

**FAQs**  
**for the completion of Acquisition of the MPF and ORSO businesses of**  
**AXA Hong Kong (“AXA”) by Principal International (Asia) Limited and/or its**  
**nominee(s) (“Principal”)**

**FAQs for Principal MPF - Smart Plan and Principal MPF - Simple Plan**

**1. What is the reason for the acquisition of AXA’s pension business by Principal (the “Transaction”)?**

AXA and Principal entered into a sale and purchase agreement dated 7 November 2014, under which, AXA would dispose of its pension business to Principal. It is a commercial transaction which allows AXA and Principal to maximize customer value in their respective core businesses. Scheme participants would benefit from high quality and dependable retirement and investment services through the acquisition of AXA’s MPF and ORSO businesses by Principal.

**2. When is the effective date of the Transaction?**

The changes took effect from 1 September 2015.

**3. What is the role of AXA after the Transaction?**

AXA acts as Exclusive Distributor after the Transaction. Principal MPF - Smart Plan, Principal MPF - Simple Plan and Principal Central Provident Fund are exclusively distributed by AXA after the Transaction.

**4. What are the changes to the Smart Plan and Simple Plan (the “Plans”)?**

There are changes to the ownership of the Plans and relevant structure:

(1) Change of shareholders of the Trustee

- The shareholders of the Trustee have been changed from AXA entities to Principal entities.

(2) Change of Name of Trustee

- The name of the AXA China Region Trustees Limited has been changed to Principal Trust Company (Hong Kong) Limited.

(3) Change of Name of Plans

- The name of the Plans has been changed from AXA MPF-Smart Plan to Principal MPF-Smart Plan and from AXA MPF - Simple Plan to Principal MPF-Simple Plan.

(4) Change of Sponsor

- The Sponsor of the Plans has been changed from AXA China Region Insurance Company (Bermuda) Limited to Principal Insurance Company (Hong Kong) Limited.

(5) Change of Insurer / Guarantor of the Guaranteed Fund Policy

- The insurer / guarantor of the AXA Guaranteed Fund Policy has been changed from AXA China Region Insurance Company (Bermuda) Limited to Principal Insurance Company (Hong Kong) Limited. The name of the AXA Guaranteed Fund Policy has been changed to the Principal Guaranteed Fund Policy.

(6) Change of Names of Constituent Funds

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- The names of constituent funds have been changed as follows:

**Principal MPF-Smart Plan**

Existing name	New name
AXA Growth Fund	Principal Growth Fund
AXA Balanced Fund	Principal Balanced Fund
AXA Stable Fund	Principal Stable Fund
AXA Cash Fund	Principal Cash Fund
AXA MPF Conservative Fund	Principal - MPF Conservative Fund
AXA Guaranteed Fund	Principal Guaranteed Fund
AXA - Fidelity Global Equity Fund	Principal - Fidelity Global Equity Fund
AXA - Fidelity Asia Pacific Equity Fund	Principal - Fidelity Asia Pacific Equity Fund
AXA - Templeton Global Bond Fund	Principal - Templeton Global Bond Fund
AXA - JPMorgan Greater China Equity Fund	Principal - JPMorgan Greater China Equity Fund
AXA - JPMorgan Asian Bond Fund	Principal - JPMorgan Asian Bond Fund
AXA - RCM Hong Kong Fund	Principal - RCM Hong Kong Fund
AXA - Hang Seng Index Tracking Fund	Principal - Hang Seng Index Tracking Fund

**Principal MPF-Simple Plan**

Existing name	New name
AXA Growth Fund	Principal Growth Fund
AXA Balanced Fund	Principal Balanced Fund
AXA Stable Fund	Principal Stable Fund
AXA MPF Conservative Fund	Principal - MPF Conservative Fund
AXA - Fidelity Global Equity Fund	Principal - Fidelity Global Equity Fund
AXA - Fidelity Asia Pacific Equity Fund	Principal - Fidelity Asia Pacific Equity Fund
AXA - Templeton Global Bond Fund	Principal - Templeton Global Bond Fund
AXA - RCM Hong Kong Fund	Principal - RCM Hong Kong Fund

(7) Change of investment manager, sub-investment manager and names of AXA IM MPF Fund and underlying APIFs

