



ORSO PAMPHLET

BOC-Prudential Provident Fund Scheme

Investment Manager:
BOCI-Prudential Asset Management Limited
ORSO Application and Product Hotline: 2280 8689


中銀國際
BOC INTERNATIONAL


PRUDENTIAL
保誠集團

中銀保誠資產管理
BOCI-Prudential Asset Management

IMPORTANT INFORMATION

- The BOC-Prudential Provident Fund Scheme (the "Pool") is a pooled retirement fund set up under a trust arrangement constituted under the laws of Hong Kong.
- The Pool offers a number of investment funds choices (each, "Investment Fund") each of which is distinguished by the specific investment policy or any other specific features of its underlying investment fund (each, "Underlying Fund"). The Underlying Funds may directly or indirectly through other fund(s) invest in equities, bonds, debt securities, money market instruments or a combination of these.
- Investment involves risks and not all Investment Funds available under the Pool may be suitable for everyone. Some may be of high investment risk. There is no assurance on investment returns and your investments or accrued benefits may suffer significant loss.
- In the event that you do not make any fund choices, please be reminded that your contributions made and/or benefits transferred into the Pool will be invested in the default fund choice(s) as may be agreed between your employer, the Trustee and the Investment Manager from time to time, and such default fund choice(s) may not necessarily be suitable for you.
- You should carefully consider your own investment objectives, risk tolerance level and other circumstances and seek independent financial and professional advice as appropriate before investing in any Investment Fund under the Pool.
- You should not solely rely on the information from this Pamphlet to make any investment decision. Please refer to the Principal Brochure of the Pool for further details (including the investment objective and policies, the product features and risk factors). The Principal Brochure of the Pool should be read in conjunction with the relevant offering documents (including the Products Key Facts Statement(s)) of the Underlying Funds in which the Investment Funds invest.
- The Pool and the Investment Funds have been authorized by the Securities and Futures Commission (the "SFC"). SFC authorization is not a recommendation or endorsement of the Pool or any Investment Funds nor does it guarantee the commercial merits of them or their performance. It does not mean the Pool or any Investment Funds are suitable for all investors nor is it an endorsement of their suitability for any member or any particular investor or class of investors.

Introduction

The Pool is a pooled retirement fund set up under a trust arrangement constituted under the laws of Hong Kong. It is designed for providing benefits to employees of Participating Employers. The rules under a Participating Scheme can be tailor-made by a Participating Employer to meet specific corporate needs.

Any employer who wishes to join the Pool will be required to execute a deed of adherence ("Deed of Adherence") in such form to be agreed between the Trustee, the Investment Manager and such Participating Employer for establishment of the Participating Scheme. The employer may also need to complete the necessary application form and/or provide relevant supporting documents for establishing the Participating Scheme.

The Pool is structured to allow a Participating Employer or, if the Participating Employer so agrees, each or certain class/group of the members of the Participating Scheme ("Members"), an investment choice as to the Investment Fund(s) to be invested for their contributions and to give a switching instruction on the redemption of their contribution units and the investment of such redemption proceeds in another Investment Fund(s).

Monies contributed, being assets of the Pool, will be allocated to the Investment Funds based on the investment choice specified by the Participating Employer and/or Member (where permitted by the Participating Employer) which will wholly invest in the relevant Underlying Funds selected by the Investment Manager. There will be no cash or other assets of an Investment Fund.

The Pool currently provides the following 13 Investment Funds:

- (i) BOCHK China Equity Fund (ORSO)
- (ii) BOCHK Hong Kong Equity Fund (ORSO)
- (iii) BOCHK Global Equity Fund (ORSO)
- (iv) BOCHK Aggressive Growth Fund (ORSO)
- (v) BOCHK Balanced Growth Fund (ORSO)
- (vi) BOCHK Conservative Growth Fund (ORSO)
- (vii) BOCHK Global Bond Fund (ORSO)
- (viii) BOCHK Hong Kong Dollar Income Fund (ORSO)
- (ix) BOCHK US Dollar Money Market Fund (ORSO)
- (x) BOCHK HK Dollar Money Market Fund (ORSO)
- (xi) BOC-Prudential North America Index Fund (ORSO)
- (xii) BOC-Prudential European Index Fund (ORSO)
- (xiii) BOC-Prudential MSCI AC Asia Pacific ex Japan Index Fund (ORSO)

The Investment Funds are funds solely investing in SFC-authorized funds[^].

