ILLUSTRATIVE EXAMPLE FOR BEA (INDUSTRY SCHEME) MPF CONSERVATIVE FUND OF THE BEA (MPF) INDUSTRY SCHEME

Date: 1st June, 2011

PURPOSE OF THE EXAMPLE

This example is intended to help you compare the total amounts of annual fees and charges payable under this Scheme with those under other registered schemes.

THIS EXAMPLE ASSUMES THAT:

Your MPF Account Activities

(a) your monthly relevant income is HK$8,000
(b) you have put all your accrued benefits into the BEA (Industry Scheme) MPF Conservative Fund; you have not switched your accrued benefits to other constituent funds during the financial period
(c) you have not transferred any accrued benefits into or out of this Scheme during the financial period

Your Company Profile

(d) 5 employees (including yourself) of your employer participate in this Scheme
(e) the monthly relevant income of each employee is HK$8,000
(f) no voluntary contribution is made
(g) each of the other 4 employees has the same MPF account activities as yours

Investment Return and Savings Rate

(h) the monthly rate of investment return is 0.5% on total assets
(i) the prescribed savings rate is 3.25% per annum throughout the financial period.

Based on these assumptions, the **total amounts of annual fees** you need to pay under this Industry Scheme in one financial period would be **HK$35**

Warnings: This is just an illustrative example. The actual amounts of fees you need to pay may be **higher or lower**, depending on your choice of investments and activities taken during the financial period.

Fee Deduction Mechanism:

Fees and charges of MPF Conservative Fund can be deducted from either (i) the assets of the fund or (ii) members' account by way of unit deduction. BEA (Industry Scheme) MPF Conservative Fund uses method (ii) and, therefore, unit prices, net asset value and fund performance quoted (except for the fund performance figures quoted in a fund fact sheet) do not reflect the impact of fees and charges.