

Principal MPF Schemes

# Employee Members Asset Transfer-In

Program Leaflet



## Important Notes

**Important: If you are in doubt about the meaning or effect of the contents of this marketing material, you should seek independent professional advice.**

1. Each of the Principal Capital Guaranteed Fund and the Principal Long Term Guaranteed Fund invests solely in an insurance policy-based Approved Pooled Investment Fund (“**APIF**”) issued by Principal Insurance Company (Hong Kong) Limited (“**Principal**”). The guarantee is also provided by Principal. Your investments, if any, in the Principal Capital Guaranteed Fund and the Principal Long Term Guaranteed Fund are therefore subject to the credit risk of Principal. Please refer to section 3.4.1 (*Principal Capital Guaranteed Fund*) and section 3.4.2 (*Principal Long Term Guaranteed Fund*) of the relevant MPF Scheme Brochure for details of the credit risk, guarantee features and guarantee conditions.
2. Principal, the guarantor of the insurance policy-based APIF in which the Principal Long Term Guaranteed Fund invests, will only provide a guarantee of capital and a prescribed guarantee rate of return in certain specified circumstances. Please note that you may lose the guarantee entitlement if you have elected to transfer your accrued benefits in the Scheme\* (i) from an account within the Scheme to another account within the Scheme; (ii) from the Principal Long Term Guaranteed Fund to another Constituent Fund\* in the Scheme; or (iii) to another registered scheme as described in section 6.7.2 (*Transferring accrued benefits (other than accrued benefits attributable to Tax Deductible Voluntary Contributions (“**TVC**”)) from or within the Scheme*) of the relevant MPF Scheme Brochure. Please refer to section 3.4.2 (*Principal Long Term Guaranteed Fund*) of the relevant MPF Scheme Brochure for details of the guarantee conditions. Please also note that a partial withdrawal of accrued benefits may affect your guarantee entitlement under the Principal Long Term Guaranteed Fund. For details, please refer to Appendix I (*Operation of the guarantee in respect of the Principal Long Term Guaranteed Fund*) of the relevant MPF Scheme Brochure.
3. If you are currently investing in the Principal Long Term Guaranteed Fund, a withdrawal of the accrued benefits on ground of terminal illness may affect your entitlement to the guarantee and you may lose your guarantee. For details please check the relevant MPF Scheme Brochure or consult the trustee before making any such withdrawal.
4. Principal, the guarantor of the Principal Capital Guaranteed Fund, will provide a guarantee to ensure the unit value of the Principal Capital Guaranteed Fund will never decrease. Prior to 30 December 2011, under the indirect charge option (i.e. the Class I Units), part of the management fee was asset based and was deducted from the net asset value of the Principal Capital Guaranteed Fund, while the remaining part was paid by deducting units from members’ account. As such, capital may not be guaranteed in absolute term for members under the indirect charge option before 30 December 2011.
5. Investment in the Principal HK Dollar Savings Fund is different from placing deposits with a bank or deposit-taking company and is not protected by the Deposit Protection Scheme. Investment in the Principal HK Dollar Savings Fund will be subject to investment risks.
6. Fees and charges of a MPF conservative fund can be deducted from either (i) the assets of the Constituent Fund or (ii) members’ account by way of unit deduction. This Principal MPF Conservative Fund uses method (i) and, therefore, unit prices/net asset value/fund performance quoted have incorporated the impact of fees and charges.
7. You should consider your own risk tolerance level and financial circumstances before investing in the Default Investment Strategy (“**DIS**”). You should note that the Principal Core Accumulation Fund and the Principal Age 65 Plus Fund may not be suitable for you, and there may be a risk mismatch between the Principal Core Accumulation Fund and the Principal Age 65 Plus Fund and your risk profile (the resulting portfolio risk may be greater than your risk preference). You should seek financial and/or professional advice if you are in doubt as to whether the DIS is suitable for you, and make the investment decision most suitable for you taking into account your circumstances.
8. You should note that the implementation of the DIS may have an impact on your MPF investments and benefits. You should consult with the Trustee if you have doubts on how you are being affected.
9. You should consider your own risk tolerance level and financial circumstances before making any investment choices. In your selection of Constituent Fund(s), you are in doubt as to whether a certain Constituent Fund is suitable for you (including whether it is consistent with your investment objectives), you should seek financial and/or professional advice and choose the Constituent Fund(s) most suitable for you, taking into account your own circumstances.
10. In the event that you do not make any investment choices, please be reminded that any contributions made and/or benefits transferred into this Scheme will be invested into the DIS.
11. Investment involves risks. The value of the funds may go up or down. The past performance is not indicative of future performance. Your investment may suffer significant loss. There is no assurance on investment returns and you may not get back the amount originally invested.
12. You should not invest in reliance on this marketing material alone. You should read the relevant MPF Scheme Brochure for further details (including investment policy, risk factors, fee and charges of the Constituent Funds).

