



 **Manulife** Investment Management

Manulife InvestChoice

Two types of accounts, flexible fee models







Manulife InvestChoice is a digital fund investment service that offers a curated selection of funds managed by Manulife Investment Management and other major fund houses. It provides two types of accounts to match your investment needs and styles, giving you a smooth wealth management experience.



manulifefunds.com.hk/investchoice

1. What's the difference between the two types of accounts?

When was the last time you subscribe to investment funds? Everyone has a unique investment style. With two types of accounts and a unique pricing structure, which one will suit you best? Let's explore the options.

	Asset-based Account Affords flexibility for investment allocation	Trade-Based Account³ Enables easy and efficient fund transactions
 Account	Transaction costs are a key factor that can affect your investment returns. With an Asset-based Account, you can subscribe to or switch between funds without paying additional fees. This flexibility helps you respond to market changes, meet financial requirements at different stages of your life, or pay for personal needs.	This simple fee model is suitable for those who prefer to 'buy and hold'. A Trade-based Account does not charge an annual fee. Instead, it levies a simple fee on each transaction.
 Front-End Fee	0% No Front-End Fee	The fee rate is based on your account's AUM. A one-time transaction cost is charged for each subscription. AUM Fee Rate⁴ HK\$10M and above 0.80% HK\$5M to less than HK\$10M 1% HK\$1M to less than HK\$5M 1.50% HK\$500,000 to less than HK\$1M 2% Less than HK\$500,000 3% (or equivalent in USD, RMB, EUR and AUD)
 Switching Fee	0% No Switching Fee	Charged at 1% of the amount switched from any Fund⁵
 Exit Charges	Exit Period Fee Rate 1st year 2.50% 2nd year 2% 3rd year 1.50%	0% No Exit Charges
 Annual Fee	An annual fee is charged on the Fund holdings. The fee rate is based on the average assets under management (AUM) and is collected each month, as follows: Average AUM¹ Annual Fee Rate HK\$10M and above 0.80% HK\$5M to less than HK\$10M 1% HK\$1M to less than HK\$5M 1.50% Less than HK\$1M 2% (or equivalent in USD, RMB, EUR and AUD) The annual fee is calculated as follows: $\text{Average Fund holdings in Asset-based Account} \times \text{Fee} \times \left(\frac{\text{No. of calendar days in charging month}}{\text{No. of calendar days in charging year}} \right)$ A minimum charge of HK\$1,200 per annum applies and will be collected monthly, i.e. the minimum monthly charge is HK\$100.	0% No Annual Fee
 Investment Style	You can rebalance your portfolios at no additional fees. This approach is suitable for investors who want to seize market opportunities and adjust their investment allocations accordingly. ²	Fees will only be charged when you trade. This approach is suitable for long-term investors who prefer a 'buy and hold' strategy.

1 Average AUM is the daily average holdings in all Manulife InvestChoice Accounts, including related Cash Accounts, for the charging month.

2 Frequent trading and market timing activities may be limited by Manulife and Third Party Fund providers in protecting the interest of the Funds. Short term or excessive trading into and out of the Funds may harm performance by disrupting portfolio management strategies and by increasing expenses.

3 An Account Maintenance Fee of HK\$1,200 per annum will be charged, to be collected monthly where the Trade-based Account has no Fund holdings for the past 2 years, notwithstanding any holdings in the Cash Account.

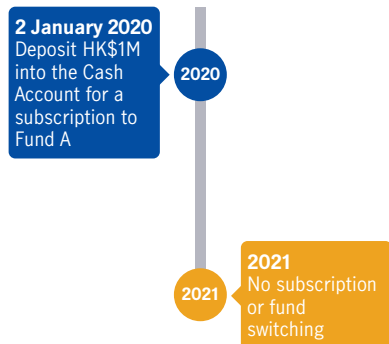
4 Charged on subscription amounts via New Investments. Fee rate is based on total holdings in all of your Manulife InvestChoice Accounts, including related Cash Accounts, at point of subscription. New Investments means investments in Funds via (a) cash which has not previously been invested in any Fund and/or (b) asset transfer-in.

