

Sun Life Rainbow MPF Scheme (the "Scheme")

Notice to Participating Employers and Scheme Members

This is an important document. You should read it carefully and thoroughly. If there is any query about the content of this document, you should seek independent professional advice. The trustee of the Scheme accepts responsibility for the information contained in this document as being accurate as at the date of this document.

11 July 2023

Dear participating employers and Scheme members (collectively the "Scheme Participants"),

We, Sun Life Trustee Company Limited, the trustee of the Scheme (the "Trustee" or "we"), write to inform you that certain changes will be made to the Scheme. Capitalised terms not defined in this notice shall have the same meaning as in the MPF scheme brochure of the Scheme dated March 2020, as amended by the First Addendum dated 21 July 2020, the Second Addendum dated 30 June 2022 and the Third Addendum dated 2 May 2023 (the "MPF Scheme Brochure").

This table summarises the changes to the Scheme ("Changes") which are elaborated in the main body of this notice.

- (a) Restructure of Sun Life MPF Master Trust ("Sun Life Master")
 - (i) With effect from 30 August 2023 (the "Effective Date"), participating employers and members of another MPF scheme, Sun Life Master, will be transferred to the Scheme (the "Restructure of Sun Life Master"), and to facilitate the Restructure of Sun Life Master, with effect from the Effective Date, certain amendments will be made to the MPF Scheme Brochure and the trust deed of the Scheme.
 - (ii) The Restructure of Sun Life Master aims to achieve greater economies of scale by allowing certain fixed costs to be spread over a larger asset base and consequently lead to increase in operational efficiency and overall cost-effectiveness.
 - (iii) There will be no suspension of services to Scheme Participants during the process of the Restructure of Sun Life Master and the Restructure of Sun Life Master will have no adverse impact on the Scheme Participants.
 - (iv) For scheme members utilizing the fund cruiser under the Scheme immediately prior to the Restructure, the fund cruiser will continue to apply after the Restructure, except for personal account members who participate in both the Scheme and Sun Life Master immediately prior to the Restructure in certain cases, they will be deemed to have exited the fund cruiser upon the Restructure. Please refer to section 1.2(b) of this Notice for details on the fund cruiser arrangements.
 - (v) For Scheme Participants who participate in both the Scheme and Sun Life Master immediately prior to the Effective Date, please also refer to the notice containing details of the Restructure

of Sun Life Master (“Restructure Notice of Sun Life Master”), which has been sent to all scheme participants of Sun Life Master on or around 29 May 2023. A copy of the notice is also available at our website www.sunlife.com.hk. If those Scheme Participants have not received the Restructure Notice of Sun Life Master or have any questions about the Restructure of Sun Life Master, they may call the designated hotline for the Restructure of Sun Life Master on (852) 3183 1800 for any enquiries or to obtain a copy of the notice.

- (b) The Changes will be effected by the Trustee pursuant to the exercise of its power in the trust deed of the Scheme.
- (c) The Trustee’s board of directors has been informed of the Changes and does not have any objection to the Changes.
- (d) The Trustee is of the view that the Changes will have no adverse impact on the Scheme or the interests of the Scheme Participants.
- (e) No costs and expenses associated with the Changes will be borne by the Scheme or the Scheme Participants.
- (f) No action is required of the Scheme Participants as a result of the Changes.
- (g) If the Scheme Participants have any queries in relation to the Changes, they may contact Sun Life Pension Services Hotline on (852) 3183-1888.

1. Restructure of Sun Life Master

1.1 With effect from the Effective Date, participating employers and members of Sun Life Master will be transferred to the Scheme. The Restructure of Sun Life Master aims to achieve greater economies of scale by allowing certain fixed costs to be spread over a larger asset base and consequently lead to increase in operational efficiency and overall cost-effectiveness.

1.2 For Scheme Participants who participate in both the Scheme and Sun Life Master immediately prior to the Effective Date, the Restructure will have no impact on their existing participation under the Scheme, except for personal account members who participate in both the Scheme and Sun Life Master immediately prior to the Restructure:

- (a) their personal accounts under Sun Life Master will be automatically consolidated with the personal accounts they hold under the Scheme. If the members have more than one personal accounts under Sun Life Master, their accounts will be merged and combined into one single personal account under the Scheme upon the Restructure; and
- (b) for those personal account members utilizing the fund cruiser under the Scheme, where the accrued benefits held in their personal accounts under Sun Life Master are redeemed and invested into the Scheme according to the fund mapping arrangement (as set out in the Restructure Notice of Sun Life Master), their personal accounts under the Scheme will, as a result of the fund mapping arrangement, hold investments in any funds other than the four funds under the fund cruiser (i.e. Sun Life MPF Conservative Fund, Sun Life MPF Hong Kong Dollar Bond Fund, Sun Life MPF Hong Kong Equity Fund and Sun Life MPF Multi-

Sector Equity Fund), the fund cruiser will cease to apply and they will be deemed to have exited the fund cruiser upon the Restructure and the following arrangements will apply:

- (i) for the accrued benefits transferred from Sun Life Master, they will be invested in the Scheme according to the fund mapping arrangement; and
- (ii) for all future transfer-in monies under the Scheme, they will be invested according to the investment mandates reflecting the fund allocation percentages under the fund cruiser applicable to the member based on the age of the member as at the Effective Date.

