

APPENDIX B

Scheme Rules of this Participating Agreement:

(Continued from Part B)

Rule 8. Definitions

All definitions shall have the same meanings as stipulated in the Management Regulation as set forth in Appendices C1 to C8 or in the Decree-Law No. 6/99/M of 8 February.

Rule 9. Modification of Rules

- a) These Rules may be modified, varied or added to in the manner set out in the Management Regulation (Appendices C1 to C8) by the Management Company. The Management Company shall notify the Associates and Participants in writing at least 1 month (or such shorter period as agreed by the Monetary Authority of Macao) prior to the effective date of the modification.
- b) For the avoidance of doubt, Rule 10 (b), (d), (g), (h), (i); Rule 11(b) and Rule 17 shall not be applicable to Existing Participants and Individual Participants.
- c) The Associate may modify the Rules by notifying the Management Company in writing at least 1 month prior to the intended effective date of the modification.
- d) With regard to the modification to the Rules, such modification shall not alter to the detriment of an existing Participant's vested benefits or accrued rights; or causing harm to the Funds.
- e) The modification of Rules must be subject to the approval of the Monetary Authority of Macao.

Rule 10. Contributions

- a)
 - i) As from the Scheme Commencement Date, where applicable, each Participant shall be required to contribute a percentage of salary or any amount each month as specified in Part B. The Associate shall deduct the said amount from the Participant's salary.
 - ii) Each Existing Participant and Individual Participant may voluntarily contribute a separate and additional amount each month into a Personal Account set up as per Rule 4.2.
- b) Concurrently, where applicable, the Associate shall contribute in respect of each Participant, a percentage of the Participant's salary or any amount each month, as specified in Part B.
- c) All contributions paid to the Management Company shall be made in Macau local currency ("MOP") or if paid to the Management Company in any other currency, as agreed by both parties, shall be converted into MOP at the prevailing market rate at the time of payment.
- d) A Participant shall not suspend or withdraw his own contributions, if any, in whole or in part unless he leaves the services of the Associate and ceases to be a Participant of the Participating Scheme.
- e)
 - i) Contributions made by Participants shall commence on the first day of the month coincident with or immediately following Participant's fulfillment of eligibility at Rule 1.
 - ii) Contributions made by Existing Participants and Individual Participants may commence at any time after the Personal Account has been set up as per Rule 4.2.
- f)
 - i) Contributions made by Participants shall cease on the last day of the month coincident with or immediately preceding the Participant's last day of employment.
 - ii) Contributions made by Existing Participants and Individual Participants shall cease when notice is given to the Management Company.

- g) Should the Associate fail to make contributions or payments under the Participating Scheme, the Management Company will use its best endeavors but will not be under any obligation or liability to recover the same.
- h) Notwithstanding any other obligation of the Associate by these Rules an Associate may in its absolute discretion pay to the Management Company a further discretionary contribution as it deems fit to be paid into the Funds for the benefit of the Participants being employees of the Associate in proportion to the balances standing to the credit of the Participant's Account or as mutually agreed between the Applicant and/or Associate and the Management Company.
- i) Each Participant of an Associate which has selected more than one investment fund in Rule 4.1(b) under Part B will, prior to making their first contribution to the Participating Scheme, be given the opportunity to direct how their contributions are to be invested between each of the Funds selected under Rule 4.1(b), by signing and returning to the Management Company a membership enrolment form. Regarding the membership enrolment form:
 - If the indicated investment selections on the membership enrolment form adds up to more than 100%, or if any investment selection on the form is not a multiple of 5%, or if there is no investment instruction provided on the form, then the Management Company will invest the entire 100% of contributions in respect of that Participant in the AIA Macau Retirement Fund, or such other Fund with same or lower risk level as the Management Company may determine from time to time. The Participant may submit any fund switching requests thereafter.
 - If the indicated investment selections on the membership enrolment form are in multiples of 5% but the total is less than 100%, the remaining unallocated percentage will be invested in the AIA Macau Retirement Fund, or such other Investment Fund with same or lower risk level as the Management Company may determine from time to time. Otherwise, for any other incorrect instructions, 100% of the investment amount will be invested in the AIA Macau Retirement Fund until the Management Company receives a valid and correct investment instruction from the Participant. The Participant may submit any fund switching requests thereafter.
 - If no complete membership enrolment form is submitted to the Management Company, and does not fall into the above mentioned circumstances, then the Management Company is unable to enrol the Participant, and is unable to process the relevant contributions. For the avoidance of doubt, such relevant contributions will not be invested in any Fund. Such contributions payment shall temporarily remain in the Reserve Account of the Associate, and the period for retaining the payment is set as three months. If member enrolment form is not received by the Management Company within three months, such contributions payment could be refunded to the Associate according to the Associate's request. The Associate is required to submit written request to the Management Company to arrange the refund. Therefore, the Participant should submit the complete membership enrolment form to the Management Company as soon as possible. The Management Company is not responsible for the failure of submitting the complete member enrolment form by the Participant or the Associate in a timely manner resulting in the inability to register or process contributions.
 - In case of mass processing of member enrolment forms, the incompleteness of any member enrolment form will not affect the registration and contributions of other Participants.

Rule 11. Payment of Benefits

- a) The payment of benefits shall be made in MOP or subject to the Management Company's approval, its equivalent at the prevailing market rate through withdrawal from the Funds within 31 days from the occurrence of the following events:-
 - i) the date the Management Company receives notice of a Participant's termination of employment from the Associate; or
 - ii) the date the Management Company receives the final payment of contribution in respect of the Participant; or
 - iii) the effective date of the Participant's termination of employment,

whichever of the above sub-clauses i) to iii) is the latest.
- iv) the date the Management Company receives the relevant withdrawal notice from an Individual Participant.