5 Subscriptions via cash identified as having been invested in any Fund in the past shall be treated as switching orders.

2. What type of investor are you?

[Scenario 1]

Mr Chan is a long-term “buy-and-hold” investor. Here are his transactions:



Assuming fund prices do not change during the period, which account type should Mr Chan select?

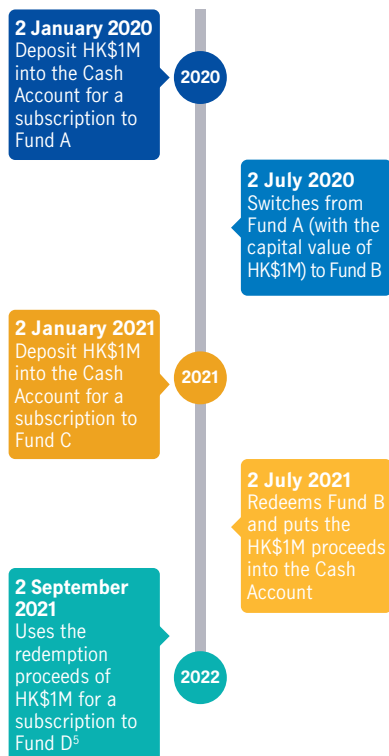
Asset-based Account	Trade-based Account
This account does not charge a subscription fee. The assets are worth HK\$1M. The Annual Fee Rate is 1.5%.	The assets are worth HK\$1M. The Subscription Fee Rate is 1.5%.
Annual Fee 2020: HK\$1M x 1.5% = HK\$15K 2021: HK\$1M x 1.5% = HK\$15K	Subscription Fee & Switching Fee 2 January 2020 - A subscription to Fund A: HK\$1M x 1.5% = HK\$15K 2021: No subscription or switching fees are incurred

The total fees that Mr Chan needs to pay over two years:

HK\$30K  HK\$15K

[Scenario 2]

Miss Lee prefers to rebalance her fund portfolio from time to time, with her decisions based on market conditions and personal preference. Here are her transactions:



Assuming fund prices do not change during the period, which account type should Miss Lee select?

Asset-based Account	Trade-based Account
2020	
This account does not charge any subscription or switching fees. The assets are worth HK\$1M. The Annual Fee Rate is 1.5%.	The assets are worth HK\$1M. The Subscription Fee Rate is 1.5%; the Switching Fee Rate is 1%.
Annual Fee 2020: HK\$1M x 1.5% = HK\$15K	Subscription Fee & Switching Fee 2 January 2020 - A subscription to Fund A: HK\$1M x 1.5% = HK\$15K 2 July 2020 - Switch to Fund B: HK\$1M x 1% = HK\$10K Total fees for 2020: HK\$25K
2021	
This account does not charge any subscription or switching fees. The assets are worth HK\$2M. The Annual Fee Rate is 1.5%.	The assets are worth HK\$2M. The Subscription Fee Rate is 1.5%; The Switching Fee Rate is 1%.
Annual Fee 2021: HK\$2M x 1.5% = HK\$30K	Subscription Fee & Switching Fee 2 January 2021 - A subscription to Fund C: HK\$1M x 1.5% = HK\$15K 2 September 2021 - Switch to Fund D: HK\$1M x 1% = HK\$10K Total fees for 2021: HK\$25K

The total fees that Miss Lee needs to pay over two years:

HK\$15K + HK\$30K =  HK\$25K + HK\$25K =
HK\$45K HK\$50K

 Please contact your Manulife Financial Planning Manager to open a Manulife InvestChoice Account. Invest in your future and achieve more.

The above asset allocation is for illustrative purpose only and does not represent the actual investment. It assumes that the fund value remains unchanged during the holding period. For fees or other details, please refer to the Client Agreement and Terms of Service in the relevant website or brochure. Investment involves risk. Investors should not make investment decisions based on this material alone and should read the relevant offering documents for details, including the risk factors, charges and features of the products. The material is issued by Manulife Investment Management (Hong Kong) Limited and has not been reviewed by the Securities and Futures Commission.

 **Manulife** Investment Management