

# Impact of the implementation of the Default Investment Strategy legislation on scheme members

If you:

## 1. have not provided any investment instructions regarding your MPF before 1 April 2017

- MPF benefits which are now invested according to the default investment arrangement (DIA) of each MPF scheme:
  - Your trustee will send you\* a DIS Re-investment Notice (DRN) within six months after the DIS is launched
    - ✓ If you decide to invest your MPF according to the DIS, you do not need to take any action; or
    - ✓ If your trustee does not receive a reply from you:
      - ➔ Your MPF will be invested according to the DIS
  - Opt out arrangement: If you do not want your MPF to be invested according to the DIS, you should return your reply to your trustee on or before the date specified in the DRN<sup>#</sup> (the 42<sup>nd</sup> day after the issuance of the DRN)
  - You should take into account your personal needs such as your risk tolerance level, and the fee level of the DIS funds when considering whether to opt out of the DIS  
(\* excluding members who turned 60 before 1 April 2017; the investment arrangements for these members' MPF will remain unchanged.)  
(<sup>#</sup> If your DRN is received by your trustee after the specified date, your trustee will execute your investment instructions only after investing your MPF according to the DIS.)

## 2. have not given investment instructions for new benefits to be transferred to your account

- For example, if you did not manage your MPF contribution account after leaving a job and your trustee opened a personal account for you automatically as required by law, and you have not given any investment instructions on future MPF benefits transferred to the account:
  - ➔ **The investment arrangements for the accrued MPF benefits will remain unchanged**  
i.e. they will be invested in the same fund(s) you previously chose
  - ➔ **Any new MPF benefits transferred to your personal account will be invested according to the DIS**

## 3. have given investment instructions regarding your MPF

- Including your accrued and new benefits in your account:
  - ➔ All of the benefits will be invested according to your investment instructions

## 4. open a new MPF account after 1 April 2017

- If you just enter into the job market, open a new MPF account for your new job or set up a new personal account after leaving a job, but do not provide your trustee with any investment instructions:
  - ➔ Your MPF will be invested according to the DIS

**All scheme members can choose to invest their MPF according to the DIS or its two funds.**

**You are advised to learn more about the DIS and take into account your personal needs and risk tolerance level before making an investment decision.**

## **The MPFA would like to provide all scheme members with three tips:**

1. Read all the DIS-related notices issued by the trustees carefully and pay attention to the information provided by the MPFA
2. Ascertain the number of accounts you have and the investment instructions given for each account
3. Learn more about this new DIS product

**\*\*\*Scheme members should contact their trustees as soon as possible if they have any questions about their accounts or investment instructions\*\*\***