The applicant should note that a person who in any document given to the Authority makes a statement that the person knows to be false or misleading in a material respect, or recklessly makes a statement which is false or misleading in a material respect, commits an offence under Section 43E of the Mandatory Provident Fund Schemes Ordinance ("MPFSO") and is liable to prosecution.

強制性公積金計劃管理局
MANDATORY PROVIDENT FUND SCHEMES AUTHORITY

Standard Information / Document Request List

Application for Change of Trustee

This Standard Information / Document Request List (the "Standard Information List") is to assist applicants[1] in preparing an application for change of trustee pursuant to section 33(9) of the MPFSO (the "Change of Trustee"). The list is divided into 2 parts as follows:

Part I : Application Documents to be submitted to the Authority

Part II : Content of the Application Documents

Important Notes:

1. ***Applicants must be able to demonstrate to the satisfaction of the Authority that adequate arrangements have been made for another approved trustee to assume responsibility for the administration of the scheme/approved pooled investment fund and for the legal interest in the scheme/fund assets to be transferred to that other trustee.***

2. ***The Authority may refuse to take up any application and reserves the right to return forthwith, without processing, an incomplete***

[1] The applicants are the retiring approved trustee of a registered scheme/approved pooled investment fund and the approved trustee that will assume responsibility for administration of the registered scheme/approved pooled investment fund. As such, the term "trustee" in this Standard Information List means the existing trustee and/or the new trustee.

or non-compliant application to the extent that information and/or the accompanying documents are not properly or fully completed, and/or negative responses in this Standard Information List are not properly explained, and/or such application is accompanied by documents that do not meet the applicable requirements under the MPFSO, the Mandatory Provident Fund Schemes (General) Regulation ("Regulation"), guidelines and/or codes that are issued by the Authority, are not in good order or otherwise not suitable for clearance.

3. ***Applicants should note that the below list of documents / information is by no means exhaustive, the Authority may request further documents / information in relation to the relevant application where necessary. All information that is deemed material and relevant to the application should also be submitted to the Authority in addition to the information and documents requested herein.***

4. ***Applicants should note that in reviewing the application documents, the Authority has not vetted the information therein related to accuracy issues such as grammar, spelling mistakes or typing error. It is the responsibility of the applicant to ensure the accuracy and consistency of all the information and documents submitted.***

5. ***Applicants should annotate contents of application documents with the item numbers provided in the list, e.g. mark Part II (1)(iii) for the proposed effective date of the Change of Trustee in the Change of Trustee proposal.***

強制性公積金計劃管理局
MANDATORY PROVIDENT FUND SCHEMES AUTHORITY

Part I Application Documents to be submitted to the Authority

(1) A change of trustee proposal (please refer to Part II(1))

(2) Draft of all documents necessary for effecting the Change of Trustee (please refer to Part II(2))

(3) Deed of undertaking / confirmation to the Authority (please refer to Part II(3))

(4) Others (please refer to Part II(4))

Part II Content of the Application Documents

1. **A change of trustee proposal**

The change of trustee proposal should set out in detail how the change of trustee is to be carried out. The proposal is expected to include the information items listed in (i) to (xx) below:

(i) Reasons for the proposed change of trustee (the "Exercise") with sufficient justifications

(ii) How the Exercise will be in the interests of members/investors

(iii) Proposed effective date of the Exercise

(iv) Number of the following persons / list of investors in each of the affected registered schemes / APIFs:

<u>For Scheme:</u>

(a) participating employers
(b) members who are relevant employees
(c) members who are self-employed persons
(d) members holding personal accounts

<u>For APIF:</u>

(a) whether relevant investor is a CF / APIF
(b) whether relevant investor is a Feeder Fund / Portfolio Management Fund (PMF)
(c) whether amendments to the offering document of the relevant investor is require in relation to the Exercise
(d) relevant underlying sub-fund

(v) NAVs of the CFs / APIF sub-funds in respect of each of the affected registered schemes / APIF umbrella funds

(vi) Proposed date on which notice is to be given to the participating employers and scheme members / investors

(vii) Confirming that the cost of the changes will not be borne by the Schemes / participants /APIFs and which party will bear the cost

(viii) Impact analysis of the change of trustee on the existing operation and administration of the schemes / APIFs

(ix) In relation to the Exercise:

(a) Arrangements for compensating scheme members / investors for any potential loss of accrued benefits due to the Exercise

(b) Mechanism for handling grievances (including enquiries and complaints) of scheme members / investors arising from the changes

(c) (Where Applicable) Arrangements in respect of guaranteed fund that will be provided by the trustee (e.g. where applicable, provide exit option to employers / members with guaranteed benefits entitlement).

(d) (Where Applicable) Confirmation that there will be proper transitional arrangements with the related operating parties (i.e. the new trustee) to ensure there will be smooth transition and proper handover of the relevant functions from the existing trustee to the new trustee, as appropriate. Both the existing and new trustees have sufficient resources and capability to complete the Exercise such that members/investors' interests are adequately protected.

(e) In relation to suspension of dealing and valuation, if any, Trustee to confirm that:

- Such suspension could comply with the governing rules of the schemes / APIFs;
- The duration of the suspension is in a reasonable period of time with justifications;
- Taking into consideration of different options, the suspension of dealing with such duration is in the interests of members / investors;
- Such suspension with duration will be disclosed in the notice and FAQ. If the suspension period exceeds one day, the chronology of events for such suspension period should be disclosed in the notice and FAQ.

