



China Life MPF Master Trust Scheme On-going Cost Illustration – Illustrative Guide

On-going Cost Illustration of the Scheme is updated at the end of June each year

ON-GOING COST ILLUSTRATIONS FOR CHINA LIFE MPF MASTER TRUST SCHEME

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ABOUT THIS ILLUSTRATION

This is an illustration of the total effect of fees, expenses and charges on each HK\$1,000 contributed in the funds named below. The fees, expenses and charges of a fund are one of the factors that you should consider in making investment decisions across funds. You should however also consider other important information such as the risks of the fund, the nature of the fund, the attributes of relevant parties, the range and quality of services being offered and, most importantly, your own personal circumstances and expectations. The information about fees, expenses and charges set out in this table is intended to help you compare the cost of investing in one constituent fund with the cost of investing in other constituent funds.

The illustration has been prepared based on some assumptions that are the same for all funds. The illustration assumes the following:

- a gross contribution of HK\$1,000 is made in the respective constituent fund now and, being eligible to do so, you withdraw all of your accrued benefits arising from this contribution at the end of each time period indicated;
- for the purpose of this illustration only, the contribution has a 5% gross return each year [It is important that you note that the assumed rate of return used in this document is for illustrative and comparative purposes only. The return is neither guaranteed nor based on past performance. The actual return may be different.]; and
- the expenses of the funds (expressed as a percentage called the 'fund expense ratio' below) remain the same for each fund for all the periods shown in this illustration.

BASED ON THE ABOVE ASSUMPTIONS, YOUR COSTS ON EACH HK\$1,000 CONTRIBUTED ARE ILLUSTRATED IN THE FOLLOWING TABLE. PLEASE NOTE THAT THE ACTUAL COSTS WILL DEPEND ON VARIOUS FACTORS AND **2** BE DIFFERENT FROM **1** THE NUMBERS SHOWN BELOW.

Name of constituent fund	Fund expense ratio for financial period ended 12/2017	Cost on each HK\$1,000 contributed		
		After 1 year (HK\$)	After 3 years (HK\$)	After 5 years (HK\$)
China Life Guaranteed Return Fund	1.92%	20	62	107
China Life Balanced Fund	1.55%	16	50	87
China Life Growth Fund	1.56%	16	51	88
China Life Hong Kong Equity Fund	0.96%	10	31	55
China Life Retire-Easy Balanced Fund	1.70%	18	55	95
China Life Retire-Easy Global Equity Fund	1.69%	18	55	95
China Life Retire-Easy Capital Stable Fund	1.69%	18	55	95
China Life Retire-Easy Guarantee Fund	2.53%	27	82	139
China Life Core Accumulation Fund*		Not Applicable		
China Life Age 65 Plus Fund*		Not Applicable		

Note:

The example does not take into account any fee rebates that may be offered to certain members of the scheme.

To improve the utility of these illustrations, the calculations have been adjusted to take out the effect of some non-recurring set-up costs of approved pooled investment fund.

* Since the period between the inception date of the fund and the financial period ended December 2017 of the scheme is less than 1 year, no illustration figures are available because this is a new fund.

1 What is "On-going Cost Illustration"?

- Fund Expense Ratio on each \$1,000 contributed and invested by scheme member in a fund over one, three, and five years are expressed in dollar terms as an illustration of total cost
- Helps scheme members compare the cost of investing in different funds
- Based on Fund Expense Ratio of last financial period
- An annual 5% gross return and constant Fund Expense Ratio are assumed in the calculation
- Actual costs will depend on various factors and may be different from the calculated dollar cost amounts**

2 Fund Expense Ratio

- Total expenses of a fund expressed as a percentage of fund size
- Calculated based on the data from the previous financial period, so it **does not reflect the expenses or adjustment on fees and charges in the current financial period**

3 Funds that On-going Cost Illustration is not required

- Funds with less than one-year operational history
- MPF Conservative Funds
- Guaranteed Funds where the returns are not affected by the fund's performance