

**Macau Branch of YF Life Insurance International Limited**

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**MANAGEMENT REGULATION**

**relating to**

**YF Life Capital Conservative Fund 萬通保險保守基金**

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Effective date of the amended Management Regulation: Apr 20, 2020

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**THIS MANAGEMENT REGULATION** is made by **YF Life Insurance International Limited** (the “Management Company”), a company with paid-up share capital of HK\$3,916,000,000 and US\$80,000,000 and incorporated in Hong Kong with a registered office at 27/F., YF Life Tower, 33 Lockhart Road, Wanchai, Hong Kong and a branch office in Macau at Avenida Doutor Mario Soares No. 320, Finance and IT Center of Macau, 8 Andar A, Macau.

**WHEREAS:**

1. The Management Company established an open pension fund called the YF Life Capital Conservative Fund 萬通保險保守基金 under this Management Regulation (or such other name as the Management Company may from time to time determine) (the “Fund”) in which Associates or Participants representing the collective or individual membership may subscribe.
2. The Management Company is competent, under the provisions of the relevant law, to carry out all the functions of administration, management and representation of the Fund.
3. The Management Company shall stand possessed of the Fund in accordance with this Management Regulation.

**NOW THIS MANAGEMENT REGULATION WITNESSES** as follows:

**1 INTERPRETATION**

- 1.1 In this Management Regulation, the following words and expressions shall (unless the context otherwise requires) have the meanings given to them as follows:

<b>"AMCM"</b>	means the Monetary Authority of Macau;
<b>"Applicable Law"</b>	means any laws, regulations and rules which apply from time to time to the activities contemplated by this Management Regulation prescribed by the relevant authorities;
<b>"Application Form"</b>	means the application form as may be prescribed by the Management Company from time to time to be completed and signed by the Associates or Participants representing the collective or individual membership (as the case may be) for providing relevant information to the Management Company for the purposes of the Fund;
<b>"Associates"</b>	means corporate entities whose pensions plans are financed by pension funds;

<b>"Beneficiaries"</b>	means individuals who are entitled to the pecuniary payments provided for in the pension plans, regardless of whether or not they have been Participants;
<b>"Bid Spread"</b>	means the bid spread (or an amount equivalent thereto) referred to in Clause 10 of this Management Regulation;
<b>"Business Day"</b>	means any day (other than a Saturday, Sunday and public holiday) on which the banks are open for business in Macau;
<b>"Contribution Account"</b>	means, in his capacity as a Participant, all of the following sub-accounts: <ul style="list-style-type: none"> <li>(i) Participant's Sub-Account;</li> <li>(ii) Associate's Sub-Account;</li> <li>(iii) such any other sub-account of the Participant as the Management Company considers appropriate or necessary to establish at the request of the Participant; and</li> <li>(iv) such any other sub-account of the Associate as the Management Company considers appropriate or necessary to establish at the request of the Associate;</li> </ul>
<b>"Contributors"</b>	means individuals or corporate entities who contribute towards the financing of the pension plans;
<b>"Custodian"</b>	means such person or persons as may be appointed by the Management Company for custody of assets in accordance with this Management Regulation;
<b>"Dealing Day"</b>	means every Business Day provided that it is not a gale warning day or a black rainstorm warning day; or if such day is a gale warning or a black rainstorm warning day, the next following Business Day, which is not a gale warning or a black rainstorm warning day; or such other day or days as the Management Company may from time to time determine in respect of the Fund;
<b>"Investment"</b>	means any stock, share, debenture, debenture

stock, loan stock, bond, insurance policy, unit share or other interest in a collective investment fund, commodity, share price index futures contract, security, commercial paper, acceptance, certificate of deposit, trade bill, treasury bill, instrument or note of or issued by or under the guarantee of any body, whether incorporated or unincorporated, or of any government or local governmental authority or supranational body, whether paying interest or dividends or not, and whether fully paid or not and includes without limitation:

- (a) any right, option or interest in or in respect of any of the foregoing;
- (b) any certificate of interest or participation in, or temporary or interim certificate for, or receipt for or warrant to subscribe for or purchase, any of the foregoing;
- (c) any receipt or other certificate or document evidencing the deposit of a sum of money, or any rights or interests arising under any such receipt, certificate or document;
- (d) any mortgage-backed security or other securitised receivable; and
- (e) any bill of exchange and any promissory note;