[^]SFC authorization is not a recommendation or endorsement of the Pool or any Investment Funds nor does it guarantee the commercial merits of them or their performance. It does not mean the Pool or any Investment Funds are suitable for all investors nor is it an endorsement of their suitability for any member or any particular investor or class of investors.

Professional Services

Professional ORSO Services

BOCI-Prudential Asset Management Limited (the “Investment Manager”) and BOCI-Prudential Trustee Limited (the “Trustee”) are committed to providing you with professional ORSO services, which includes investment management, trustee, custody and administration services in order to meet different needs of employers and members.

The Investment Manager acts as the investment manager of the Pool. The Investment Manager is also the investment manager of the BOCHK Investment Funds and BOC-Prudential Index Fund Series.

The Trustee acts as the custodian of the assets of the Pool. The Trustee is also the trustee of the BOCHK Investment Funds and BOC-Prudential Index Fund Series.



Company Background

Company Background of the Investment Manager and Trustee / Custodian

BOCI-Prudential Asset Management Limited and BOCI-Prudential Trustee Limited are the two joint ventures established by the subsidiaries of Bank of China Limited (formerly known as Bank of China) and Prudential plc in 1999.



- **BOCI-Prudential Asset Management Limited** is an asset management company founded in Hong Kong, offering a broad spectrum of investment products ranging from MPF, retirement schemes, retail unit trusts, to exchange traded funds, apart from the tailor-made investment strategies for individual and institutional clients.
- **BOCI-Prudential Trustee Limited** primarily offers trust and administration services for MPF and retirement schemes, and is actively developing trustee and custodian services of unit trust funds.

Leveraging on the background of the joint ventures, together with a dedicated team of investment and administration professionals, the Investment Manager and the Trustee endeavor to provide quality and diversified services in order to offer you a simple, relaxing and convenient retirement plan option.

Investment Choices (i.e. the Investment Funds)

The Pool currently provides 13 Investment Funds including Mixed Asset Funds, Equity Funds, Index Tracking Funds, Bond Fund, Income Fund and Money Market Funds. The Investment Funds are funds solely investing in its relevant Underlying Fund. Each Investment Fund will invest in the Administration Class(es) of Units (the "Administration Class(es) of Units") of its relevant Underlying Fund (as referred to in the offering documents of BOCHK Investment Funds and BOC-Prudential Index Fund Series).

Name of the Investment Fund	The Administration Class of Units of the Underlying Fund to be Invested by the Investment Fund, and the Investment Focus of Underlying Fund ¹	Risk Level ² of the Underlying Fund	Sum of Trustee Fee & Investment Management Fee ³ of the Underlying Fund (% per annum on the relevant portion of the net asset value of the relevant Underlying Fund)
MIXED ASSET FUNDS			
BOCHK Aggressive Growth Fund (ORSO)	<p>Class A - Administration USD Units of BOCHK Aggressive Growth Fund</p> <ul style="list-style-type: none"> Under normal circumstances, the underlying BOCHK Aggressive Growth Fund is expected to invest, through the relevant underlying funds, a substantial portion of assets in global equities, and the balance in global bonds 	Medium to High	
BOCHK Balanced Growth Fund (ORSO)	<p>Class A - Administration USD Units of BOCHK Balanced Growth Fund</p> <ul style="list-style-type: none"> Under normal circumstances, the underlying BOCHK Balanced Growth Fund is expected to invest, through the relevant underlying funds, in a balanced mix of global equities and global bonds 	Medium	1.45%
BOCHK Conservative Growth Fund (ORSO)	<p>Class A - Administration USD Units of BOCHK Conservative Growth Fund</p> <ul style="list-style-type: none"> Under normal circumstances, the underlying BOCHK Conservative Growth Fund is expected to invest, through the relevant underlying funds, a substantial portion of its assets in global bonds, and the balance in global equities 	Low to Medium	
EQUITY FUNDS			
BOCHK Global Equity Fund (ORSO)	<p>Class A - Administration USD Units of BOCHK Global Equity Fund</p> <ul style="list-style-type: none"> At least 70% of its non-cash assets in major global stock markets. Further, the underlying BOCHK Global Equity Fund invests in equities and equity related securities, including warrants and convertible securities 	Medium to High	
BOCHK China Equity Fund (ORSO)	<p>Class A - Administration HKD Units of BOCHK China Equity Fund</p> <ul style="list-style-type: none"> At least 70% of its non-cash assets in the listed equities and equity related securities of companies whose activities are closely related to the economic development and growth of the economy of the People's Republic of China 	High	1.95%
BOCHK Hong Kong Equity Fund (ORSO)	<p>Class A - Administration HKD Units of BOCHK Hong Kong Equity Fund</p> <ul style="list-style-type: none"> At least 70% of its non-cash assets in the listed equities and equity related securities of companies operating principally in Hong Kong, or linked either directly or indirectly to the Hong Kong economy 	High	1.45%