\* “Scheme” means Principal MPF Scheme Series 800.

“Constituent Fund” means the constituent funds covered under the Scheme.

# Why Principal MPF Services?

## Diversified Investment Options –

With solid experience in investment management, we offer diversified investment options, providing different characteristics and risk levels to meet different investment objectives and retirement needs of members.

## Retirement Services Specialists –

Our experienced retirement services specialists possess high level of technical know-how in managing/administering pension schemes, and are committed to helping members select the right approach to achieve your financial goals.

## Reliable Administration and Quality Customer Services –

Our sophisticated administrative and advanced I.T. systems are designed to accommodate your unique personal requirements, while providing flexibility for change. Besides, we also provide quality customer services to members and they can take advantage of them to manage their MPF accounts efficiently.

## Convenient Information Access –

Members can obtain their individual account information conveniently through the round-the-clock Principal TeleTouch® interactive voice response system or internet-based [Principal Retirement Services Centre](http://www.principal.com.hk) (www.principal.com.hk). With these, members can access their account balances, daily fund prices, investment performance and even switch funds anytime and anywhere. In addition, members may also obtain their account balances, daily fund prices and investment performance via the [Principal Mobile App](#). Both members and non-members can take advantage of the budget planning tool, where this Mobile App also offers “Fund Price Alert” function. Lastly, by registering the Principal e-Communication Service, members will enjoy a wide array of free services including regular updates on pension account balance, updated information on Principal products and services promotional program as well as exclusive member benefits via e-mail and SMS.





## How To Make A Transfer?

Transfer your accrued benefits to Principal MPF Employee Account by completing and returning the “Scheme Member’s Request for Fund Transfer Form MPF(S)-P(M)” and/or “Employee Choice Arrangement (“ECA”) – Transfer Election Form MPF(S)-P(P)” to Principal. The form can be downloaded at [www.principal.com.hk](http://www.principal.com.hk).

**For details of the Employee Members Asset Transfer-In Program, please call our Customer Service Hotline: (852) 2827 1233 or visit our website [www.principal.com.hk](http://www.principal.com.hk)**



## Special Rewards

From now on, Employee Members who have successfully transferred their accrued benefits (minimum HK\$50,000) to the Principal MPF Scheme Series 800 Employee Account and remained there for **at least 3 months** would have an opportunity to receive one-off bonus units worth up to HK\$500. After Principal has received the requisite amount from an Employee Member and such amount has remained in the Employee Member’s MPF Employee Account for at least 3 months (“**3-month Period**”), the value of bonus units that the Employee Member is entitled to receive will be used to subscribe for units of the Principal HK Dollar Savings Fund under the Scheme which is attributable to the Employee Member’s mandatory contribution on the 25th of the month immediately following the Calendar Quarter in which the date of expiry of the 3-month Period falls (“**Unit Credit Date**”), subject to the other qualifying Terms and Conditions attached herewith being met. Please refer to the following table for details of the requisite amount and the value of bonus units:

| Requisite Amount (HK\$)     | Value of Bonus Units Entitlement (HK\$) |
|-----------------------------|---|
| \$50,000 – below \$100,000  | \$100                                   |
| \$100,000 – below \$150,000 | \$200                                   |
| \$150,000 – below \$200,000 | \$300                                   |
| \$200,000 – below \$250,000 | \$400                                   |
| \$250,000 or above          | \$500                                   |

### Terms and Conditions:

1. The offer is applicable to all existing Employee Members of the Scheme.
2. Employee Members who have transferred the requisite amount in one lump sum from the other MPF service providers to their existing MPF Employee Account under the Scheme are entitled to bonus units under this reward. Please refer to the table above for details of the requisite amount and the bonus units entitlement.
3. Bonus units will be credited on the Unit Credit Date. If that day is not a business day, bonus units will be credited on the immediately preceding business day; and if a black rainstorm or typhoon no. 8 signal or above is hoisted on that day and hence business is closed on the whole of that day, bonus units will be credited on the immediately following business day.
4. For the avoidance of doubt, if an Employee Member has submitted a written request to Principal to transfer or withdraw his/her account balance, in whole or in part, from his/her Employee Account under the Scheme on or before the Unit Credit Date, the Employee Member shall NOT be entitled to bonus units under this reward.
5. If an Employee Member has more than one MPF Employee Account under the Scheme, each of those MPF Employee Account will be considered independently when determining bonus units entitlement under this reward.
6. This promotional offer may be withdrawn or the details of which may be changed by Principal at its sole and absolute discretion by giving 3 months’ prior notice via selected customer communication channels, including but not limited to newsletters and/or company website.
7. In case of any disputes, the decision of Principal shall be final.
8. Definition:  
Calendar Quarter means any one of the following time periods during a given year: January 1 through March 31, April 1 through June 30, July 1 through September 30, or October 1 through December 31.

**Issuer of this material: Principal Trust Company (Asia) Limited**