(x) Arrangements for employers / SEPs / personal account holders wishing to opt out from the change of trustee. [Note: Withdrawal conditions /limitations and penalty clause that normally apply to voluntary withdrawal / transfer-out of participating employers or members should not be applicable to the opt-out arrangement due to the Exercise].

(xi) Name, correspondence address and telephone number of the contact person in relation to the current application.

(xii) Confirmation that the changes will be in the interests of members / investors.

(xiii) Communication arrangement (we expect that trustee will provide sufficient prior notice which should comply with the governing rules of the scheme to **each participant / investors** of the scheme / APIFs, organize seminar(s) and post their FAQ on their websites).

(xiv) Confirmation that there will be proper communication arrangements to inform members / investors of the change including untraceable members and members enrolling in the transferor scheme during the notification period.

(xv) Confirmation that adequate resources for its call center exist.

(xvi) Confirming that (a) adequate arrangements have been made for the legal interest of the assets of the Scheme /APIF and its CFs / sub-funds be transferred to that other trustee and (b) the legal interest in the assets of the Scheme / APIF and its CFs / sub-funds will be properly transferred to that other trustee on the effective date.

(xvii) The replacement trustee must demonstrate adequate resources to cope with additional scheme / APIF administrative workload.

(xviii) Confirming that all relevant requirements in respect of the proposed change of trustee as set out in the governing rules of the scheme have been fulfilled (with justifications).

(xix) Confirming that the trustees have liaised with the Authority's member protection and services division on the transitional arrangements regarding chasing and reporting of default contributions and contribution discrepancies that will be arranged by the trustees.

(xx) Other information that the applicant wishes to provide to the Authority in relation to the application.

The Authority may provide comments on the change of trustee proposal. The change of trustee proposal must be signed and submitted by the CEO(s) of the existing and new trustees (a) at the time of the application and (b) at such other time as requested by the Authority (if changes made to the proposal).

2. **Draft of all documents necessary for effecting the change of trustee**

(i) Revised Offering Documents

(ii) Forms relating to the change of trustee for completion of relevant parts for our reference

(iii) Notice to Employers and Members which is expected to cover the following aspects:

(a) How interests of scheme members are adequately protected in the Exercise.

(b) Whether there will be any adverse impact on the members.
(c) Members will not need to bear the expenses incurred during the Exercise.
(d) Procedures for employers / SEPs / personal account holders wishing to opt out the change of trustee (should be without penalty), where applicable
(e) A statement that the Exercise will be in the interests of members.
(f) the transitional arrangements relating to processing of contributions, payments and transfer of accrued benefits and switching instruction and suspension period (if any).

(iv) Supplemental Deed
(v) Deed of Retirement (Release) and Appointment
(vi) Deed of Novation relating to Investment Management Agreement/ New Investment Management Agreement
(vii) Standard information / document request list for amendments in offering documents / trust deed[2]
(viii) Revised Custodian Agreement, if applicable
(ix) Application for revised pro-forma participation agreements should be submitted
(x) Draft bilingual Frequently Asked Questions which should be posted on trustee's website.

3. **Deed of undertaking / confirmation to the Authority**

(i) Deed of Undertaking pursuant to section 69(2) of the Regulation
(ii) Deed of Undertaking pursuant to section 21(8) of the Ordinance
(iii) Deed of Undertaking re dealing in derivatives
(iv) Deed of Undertaking specifying that "all costs associated with the change of trusteeship would not be charged to the Scheme"
(v) Deed of Undertaking pursuant to section 22 of the Regulation
(vi) Deed of Undertaking by the Trustee or Custodian in connection of section 46(3) of the Regulation
(vii) Deed of Undertaking by the Investment manager/ Delegate(s) of the Investment Manager in connection of section 46(3) of the

[2] It may include the information required for change of custodian (if applicable) and revised confirmation on investment management agreement to be executed by new trustee

Regulation

(viii) Trustee(s) undertakes, in a form of deed:

(a) it shall, during the implementation of the Exercise, take such measures and steps to ensure that the accrued benefits of all the members of the scheme / investors of the APIF shall continue to be adequately protected; and where necessary, compensate any losses to the accrued benefits of any such members / investors arising from the implementation of the Exercise;

(b) it shall inform the MPF Authority of any complaints, grievances or concerns received from the members of scheme in relation to the exercise and address them to the reasonable satisfaction of the MPF Authority;

(c) it shall ensure that adequate resources will be available for the new trustee to cope with additional scheme administrative workload;

(d) it shall ensure that adequate arrangements have been made for the legal interest in scheme assets be transferred to the replacement trustee;

(e) it shall ensure that there will be proper transitional arrangements with the related operating parties (i.e. the new trustee) to ensure there will be smooth transition and proper handover of the relevant functions from the existing trustee to the new trustee, as appropriate. Both the existing and new trustees have sufficient resources and capability to complete the Exercise such that members' interests are adequately protected; and

(f) it shall carry out the exercise in accordance with the provisions of the proposal and all submissions except for any circumstances beyond its reasonable control.

4. **Others**

(i) Trustee to liaise with the members' protection department for the transitional arrangements regarding chasing and reporting of default contribution and contribution discrepancies that will be arranged by the trustee.