**"Investment Manager"**

means such person or persons as may be appointed by the Management Company for investment of assets in accordance with this Management Regulation;

**"Issue Price"**

means the issue price (including any Offer Spread imposed) per Unit calculated pursuant to Clauses 9 and 10 of this Management Regulation, at which Units are from time to time issued or to be issued;

**"Macau"**

means the Macau Special Administrative Region of the PRC;

**"Management Regulation"**

means the regulations established by this Management Regulation;

<b>"Month"</b>	means calendar month;
<b>"Net Asset Value"</b>	means in relation to the Fund, the net asset value of the Fund or, as the context may require, calculated pursuant to Clause 8.3 of this Management Regulation;
<b>"Offer Spread"</b>	means the offer spread (or an amount equivalent thereto) referred to in Clause 9 of this Management Regulation;
<b>"Participants"</b>	means the membership of the Fund as defined under Clause 4 of this Management Regulation;
<b>"Participating Scheme"</b>	Means participation of the pension funds in relation to this fund according to the Participating Agreement or the provisions of this Management Regulation;
<b>"Participating Agreement"</b>	means in relation to a Participating Scheme, an agreement substantially in the form set out by the Management Company and has been executed by the Management Company and the Associate or Participant whereby parties agree to establish a Participating Scheme under this Management Regulation and the provisions mentioned in the Participating Agreement may be modified as time to time;
<b>"Permanent Incapacity for Work"</b>	shall be considered as such: <ul style="list-style-type: none"> <li>i) where persons are entitled to pensions for incapacity from any social security schemes, namely, the Social Security Fund or the Macau Pensions Fund;</li> <li>ii) where persons are entitled to compensation for permanent incapacity as a result of an occupational accident or disease, pursuant to the terms defined under the employees' compensation regime;</li> <li>iii) where persons, not coming within the scope of the preceding two subparagraphs, suffer permanent incapacity as a result of acts of third parties which prevent them from earning more than a third of the remuneration corresponding to the normal</li> </ul>

professional activity;

<b>"Redemption Price"</b>	means the price per Unit calculated pursuant to Clause 10 of this Management Regulation, at which Units are from time to time redeemed or to be redeemed;
<b>" Authorized Fund "</b>	means a pension fund authorized under the laws and regulations of Macau or has such other meaning as given to it from time to time by the relevant authority;
<b>"Subscription Monies"</b>	means any contribution or any accrued benefits to be transferred from another Authorized Fund into the Fund or any moneys received by the Management Company in relation to the Fund;
<b>"Unit"</b>	means an undivided share in the Fund, including any fraction, as the context may require, calculated pursuant to Clause 8.1 of this Management Regulation.

- 1.2 References herein to “this Management Regulation” or “the Management Regulation” shall mean this Management Regulation as from time to time be amended by the Management Company.
- 1.3 Unless the context requires otherwise, references herein to Clauses, Appendices and Schedules are to clauses, appendices and schedules to, this Management Regulation. The appendices and schedules shall be deemed to form part of this Management Regulation.
- 1.4 The headings are inserted for convenience only and shall not affect the construction hereof.
- 1.5 Unless the context requires otherwise, words importing the singular include the plural and vice versa; words importing a gender include every gender; words importing persons include corporations.
- 1.6 References to any statute shall be deemed to be references to that statute as from time to time amended or re-enacted.

## **2 OBJECTIVE OF THE PENSION FUND**

- 2.1 The Fund has the objective of ensuring the execution of the pension funds relating to early retirement, old age retirement, permanent incapacity for work or death.

### **3 APPOINTMENT, REMOVAL AND RETIREMENT OF THE CUSTODIAN AND INVESTMENT MANAGER**

- 3.1 Subject to the relevant law, the Management Company shall have power to appoint or remove one or more Custodians and/or Investment Manager.
- 3.2 The appointment of the Custodian is set out in Schedule 1 of this Management Regulation.
- 3.3 The Custodian is competent, under the provisions of the relevant law, to receive on deposit or enter in the register the securities and documents pertaining to the Fund, to maintain up-to-date chronological record of all the transactions carried out and to prepare every quarter a detailed inventory of the assets of the Fund.