- b) Any amount remaining unvested upon a Participant ceasing to be a Participant in the Participating Scheme shall be used to offset subsequent Associate's contributions or refunded to the Associate subject to obtaining prior approval from the Monetary Authority of Macao.

Rule 12. Receipt

The proof of receipt for any sum payable where payment has been made by the Management Company as provided herein shall be a good discharge to the Management Company and shall be final and conclusive evidence that such sum has been duly paid to and received by the person or persons lawfully entitled to the same and that all claims and demands whatsoever against the Management Company in respect thereto have been fully satisfied.

Rule 13. Fees and Charges

- a) All fees and charges as stated in Part C shall be subject to modification as per Rule 9. The Management Company shall provide the Applicant or Existing Participant or Individual Participant (as the case may be) with one month's advance notice or any shorter period of any such modifications.

- b) The investment management fee of the Funds includes actual fund operating expense. The investment related expenses of the Funds, which include but not limited to (if and where applicable) transfer taxes or other expenses and taxes imposed by the relevant country, and other relevant charges.

The Funds (excluding the AIA Macau Conservative Fund) will charge an investment management fee not exceeding 0.3% per annum of its respective net asset value. The AIA Macau Conservative Fund will charge an investment management fee not exceeding 1% per annum of its net asset value which includes a basic fee of 0.3% per annum and an investment performance fee of not exceeding 0.7% per annum accrued on a daily basis.

- c) Additional costs and expenses may be imposed for additional services which are not described in this Rule 13, which the Management Company determines to be wholly attributable to a specific Applicant and/or Associate or Existing Participant or Individual Participant (as the case may be), shall be borne by them as appropriate. If the Applicant and/or Associate or Existing Participant or Individual Participant (as the case may be) agrees to pay such costs and expenses from the respective Participating Scheme account or Personal Account which shall include both the Applicant/Associate and the Participants' or Existing Participant or Individual Participant (as the case may be) accounts, then the Management Company may deduct the same from the respective Participating Scheme account or Personal Account which shall include both the Applicant/Associate and the Participants' or Existing Participant or Individual Participant (as the case may be) accounts.
- d) The Management Company has the discretion to waive part or all of the above fees.

Rule 14. Ownership

Save and except to the extent of any fees or charges due and payable hereunder to the Management Company no part of the Funds shall constitute or become assets of the Management Company and nor shall any part of the Funds be subject to any assignment or encumbrance by any Participant or his nominees or Existing Participant or Individual Participant (as the case may be). The Funds shall be free from all or any claims of creditors to the fullest extent permitted by Law.

Rule 15. Annual Statement

- a) The Management Company shall deliver to the Associate as soon as practicable at the end of the first Scheme Year and every Scheme Year thereafter an annual statement showing the credit balance of each Participant in the Participating Scheme in so far as it relates to employees of the Associate.
- b) The Management Company shall send to the Existing Participant or Individual Participant (as the case may be), at the end of the first Scheme Year and every Scheme Year thereafter an annual statement showing the credit balance in the relevant Existing Participant Personal Account or Individual Personal Account.

Rule 16. Termination of Participating Scheme

- a) Participation in the Participating Scheme shall be terminated as of the date (hereinafter referred to as the Termination Date) specified in a written notice from the Associate that their participation in the Fund is to be terminated, which notice must be received by the Management Company not less than thirty days prior to the Termination Date (the "Notice Period") except where the Associate (i) is wound up (other than by way of an amalgamation or reconstruction) or (ii) adjudicated bankrupt or (iii) fails to make full contributions for a period of six months, the Management Company shall have the right to deem that the Associate has, for all purposes, given notice of termination in accordance with these Rules.
- b) During the Notice Period, each Participant (including any Existing Participant) shall be given an opportunity to become an Individual Participant pursuant to Rule 4.2(b) by completing and returning the form attached at Appendix F2 to the Management Company.
- c) If an Associate terminates its participation in the Participating Scheme, his/her accrued benefits under the scheme will be arranged according to the the following circumstances:
 - (i) In the event of employment cessation, accrued benefits will be handled in accordance with Clause 6.1.
 - (ii) In the event of transfer of the Associate to another fund management company or scheme transfer, accrued benefits will be transferred in full to another pension fund.

Rule 17. Redemption Fee

Upon the Termination Date or the period specified in Rule 16, as applicable, the following provisions shall apply in sequential order:

- a) There shall be immediately payable from the Associate's Account to the Management Company a Redemption Fee in accordance with the Table listed in Part C.
- b) The remaining balance of the Associate's Account after the Redemption Fee (where applicable) shall if the Associate so directs the Management Company in writing, be transferred to another pension fund subject to any necessary approval of any governmental authority (if applicable).
- c) If the Management Company determines that payment of the balance of the Associate's Account as determined above involves the sale of investments for which there is at that time no adequate available market the Management Company may defer payment of the said balance, or part thereof, for a period not exceeding six months, in protection of the interests of the Associate, the Participants and other participating Associates to provide for orderly liquidation of such investments at fair prices and furthermore any such payment to the extent agreed upon by the Associate and the Management Company and permitted by available laws and regulations may be made in kind or specie rather than in cash. In the event that any payment is deferred as above the Associate's Account shall continue to be invested in the Fund until all payments have been made.

Rule 18. Asset Allocation

The underlying investment of the Funds will be invested in the manner as set out in Appendices D1 to D8.