- Principal Asset Management Company (Asia) Limited (the "**PAM**") has replaced AXA Investment Managers Asia Limited as investment manager of the AXA IM MPF Fund. PAM, in turn, has appointed Principal Global Investors LLC and Principal Global Investors (Hong Kong) Limited (collectively, "**Principal Global Investors**") as sub-investment managers of each of the underlying approved pooled investment funds (the "**APIF**") of the following constituent funds. The name of the AXA IM MPF Fund has been changed to

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Principal MPF Fund, and the name of each underlying APIF that is sub-fund of the AXA IM MPF Fund has been changed as follows:

**Principal MPF-Smart Plan**

Constituent fund	Existing name of the underlying APIF	New name of the underlying APIF
AXA Growth Fund	AXA IM MPF Growth Fund	Principal MPF Growth Fund
AXA Balanced Fund	AXA IM MPF Balanced Fund	Principal MPF Balanced Fund
AXA Stable Fund	AXA IM MPF Stable Fund	Principal MPF Stable Fund
AXA Cash Fund	AXA IM MPF Cash Fund	Principal MPF Cash Fund
AXA MPF Conservative Fund	AXA IM MPF Conservative Fund	Principal MPF Conservative Fund
AXA Guaranteed Fund	AXA IM MPF Capital Stable Fund*	Principal MPF Capital Stable Fund

\*AXA Guaranteed Fund invests in AXA Guaranteed Fund Policy, which, in turn, invests in AXA IM MPF Capital Stable Fund.

**Principal MPF-Simple Plan**

Constituent fund	Existing name of the underlying APIF	New name of the underlying APIF
AXA Growth Fund	AXA IM MPF Growth Fund	Principal MPF Growth Fund
AXA Balanced Fund	AXA IM MPF Balanced Fund	Principal MPF Balanced Fund
AXA Stable Fund	AXA IM MPF Stable Fund	Principal MPF Stable Fund
AXA MPF Conservative Fund	AXA IM MPF Conservative Fund	Principal MPF Conservative Fund

**5. What are the impacts on the Plans and scheme participants?**

The changes described in 4(1) to (7) above do not have any adverse impact on the Plans or the interests of the respective scheme participants.

**Change of ownership**

The change of ownership of the trustee has no adverse impact on the capacity, ability or eligibility of the trustee to continue to perform its role in respect of the Plans.

**Change of insurer / guarantor of the Guarantee Fund Policy**

Other than the change of insurer / guarantor of the AXA Guaranteed Fund Policy and the change of its name, the terms and conditions (including the guarantee feature) of the AXA Guaranteed Fund Policy are remain unchanged after the change of insurer /

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guarantor. Scheme participants investing in the AXA Guaranteed Fund continue to enjoy the guaranteed benefits in accordance with its offering document as before.

**Investment objective and policy and fees and charges**

The investment objective and policy, and fees and charges of the APIFs and their corresponding constituent funds remain unchanged.

**Administrative services**

Please also refer to the response to Question 9 below for changes to the administrative services.

**6. Did the scheme participants have to bear the costs incurred for the Transaction?**

All costs and expenses associated with the Transaction, the changes to the Plans and the underlying APIFs of the constituent funds were borne by the trustee.

**7. Is there any change to the fund choice and management fee to my existing plan?**

Except for the changes of the names of the AXA IM MPF Fund and the underlying APIFs, there is no change to the fund choices and management fee to your existing plan. We ensure that this exercise is in the interests of the scheme participants without any adverse impact on the Plans or the interests of the scheme participants.

**8. Is there any impact to my guaranteed fund (under the Smart Plan) as a scheme participant?**

There is no adverse impact on your guaranteed fund as a scheme participant unless you decide to have your investments in your guaranteed fund: (1) switched out of the guaranteed fund to another constituent fund under the relevant Plan or (2) transferred to another scheme. In this case, as stipulated in the related offering document, no guarantee would be applied.

**9. Is there any impact on usage of administrative services as a scheme participant?**

There is no adverse impact on your usage of administrative services as a scheme participant. You can access the same customer service hotline at 2802 2812 or contact Trustee hotline at 2827 1233 as well as Principal website at [www.principal.com.hk](http://www.principal.com.hk) to access online services.