### **4 TYPE OF MEMBERSHIP OF THE FUND**

- 4.1 The Participants of the Fund can be:
- 4.1.1 Individual membership - when the initial subscription of the Units of the Fund is made by individual Contributors;
- 4.1.2 Collective membership - when the initial subscription of the Units of the Fund is made by Associates.

### **5 ESTABLISHMENT OF THE PARTICIPATING AGREEMENT**

- 5.1 The membership, regardless of the type, is effected by signing the Participating Agreement, which contains the information in accordance with the laws and regulations.

### **6 POWERS, DUTIES AND FUNCTION OF MANAGEMENT COMPANY**

- 6.1 Subject to the laws and regulations and this Management Regulation, the Management Company shall have and may from time to time exercise all or any of the following powers:
- 6.1.1 for so long as the Fund is an Authorized Fund, power to invest the Fund in accordance with this Management Regulation.
- 6.1.2 power to allow any Investments, securities or properties at any time or times held by the Management Company, as the management company and legal agent of this fund, as part of the Fund so long as the Management Company may in its absolute discretion think fit;
- 6.1.3 power at the absolute discretion of the Management Company to sell, call in or convert into money any of such Investments, securities and properties which do not consist of money;

6.1.4 power as the Management Company may in its absolute discretion think fit in respect of the net proceeds of any such sale, calling in or conversion and of any other capital moneys forming part of the Fund or of any income of the Fund and contributions paid to the Management Company pursuant to the Participating Agreement which shall not be immediately required for making any payment thereunder to invest or apply the same as to the whole or any part thereof:

- (i) in the purchase of such funds, securities, bonds, debentures, stocks, shares or other investments or properties whether in possession or reversion ;
- (ii) in or towards effecting and maintaining with any insurance company or insurance office of good repute any annuity contracts or annuity policies or life assurance policies and any other policies for the purpose of providing benefits in accordance with the Participating Agreement;

to the intent that the Management Company shall have the same full and unrestricted powers of investing and transposing and varying investments, contracts, policies or deposits in all respects as if it were absolutely and beneficially entitled thereto as allowed under the laws and the investment policy of this Management Regulation.

6.2 Upon receiving contributions from the Participants, when the contribution is pending for investment in this Fund, subject to allowing interest on cash or short-term deposits placed with the Management Company and other companies related to the Management Company, the Management Company are entitled in accordance with normal banking practice to offset administration charges any benefit they may derive from cash for the time being in their hands (whether on a current or deposit account) comprising part of the Fund.

6.3 Subject to the provisions of this Management Regulation, nothing herein contained shall inhibit the Management Company from:

- (a) acting in any other capacity for any other person;
- (b) buying, holding or dealing in any investments or currency upon its own account notwithstanding that similar investments or currency may be held in the Fund;
- (c) purchasing for any fund investments owned by the Management Company for its own account or purchasing for the Management Company's own account (as the case may be) investments forming part of the Fund PROVIDED THAT regardless in which case the terms of purchase are not less favourable to the Fund than they would have been had the transactions been entered into at arm's length on the same day in question;

The Management Company shall not be liable to account to the Fund for any emoluments, commissions, profits or any other benefits whatsoever resulting from the Management Company doing any of the foregoing things.

- 6.4 Nothing herein contained shall place the Management Company under any duty to disclose to any Participants any fact or thing which comes to its notice in the course of their acting in any capacity for any other person.
- 6.5 As the management company of the Fund, the Management Company will execute reasonable prudence and effort.
- 6.6 The Management Company shall be responsible for all acts and operations that are required or appropriate for the good administration and management of the pension fund, namely:
- a) to represent, regardless of any mandate, the associates, participants, contributors and beneficiaries of the fund in exercising all the rights arising from the respective shares;
  - b) to select the assets constituting the fund in accordance with the respective investment policy;
  - c) to receive the fixed contributions and to guarantee the payments due to beneficiaries;
  - d) to maintain in good order its records and those of the fund;
  - e) to register with the real estate registry, in the name of this fund, the immovable properties forming part of its assets.

## **7 INVESTMENT POLICY**

- 7.1 The investment policy of the Fund is to provide a convenient and easily realisable medium of investment for investors who require a level of income combined with a high degree of capital protection by investing in HK dollar denominated bank deposits and other high quality HK dollar denominated fixed interest and other monetary instruments. The investment policy of the Fund shall be in strict compliance with the Applicable Law. The investment strategy will be primarily in fixed income investments including unit trusts and mutual funds.