INDEX TRACKING FUNDS

BOC-Prudential North America Index Fund (ORSO)	<p>Provident Administration Class (HKD) Units of BOC-Prudential North America Index Fund</p> <ul style="list-style-type: none"> • Seeks to provide investment performance (before fees and expenses) that tracks the performance of the FTSE MPF North America Index (unhedged) and will invest in a portfolio of securities traded on the stock exchanges in North America (70% – 100% in North America-related securities) 	High	
BOC-Prudential European Index Fund (ORSO)	<p>Provident Administration Class (HKD) Units of BOC-Prudential European Index Fund</p> <ul style="list-style-type: none"> • Seeks to provide investment performance (before fees and expenses) that tracks the performance of the FTSE MPF Europe Index (unhedged) and will invest in a portfolio of securities traded on the stock exchanges in the United Kingdom and in other continental European countries (70% – 100% in Europe-related securities) 	High	0.8025%
BOC-Prudential MSCI AC Asia Pacific ex Japan Index Fund (ORSO)	<p>Provident Administration Class (HKD) Units of BOC-Prudential MSCI AC Asia Pacific ex Japan Index Fund</p> <ul style="list-style-type: none"> • Seeks to provide investment performance (before fees and expenses) that tracks the performance of the MSCI AC Asia Pacific ex Japan Index which is an index consisting of the large- and mid-capitalization constituent securities traded on the various stock markets in the Asia Pacific region (excluding Japan) (70% - 100% in Asia Pacific (ex Japan) equities and equity-related securities) 	High	

BOND FUND, INCOME FUND AND MONEY MARKET FUNDS

BOCHK Global Bond Fund (ORSO)	<p>Class A – Administration USD Units of BOCHK Global Bond Fund</p> <ul style="list-style-type: none"> • At least 70% of its non-cash assets in a portfolio in bonds denominated in various major world currencies including but are not limited to US Dollar, British Sterling, Euro, Japanese Yen and RMB 	Medium	1.2%
BOCHK Hong Kong Dollar Income Fund (ORSO)	<p>Class A – Administration HKD Acc Units of BOCHK Hong Kong Dollar Income Fund</p> <ul style="list-style-type: none"> • At least 70% of its non-cash assets in a portfolio which mainly consists of Hong Kong dollar denominated investment grade (rated Baa3 or better by Moody's or other credit rating agency of similar standing) bonds 	Low to Medium	0.95%
BOCHK US Dollar Money Market Fund (ORSO)⁵	<p>Class A – Administration USD Units of BOCHK US Dollar Money Market Fund</p> <ul style="list-style-type: none"> • At least 70% of its net asset value in a range of short-term deposits and high quality money market instruments issued locally or overseas by governments, quasi-governments, international organisations, financial institutions or other corporations and money market funds that are authorized by the SFC⁴ under Chapter 8.2 of the Code on Unit Trusts and Mutual Funds (the "Unit Trust Code") or regulated in other jurisdiction(s) in a manner generally comparable with the requirements of the SFC and acceptable to the SFC⁴ 	Low	0.45%
BOCHK HK Dollar Money Market Fund (ORSO)⁵	<p>Class A – Administration HKD Units of BOCHK HK Dollar Money Market Fund</p> <ul style="list-style-type: none"> • At least 70% of its net asset value in a range of short-term deposits, and high quality money market instruments issued locally or overseas by governments, quasi-governments, international organisations, financial institutions or other corporations and money market funds that are authorized by the SFC⁴ under Chapter 8.2 of the Unit Trust Code or regulated in other jurisdiction(s) in a manner generally comparable with the requirements of the SFC and acceptable to the SFC⁴ 	Low	