For the avoidance of doubt, for those personal account members whose personal accounts under the Scheme will not, as a result of the fund mapping arrangement, hold investments in any funds outside of the funds under the fund cruiser, so long as their accounts have holdings in any one of the funds under the fund cruiser, the fund cruiser will continue to apply after the Restructure.

After the Effective Date, if such personal account members wish to invest in the fund cruiser again under the Scheme, they may submit a switching instruction to us following the normal procedures under the Scheme.

For details of the above participation arrangements, please refer to the Restructure Notice of Sun Life Master.

- 1.3 There will be no suspension of services to Scheme Participants during the process of Restructure of Sun Life Master and the Restructure of Sun Life Master will have no adverse impact on the Scheme Participants.
- 2. **Amendments related to the Restructure of Sun Life Master**
 - 2.1 To facilitate the Restructure of Sun Life Master, with effect from the Effective Date, new administration rules will be added to the trust deed of the Scheme and certain existing rules will be amended to facilitate the participation of the transferring employers and members of Sun Life Master in the Scheme. They will have no adverse impact on the Scheme Participants. The MPF Scheme Brochure will also be amended as appropriate.
 - 2.2 Further, there is currently no multiple payroll frequency fee payable under Sun Life Master. To align with Sun Life Master, such multiple payroll frequency fee under the Scheme will be removed so that no such fee will be payable if the payroll of a participating employer is made weekly or more frequently than weekly under the Scheme. This will also be beneficial to the relevant Scheme Participants. The MPF Scheme Brochure and the trust deed of the Scheme will be updated accordingly.
- 3. **Impact of the Changes**
 - 3.1 The Changes will have no adverse impact on the Scheme or the interests of the Scheme Participants.
 - 3.2 No costs and expenses associated with the Changes will be borne by the Scheme or the Scheme Participants.

4. Actions required of Scheme Participants

4.1 No action is required of Scheme Participants as a result of the Changes.

4.2 Participating employers, self-employed persons, personal account members, special private account members and TVC members who do not wish to be involved in the Changes and wish to opt out from the Scheme as a result of the Changes may submit valid and completed transfer-out or withdrawal instruction, as the case may be. For employee members, they may consider to transfer out the accrued benefits of their employee mandatory contribution under the Employee Choice Arrangement which could be made once per calendar year. Please note, however, that if an employee member has already made a transfer-out under the Employee Choice Arrangement once during a calendar year, no further transfer-out can be made under the Employee Choice Arrangement within the same calendar year. There will be no fees and charges applied to such transfers by Scheme Participants. Scheme Participants should review the constituent funds and all the terms of the Scheme before making any decision.

The MPF Scheme Brochure and the trust deed of the Scheme will be amended by way of the fourth addendum and a supplemental deed, respectively, to reflect the Changes and their related amendments with effect from the Effective Date. If the Effective Date (i.e. 30 August 2023) becomes a non-dealing day, the Effective Date will be deferred to the next business day which is a dealing day.

For details of the Changes, please refer to the Fourth Addendum dated July 2023. Please note that the MPF Scheme Brochure has been consolidated to reflect the amendments in the First Addendum dated 21 July 2020, the Second Addendum dated 30 June 2022, the Third Addendum dated 2 May 2023 and the Fourth Addendum dated July 2023. Please note that the latest consolidated MPF scheme brochure dated July 2023 and the Fourth Addendum dated July 2023 are both available at our website www.sunlife.com.hk or you may request for a copy of them by contacting our Sun Life Pension Services Hotline on (852) 3183-1888.

The trust deed of the Scheme has also been conformed to reflect the amendments in all its supplemental deeds, including the latest supplemental deed. Copies of the latest supplemental deed and the conformed trust deed (inclusive of the amendments in all its supplemental deeds) of the Scheme can be inspected free of charge at the Customer Service Centre of the Scheme during the service hours (Monday to Friday from 9:00 a.m. to 5:45 p.m., except public holidays). The Customer Service Centre of the Scheme is located at 10/F, One Harbourfront, 18 Tak Fung Street, Hunghom, Kowloon, Hong Kong.

If you have any queries about the content of this notice, you may contact our Sun Life Pension Services Hotline on (852) 3183-1888.

Yours faithfully,

Sun Life Trustee Company Limited

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