## **8 DAY AND FORM OF CALCULATION OF THE VALUE OF EACH UNIT OF PARTICIPATION**

- 8.1 The value of each Unit of participation shall be calculated after the close of business on each Dealing Day by dividing the total Net Asset Value of the Fund by the number of Units of participation in circulation, except when the determination of prices has been suspended. The dealing deadline on each Dealing Day is 4:00 pm. The Management Company may from time to time change the dealing deadline in respect of the Fund. If any major stock exchange is closed on a Dealing Day, the Management Company reserves the right to postpone the Dealing Day to the next Business Day. In addition, the Management Company shall have the right to change

the Dealing Day from time to time.

- 8.2 Subject to Clause 8.1, the Management Company shall have the right to temporarily suspend or defer the valuation under the extraordinary circumstances set out in Clause 12.
- 8.3 The total Net Asset Value of the Fund shall be equal to the patrimony of the Fund which shall comprise the assets value, valued according to generally accepted accounting practices and applicable laws, including the receivable income and less the amount of liabilities due and unpaid. Liabilities of the Fund may include remuneration of the Management Company and the Custodian and investment charges. Investment charges include, but not limited to, , transfer taxes, or other fees and taxes imposed by the country of origin, and other such charges.
- 8.4 The fees and charges in relation to remuneration of the Management Company and the Custodian and investment charges under Clause 8.3 are set out in the Participating Agreement.

## **9 ISSUE OF UNITS**

- 9.1 Subject to Clause 9.3, upon receipt of an application for the issue of Units of the Fund accompanied by Subscription Monies in cleared funds, the Management Company shall issue Units of the Fund as determined in accordance with this Clause 9. Units of the Fund may only be issued on a Dealing Day.
- 9.2 Notwithstanding any other provision of this Clause 9, if the Subscription Monies in cleared funds are received by the Management Company after the dealing deadline of a Dealing Day, the Subscription Monies will be deemed to have been received on the next Business Day following such receipt. For the avoidance of doubt, any application for issue of Units shall not be considered to have been received by the Management Company until the Subscription Monies in respect of the application have been received by the Management Company in cleared funds.
- 9.3 No investment of the Subscription Monies can be made in the Fund until the conclusion of the first issue of Units at the Issue Price. Units of the Fund shall first be issued at the Issue Price when this Management Regulation commenced unless otherwise determined by the Management Company. The Net Asset Value per Unit of the Fund on the commencement day of this Management Regulation is Patacas 10.30 or equivalent to HK\$10.00.
- 9.4 The Fund shall be comprised of Investments, cash and other properties held or received by or on behalf of the Management Company for the account of such the Fund after making any relevant deduction or provision for the Offer Spread.
- 9.5 Subject to Clauses 9.3, the Issue Price per Unit of the Fund on any Dealing Day shall be determined as follows:

$$I = \frac{NAV}{(100\% - C)}$$

where:

- I = Issue Price per Unit.  
NAV = Net Asset Value per Unit on the Dealing Day.  
C = Offer Spread, expressed as a percentage.

PROVIDED ALWAYS that:

- (i) the Issue Price should be rounded up to 4 decimal places or such other number of decimal places as the Management Company shall determine from time to time;
  - (ii) the number of Units issued shall be the number obtained when the Subscription Monies is divided by the Issue Price per Unit of the invested Fund, such number to be rounded down to 4 decimal places or such other number of decimal places as the Management Company shall determine from time to time; and
  - (iii) no Unit of the Fund shall be issued at a price higher than the Issue Price per Unit of the Fund on the relevant Dealing Day.
- 9.6 The Offer Spread shall be retained by or paid to the Management Company for its own absolute use and benefit. The Offer Spread currently charged by the Management Company is set out in the Participating Agreement and the maximum Offer Spread is 8% of the Issue Price per Unit of the Fund, subject to further amendments made by the Management Company from time to time.
- 9.7 Units of the Fund shall not be issued during any period when the determination of the Net Asset Value of the Fund is suspended pursuant to Clause 12.