- 1 For further details including the investment objective and policies and key risks of the Investment Funds, please refer to Section 3(B) “Investment Funds and Investment Objective and Policies” and Section 3(C) “Risk Factors” of the Principal Brochure of the Pool. The Principal Brochure of the Pool should be read in conjunction with the relevant offering documents (including the Products Key Facts Statement(s)) of the Underlying Funds in which the Investment Funds invest.
- 2 Risk levels of the Underlying Funds are categorized into low, low to medium, medium to high and high. The risk levels are determined by BOCI-Prudential Asset Management Limited based on the investment mix of each Underlying Fund and/or its underlying investments, and represent only the views of BOCI-Prudential Asset Management Limited in respect of the relevant Underlying Fund. Such risk levels are for reference only and should not be regarded as investment advice. You should not rely on the risk levels only when making any investment decision. The risk levels will be reviewed and (if appropriate) updated at least annually without prior notice, taking into account the prevailing market circumstances. If you are in doubt about the information of risk level, you should seek independent financial and professional advice.
- 3 The Trustee Fee and Investment Management Fee at Pool Level are currently waived while there will be no Initial Charge, Redemption Charge and Switching Fee at Pool Level. The Initial Charge and Redemption Charge as well as the Switching Fee at Underlying Fund level are currently waived. For further details, please refer to Section 4(B) “Fees and Costs” of the Principal Brochure of the Pool.
- 4 SFC authorization is not a recommendation or endorsement of the Pool or any Investment Funds nor does it guarantee the commercial merits of them or their performance. It does not mean the Pool or any Investment Funds are suitable for all investors nor is it an endorsement of their suitability for any member or any particular investor or class of investors.
- 5 The purchase of a Unit in the underlying BOCHK US Dollar Money Market Fund or BOCHK HK Dollar Money Market Fund is not the same as placing funds on deposit with a bank or deposit-taking company, and the investment manager of the underlying BOCHK US Dollar Money Market Fund and BOCHK HK Dollar Money Market Fund has no obligation to redeem Units at the issue price, and the underlying BOCHK US Dollar Money Market Fund and BOCHK HK Dollar Money Market Fund are not subject to the supervision of the Hong Kong Monetary Authority.

Disclaimer on Indices

The Underlying Funds of BOC-Prudential North America Index Fund (ORSO) and BOC-Prudential European Index Fund (ORSO) (collectively “the Underlying Funds”) have been developed solely by BOCI-Prudential Asset Management Limited. The Underlying Funds are not in any way connected to or sponsored, endorsed, sold or promoted by the London Stock Exchange Group plc and its group undertakings (collectively, the “LSE Group”). FTSE Russell is a trading name of certain of the LSE Group companies. All rights in the FTSE MPF North America Index (unhedged) and the FTSE MPF Europe Index (unhedged) (the “Indices”) vest in the relevant LSE Group company which owns the Indices. “FTSE®” is a trade mark of the relevant LSE Group company and is used by any other LSE Group company under license. The Indices are calculated by or on behalf of FTSE International Limited or its affiliate, agent or partner. The LSE Group does not accept any liability whatsoever to any person arising out of (a) the use of, reliance on or any error in the Indices or (b) investment in or operation of the Underlying Funds. The LSE Group makes no claim, prediction, warranty or representation either as to the results to be obtained from the Underlying Funds or the suitability of the Indices for the purpose to which it is being put by BOCI-Prudential Asset Management Limited.

The Underlying Fund of BOC-Prudential MSCI AC Asia Pacific ex Japan Index Fund (ORSO) referred to herein is indexed to a MSCI index. Such Underlying Fund is not sponsored, endorsed or promoted by MSCI Inc. (“MSCI”), and MSCI bears no liability with respect to it or any index on which such Underlying Fund is based. The offering document of the Underlying Fund contains a more detailed description of the limited relationship MSCI has with BOCI-Prudential Asset Management Limited and such Underlying Fund.

Please note that Bank of China (Hong Kong) Limited is not the Manager of the BOCHK Investment Funds whilst BOCI-Prudential Asset Management Limited is the Manager. Bank of China (Hong Kong) Limited is the Sponsor of BOCHK Investment Funds and the Distributor of certain Sub-Funds of BOCHK Investment Funds.

Investment involves risk. The above information is for reference only. You should not solely rely on the information from this Pamphlet to make any investment decision. Please refer to the Principal Brochure of the Pool for further details (including the investment objective and policies, the product features and risk factors). The Principal Brochure of the Pool should be read in conjunction with the relevant offering documents (including the Products Key Facts Statement(s)) of the Underlying Funds in which the Investment Funds invest.

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*The Website of the Investment Manager has not been reviewed by the SFC.

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