There are some changes to the contents of administration forms, such as change of trustee name (from AXA China Region Trustees Limited to Principal Trust Company (Hong Kong) Limited), change of payee names for contributions (as set out below) and both AXA's and Principal's logos appear on the forms).

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**Payee name for contributions**

<b>Existing payee name</b>	<b>New payee name</b>
<b>Smart Plan</b>	
AXA China Region Trustees Limited - Smart MPF 安盛信託有限公司 - 明智強積金	Principal Trust Company (Hong Kong) Limited – Principal MPF Smart Plan 信安信託(香港)有限公司 - 信安強積金明智之選
<b>Simple Plan</b>	
AXA China Region Trustees Limited - Simple MPF 安盛信託有限公司 - 易富強積金	Principal Trust Company (Hong Kong) Limited – Principal MPF Simple Plan 信安信託(香港)有限公司 - 信安強積金易富之選

Please also note the new location of the customer service centers, customer service email address and fax number and address of the Trustee as follows:

- (a) the new customer service counters are located at 30/F, Millennium City 6, 392 Kwun Tong Road, Kwun Tong, Kowloon, Hong Kong and 27/F, Hopewell Centre, 183 Queen's Road East, Hong Kong;
- (b) the new customer service email address is [axa-principal@exchange.principal.com](mailto:axa-principal@exchange.principal.com);
- (c) the new fax number of the Trustee is 2263 0833; and
- (d) the new address of the Trustee is Unit 1001-3 Central Plaza, 18 Harbour Road, Wanchai, Hong Kong.

**10. Background information about the new sponsor and new insurer / guarantor (Principal Insurance Company (Hong Kong) Limited) of the Principal Guaranteed Fund, the new investment manager of the APIFs of the constituent funds (Principal Asset Management Company (Asia) Limited) and the new sub-investment managers of the APIFs of the constituent funds (Principal Global Investors, LLC and Principal Global Investors (Hong Kong) Limited).**

Principal Insurance Company (Hong Kong) Limited (“PIC”) is a company incorporated in Hong Kong in 1996. It is an insurer authorized by the Insurance Authority to carry on retirement scheme management business in and from Hong Kong. PIC is a member of the Principal Financial Group, which offers a full range of insurance and financial products and services for businesses, groups and individuals. Its largest member company, Principal Life Insurance Company, was established in 1879 and ranks among one of the largest US life insurance companies based on assets.

Principal Asset Management Company (Asia) Limited (“PAM”) is a company incorporated in Hong Kong in 1997 and is a member of the Principal Financial Group. PAM is specialized in portfolio management and asset management businesses, and is an investment manager for a number of MPF schemes and approved pooled investment funds in Hong Kong. PAM is devoted to providing reliable and quality services to its clients and is committed to be a professional fund management house.

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Principal Global Investors, LLC, and its affiliate Principal Global Investors (Hong Kong) Limited are wholly-owned subsidiaries of the Principal Financial Group. As a global investment management leader, the investment capabilities of Principal Global Investors encompass a range of equity, fixed income and real estate investments, as well as specialized expertise in preferred securities, currency management, asset allocation, stable value management and other structured investment strategies. Principal Global Investors, LLC is registered with the Securities and Exchange Commission under the USA regime. Principal Global Investors (Hong Kong) Limited is licensed and regulated by the Securities and Futures Commission. PAM and Principal Global Investors have extensive experience in the MPF investment management space, collectively currently managing over HK\$25 billion in MPF/Occupational Retirement Schemes related assets.

Principal Financial Group, Inc. is a Fortune 500 company listed on the New York Stock Exchange. Member companies of the Principal Financial Group currently serve around 19.4 million individuals and their dependents worldwide and handle more than 40,000 employer pension plans in the United States alone. The Principal Financial Group is a global investment management leader and has business operations in 18 countries throughout the United States, Europe, Latin America and Asia.

**11. Is there any change to my PIN from now on?**

Your PIN would not be changed and so you can login your account via Internet or IVRS by using your existing PIN.

**12. How come I cannot check my MPF via AXA@Work?**

We are sorry that the MPF business is now provided by Principal and we are reviewing this Mobile App Service. This service will be suspended during this review period. We would notify you once there is new arrangement. You can continue to use the eAdmin online system or contact our Customer Service Centre for checking account information.