## **10 REDEMPTION OF UNITS**

- 10.1 Subject to the provisions of the laws and regulations and the provisions of this Management Regulation, the Management Company shall have the absolute discretion to redeem the Units standing to the credit of the relevant Contribution Account including any sub-accounts therein. Any request in relation to a redemption of Units which is received by the Management Company after the dealing deadline of a Dealing Day will be deemed to have been received by the Management Company on the Business Day next following such receipt. Before exercising such redemption, it shall be the duty of the Management Company, in consultation with the relevant Custodian, if any, to ensure that the Fund has (or will have upon the completion of the sale of Investments agreed to be sold) cash sufficient to pay the redemption proceeds payable.
- 10.2 The Redemption Price per Unit of the Fund on any Dealing Day shall be determined as follows:

$$R = NAV \times (100\% - D)$$

where:

R = Redemption Price.

NAV = Net Asset Value per Unit on the Dealing Day.

D = Bid Spread, expressed as a percentage.

PROVIDED ALWAYS that:

- (i) the Redemption Price should be rounded down to 4 decimal places or such other number of decimal places as the Management Company shall determine from time to time;
  - (ii) the total redemption proceeds shall be the Redemption Price multiplied by the number of Units redeemed, such proceeds to be rounded down to 2 decimal places or such other number of decimal places as the Management Company shall determine from time to time; and
  - (iii) no Unit of the Fund shall be redeemed at a price lower than the Redemption Price per Unit of the Fund on the relevant Dealing Day.
- 10.3 The Bid Spread shall be retained by or paid to the Management Company for its own absolute use and benefit. The Bid Spread currently charged by the Management Company is set out in the Participating Agreement and the maximum Bid Spread is 5% of the Net Asset Value per Unit, subject to further amendments made by the Management Company from time to time.
- 10.4 Where redemption is to be effected pursuant to this Clause 10, the Management Company shall proceed to effect any sales necessary to provide the cash required to pay the redemption proceeds. The Management Company shall then pay the redemption proceeds to the Participant or such other relevant person pursuant to the relevant Participating Agreement or apply the redemption proceeds in accordance with the provisions of this Management Regulation. Any redemption proceeds pending such payment or application shall be retained in an account. The Management Company shall also debit the relevant Contribution Account (with allocation to the appropriate sub-accounts) the number of Units redeemed.
- 10.5 Units of the Fund shall not be redeemed during any period when the determination of the Net Asset Value of the Fund is suspended pursuant to Clause 12.
- 10.6 The Management Company shall have the absolute discretion to limit the total number of Units of the Fund to be redeemed on any Dealing Day to 10 per cent of the total number of Units in issue (disregarding the number of Units to be issued on such Dealing Day). This limitation shall apply pro-rata to all cases where redemption of Units is required to be effected on the same Dealing Day pursuant to the provisions of this Management Regulation. Any Units, which, by virtue of the application of this Clause 10.6, fail to be redeemed, shall be redeemed (subject to any further application of this Clause 10.6) on the immediately following Dealing Day.

## **11 TRANSFER BETWEEN THE FUNDS MANAGED BY THE MANAGEMENT**

## **COMPANY (“SWITCHING”)**

- 11.1 Subject to any limitation that may be imposed by the Associate from time to time and the provisions of this Management Regulation, a Participant may switch Units held in that Participant’s Contribution Account from the Fund to another fund managed by the Management Company on a particular Dealing Day (“Specified Dealing Day”) by submitting a Fund Switching Form to the Management Company. A Participant can also change the investment of the contributions made by or in respect of him after the Specified Dealing Day to one or more new funds managed by the Management Company by submitting a Fund Switching Form to the Management Company. The Fund Switching Form must be submitted to the Management Company at least 14 Business Days (or such shorter notice as required by the Management Company) but not more than one month prior to the Specified Dealing Day.
- 11.2 The switching of existing Units will take place by redeeming the Units of the current fund on the Specified Dealing Day and investing the redemption proceeds in the new fund(s) specified by the Participant. No charge (other than the Offer Spread and the Bid Spread) will be levied in respect of any switching request submitted by a Participant. The Management Company currently does not intend to limit the number of switching requests that a Participant is entitled to submit within a financial year.
- 11.3 The Units of the new fund to be issued are determined as follows:

$$N = \frac{(K \times L)}{M}$$

where

N - is the number of Units of the new fund to be issued (to be rounded down to 4 decimal places);

L - is the Redemption Price per Unit of the current fund as at the Specified Dealing Day;

K - is the number of Units of the current Fund to be redeemed for the purposes of switching;

M - is the Issue Price per Unit of the new fund as at the Specified Dealing Day PROVIDED THAT if the Dealing Day for the new fund is not the same as the Specified Dealing Day, then M shall be the Issue Price per Unit of the new fund applicable on the first Dealing Day of the new fund immediately following the Specified Dealing Day.

