

	ORSO Schemes		MPF Schemes
	Without MPF Exemption	With MPF Exemption	
Relevant Legislation	Occupational Retirement Schemes Ordinance (ORSO)	Occupational Retirement Schemes Ordinance (ORSO) and Mandatory Provident Fund Schemes (Exemption) Regulation	Mandatory Provident Fund Schemes Ordinance (MPFSO)
Nature	Voluntary		Mandatory
Definition of Salary	Subject to governing rules or trust deeds (Example: basic salary)		Based on relevant income as defined under the MPFSO
Amount of Contribution to the Scheme	Subject to governing rules or trust deeds (Example: employer's contribution equals 5% of employee's monthly basic salary)		Employee: 5% of employee's monthly relevant income (maximum \$1,500 per month; not required to contribute if monthly relevant income is less than \$7,100) Employer: 5% of the employee's monthly relevant income (maximum \$1,500 per month)
Vesting of Scheme Benefits	Subject to governing rules or trust deeds (Example: vested benefits based on years of service)		Full and immediate
Eligibility	Subject to governing rules or trust deeds		18–64 years old
Retirement Age	Subject to governing rules or trust deeds		65 years old

Preservation and Portability Requirements	No	Yes (applicable to new members* only)	Yes
Tax Concession	Subject to the deductible amount specified under the Inland Revenue Ordinance	Employee: maximum \$18,000 per year Employer: not exceeding 15% of employees' total emolument	Employee: maximum \$18,000 per year Employer: not exceeding 15% of employees' annual emolument
Bearer of Administration Charges	Subject to governing rules or trust deeds		Employees
Compensation Fund	No		Yes

* New members are defined as employees who join ORSO schemes after 1 Dec 2000