1.0% over the medium term is a reasonable approach?

Yes No

Comments:

Q8. Do you agree that passive, index based, investment strategies should be the predominant investment approach in the MPF core fund?

Yes No

Comments:

OTHER STRATEGIES COULD BE CONSIDERED
IF FEE/EXPENSE COULD BE KEPT AT
A REASONABLY LOW LEVEL.

Q9. Are there particular asset classes which you think would not appropriately be invested on a passive, index based approach?

Comments:

NIL

Q10. Do you agree that the name of the core fund should be standardized across schemes? If so, do you have any preference amongst the possibilities set out in paragraph 77 above?

Yes No

Your preference:

- "MPF Core Fund" (having regard to its use as a core investment approach for retirement savings)
- "MPF Basic Investment Fund" (emphasizing its design as a basic investment approach for retirement savings)
- "MPF Simple Investment Fund" (emphasizing its design as a simple investment process for retirement savings)
- "MPF Default Investment Fund" (reinforcing that its primary design is built around the default investment strategy for those who do not, or do not want to make an investment choice in saving for retirement)
- "MPF "A" Investment Fund" (or some other term which removes any implications about the nature of the strategy)

Comments:

NAME OF THE FUND SHOULD BE STANDARDIZED TO ENSURE TRANSPARENCY AND FAIR MARKETING PRACTICES.

Q11. Do you agree with the general principle for dealing with implementation and transitional issues as set out in paragraphs 78 and 79?

Yes No

Comments:

Q12. Do you agree with the proposal in paragraph 81 as to how to deal with the transition for existing MPF members of default funds?

Yes No

Comments:

Information of Respondent

(Please refer to the Personal Information Collection Statement on pages 47 and 48 of this Consultation Paper)

Name (optional):

Organization (where applicable, optional):

Address (optional):