11.4 Notwithstanding the foregoing, the Management Company may accept a switching instruction given by a Participant through a designated electronic means or in such other manner as the Management Company may consider appropriate from time to time. If these transactions are received, validated and accepted by the Management Company before 4:00 pm of each Dealing Day, these switching transactions will be processed on that Dealing Day. Otherwise, they will be handled on the next Dealing Day unless there are any outstanding matters. There will be no limit to the number of fund switching and all switching requests will be processed free of charge.

11.5 Fund switching instructions will be processed in time sequence, which means that the Management Company will process all instructions one by one based on the order of receipt by the Management Company. If any fund switching instruction conflicts with one or more of the other fund switching instruction(s) regarding the same fund(s), all conflicting fund switching instructions will not be processed until clarification and confirmation of instructions have been sought from the Participant concerned by the Management Company.

## **12 SUSPENSION OF VALUATION AND PRICING**

12.1 The Management Company may, having regard to the interests of the Participants, declare a suspension of the valuation and the determination of the Net Asset Value of and dealing in the Fund for the whole or any part of any period during which:

- (a) there is a closure of or the restriction or suspension of trading on any securities market in which a substantial part of the Investments of the Fund is normally traded or a breakdown in any of the means normally employed by the Management Company in ascertaining the prices of Investments;
- (b) for any other reasons, the prices of Investments held or contracted by the Management Company for the account of the Fund cannot, in the opinion of the Management Company, reasonably be ascertained;
- (c) circumstances exist as a result of which, in the opinion of the Management Company, it is not reasonably practicable or is prejudicial to the interests of the Participants to realise any Investments held or contracted for the account of the Fund; or

- (d) the remittance or repatriation of funds which will or may be involved in the realisation of, or in the payment for, the Investments of the Fund or the subscription or redemption of any Unit of the Fund is delayed or cannot, in the opinion of the Management Company be carried out promptly at normal rates of exchange.

PROVIDED THAT the suspension shall not cause the Management Company to contravene the applicable laws and regulations or this Management Regulation.

- 12.2 The suspension referred to in Clause 12.1 shall take effect forthwith upon the declaration thereof and thereafter there shall be no valuation and determination of the Net Asset Value or dealing until the Management Company, in consultation with the Custodian, if any, shall declare the suspension at an end, except that the suspension shall terminate in any event on the day following the first Business Day on which:
  - (a) the conditions giving rise to the suspension shall have ceased to exist; and
  - (b) no other conditions under which suspension is authorised hereunder shall exist.
- 12.3 The Management Company will inform Monetary Authority of Macao about the matter in relation to suspension and suspension at an end as soon as practical.

### **13 REMUNERATION OF THE MANAGEMENT COMPANY AND OF THE CUSTODIAN**

- 13.1 As remuneration for management services, the remuneration currently charged by the Management Company is set out in the Participating Agreement and subject to further amendments made by the Management Company from time to time. The maximum remuneration for the Management Company is up to 2% p.a. of the Net Asset Value of the Fund, subject to further amendments made by the Management Company from time to time.
- 13.2 As remuneration for custodial services, the remuneration currently charged by the Custodian is set out in the Participating Agreement and subject to further amendments made by the Management Company from time to time. The maximum remuneration for the Custodian is 2% p.a. of the Net Asset Value of the Fund, subject to further amendments made by the Management Company from time to time.
- 13.3 The Management Company and the Custodian are hereby authorized to debit the account of the Fund with the fees and charges mentioned in the preceding paragraphs.
- 13.4 The Management Company has the right to charge an annual fee to each Associate and Participant (only for individual personal account), and the fee is subject to change by the Management Company from time to time. If the participating plan is terminated by the Associate within the first three years, the Associate will be required to pay the termination fee and be modified by the Management Company from time to time. For details of the fee, please refer to the Participating Agreement.

