

NOTICE TO PARTICIPANTS

BEA (MPF) VALUE SCHEME

This document is important and requires your immediate attention. If you are in any doubt about the contents of this document, you should seek independent professional financial advice. The Bank of East Asia, Limited (the "**Sponsor**") and Bank of East Asia (Trustees) Limited (the "**Trustee**") of the BEA (MPF) Value Scheme accept responsibility for the information contained in this document. Capitalised terms not defined in this document have the same meaning as in the Explanatory Memorandum.

BEA (MPF) Value Scheme (the "Value Scheme") - Changes in relation to Phased Withdrawal and Miscellaneous Changes

This table summarises the key changes to the Value Scheme, which are elaborated in the main body of this notice:

(a) Changes:

- (i) To enhance the scheme features in the interests of the Members, effective from date of this notice, the first 12 payments in instalments in a calendar year (rather than the first 4 payments in instalments, per the existing practice) will be free of charge.
- (ii) Certain other areas, such as the change of legal advisers, consolidated asset size of the Sponsor, cut-off time for receiving instructions to change investment allocation, aggregate market value and respective weightings of the top 10 largest constituent stocks of FTSE® Greater China HKD Index and Hang Seng Index and the avenue through which real-time update of these indices can be obtained, will be updated.

(b) Actions required of the Members:

- (i) As mentioned in (a)(i), such change is in the Member's interests. As for the changes in (a)(ii), they are changes for clarification purposes to ensure that the disclosure in the Explanatory Memorandum is up-to-date. As such, we consider the changes in (a)(i) and (a)(ii) are beneficial to Members and no particular action should be required of the Members in response to these changes.
- (ii) If you have any queries in relation to the changes set out in this notice, please contact our BEA (MPF) Hotline on 2211 1777 or email to BEAMPF@hkbea.com.

Thank you for your continuous support to the Value Scheme.

This notice sets out the changes to the Value Scheme that will take effect from the date of this notice.

A. CHANGES RELATING TO PHASED WITHDRAWAL

As you know, an Eligible Member who becomes entitled to benefits in respect of mandatory contributions and, where applicable, voluntary contributions upon reaching the age of 65 or permanently ceasing employment or self-employment after reaching the age of 60 may elect to have his Eligible Benefits (i.e. benefits derived from mandatory contributions and where applicable voluntary contributions) paid in instalments. Currently, only the first 4 payments in instalments in a calendar year will be free of charge. Effective from date of this notice, the **first 12** payments in instalments in a calendar year will be free of charge.

B. MISCELLANEOUS CHANGES

We have also taken this opportunity to update the Explanatory Memorandum with effect from the date of this notice, to:

- update the legal advisers of the Value Scheme to Baker & McKenzie;
- update the consolidated asset size of the Sponsor, The Bank of East Asia, Limited;
- include the cut-off time for receiving instructions to change investments;
- update the aggregate market value and the respective weightings of the top 10 largest constituent stocks of FTSE® Greater China HKD Index and Hang Seng Index;
- update to include SEHK Teletext System as an additional avenue through which real-time update of the Hang Seng Index can be obtained.

This notice only gives a summary of the major changes to the Value Scheme. A copy of the latest deed of variation to the Trust Deed will be made available for inspection by the participating employers and Members at our offices during normal office hours. In addition, you may visit our website at <http://www.hkbea.com> for the Explanatory Memorandum of the Value Scheme or obtain a copy of the Explanatory Memorandum at the offices of the Trustee at 32nd Floor, BEA Tower, Millennium City 5, 418 Kwun Tong Road, Kwun Tong, Kowloon, Hong Kong.

We believe that the changes to the Trust Deed and to the Explanatory Memorandum will not have any adverse impact on the Members as a whole. Should you have any enquiries relating to the contents of this notice, please contact our BEA (MPF) Hotline on 2211 1777 or email to BEAMPPF@hkbea.com.