## **14 TRANSFER OF FUND MANAGEMENT AND OF THE CUSTODIAN**

- 14.1 Subject to the prior approval of AMCM, the Management Company may transfer the management of the Fund to another management company. Any expense incurred in relation to such transfer will be borne by the Management Company.
- 14.2 In such a case, the Management Company shall notify the Associates or Participants representing the collective or individual membership in writing at least 30 days prior to the date of the respective transfer.
- 14.3 Subject to the prior approval of AMCM, the Management Company may transfer the custody of assets of the Fund to one or more Custodians. Any expense incurred in relation to such transfer will be borne by the Management Company.

## **15 ALTERATION OF THIS MANAGEMENT REGULATION**

- 15.1 Subject to Clause 15.2, the Management Company may at any time amend or extend any of the provisions of this Management Regulation.
- 15.2 No alterations or extensions may be made to this Management Regulation, unless:
- (i) AMCM has approved such alterations or extensions; and
  - (ii) the notification and other procedures (if any) required by AMCM have been complied with.

PROVIDED ALWAYS THAT at least one (1) month's notice (or such shorter notice as agreed by AMCM) shall be given to the Associates or Participants representing the collective or individual membership before any proposed amendments or extensions shall take effect. With respect to Participants representing the collective membership, such notice may be given to them by the Management Company through the relevant Associate.

## **16 WINDING UP OF THE FUND**

- 16.1 Subject to the prior approval of AMCM, the Management Company may decide to wind up the Fund under any of the following reasons:
- (a) Under any circumstance, the Management Company considers that the purpose of the Fund has been reached or the function of the Fund cannot be performed;
  - (b) Under any circumstance, the Management Company considers that the closure of the Fund is in the benefits for the members;
  - (c) The Fund is in conflict with Macau law; or
  - (d) Other circumstances that are allowed by the AMCM.
- 16.2 At least one (1) month's notice (or such shorter notice as agreed by AMCM) shall be given to the Associates or Participants representing the collective or individual

membership before winding up the Fund. With respect to Participants representing the collective membership, such notice may be given to them by the Management Company through the relevant Associate.

16.3 In the case of winding up of the Fund, the respective patrimony shall be:

16.3.1 transferred to other pension funds, as indicated by each one of the Associates or Participants representing the collective or individual membership and in relation to the Units held by them or by the Fund; or

16.3.2 used to purchase a life insurance policy.

16.4 In no case can the Associates, other Contributors or the Participants demand the winding up or division of the Fund.

## **17 PROCEDURES TO BE FOLLOWED IN THE WINDING UP OF THE FUND**

17.1 The winding up of the Fund shall be carried out after obtaining the prior approval from AMCM, and such winding up shall be subject to publication in the Government Gazette.

## **18 PROVISION OF INFORMATION**

18.1 Subject to the laws and regulations, if the Management Company or the Custodian is requested by any department of any government or administration to provide such department with any information regarding the Fund and/or the Participants and/or the Investments and income of the Fund and/or the provisions of this Management Regulation, neither the Management Company nor the Custodian shall incur any liability to the Participants or any of them or to any other persons as a result of or in connection with compliance with such request, whether or not it is in fact enforceable.

## **19 ARBITRATION**

19.1 All disputes arising out of this Management Regulation, whether they are of a litigious nature in the restricted sense, or of any other nature, including without limitation to those relating to interpretation, integration and execution of the respective provisions, their alterations or revisions, shall be arbitrated through the Arbitration Institution set up in Macao, except for the dispute shall be heard by a competent court in Macao.

## **20 GOVERNING LAW**

20.1 This Management Regulation and the Participating Agreement shall be governed by the laws of Macau.

## **21 NON-MANDATORY CENTRAL PROVIDENT FUND**

- 21.1 The Fund may register as an investment fund of provident fund scheme under the Law 7/2017, “Non-mandatory Central Provident Fund System”.
- 21.2 The operations of the Fund under the provident fund scheme should meet the requirements of the Law 7/2017, “Non-mandatory Central Provident Fund System”, its supplementary regulations and executed guidelines.

## **Schedule 1**

### **The Custodian**

The Custodian of the Fund is Bank of China Macau Branch whose registered office is situated at 18/ F, Bank of China Building, Avenida Doutor Mario Soares, Macau.

### **The Investment Advisor**

The Investment Advisor of the Fund is Allianz Global Investors Asia Pacific Limited whose registered office is situated at 27/F ICBC Tower, 3 Garden Road, Central, Hong Kong