



強制性公積金計劃管理局  
MANDATORY PROVIDENT FUND SCHEMES AUTHORITY

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7 May 2024

**Circular Letter: SU/CCO/2024/001**

**To: All Registered Intermediaries**

Dear Sir/Madam,

**Key Observations on Self-Assessment by Principal Intermediaries (PIs) in respect of  
Compliance with the Guidance Note on Conducting Sales by Unsolicited Calls**

The Mandatory Provident Fund Schemes Authority (MPFA) issued the “Guidance Note on Conducting Sales by Unsolicited Calls” ([Guidance Note](#)) on 1 June 2023 to provide guidance to registered intermediaries when they or their appointed service providers use unsolicited calls to conduct marketing activities (Telemarketing). The Guidance Note took effect on 1 September 2023.

2. In response to the MPFA’s request, selected PIs conducted a self-assessment to assess if the relevant requirements and applicable measures set out in the Guidance Note have been met or implemented. Reviewing the responses received from the selected PIs, it is observed that only around one-fourth of them would allow and conduct Telemarketing. All selected PIs replied that they have implemented

Measures 1, 12 and 13<sup>1</sup> of the Guidance Note despite that most of them do not allow Telemarketing. For PIs that conduct Telemarketing, the Guidance Note further requires them to establish proper procedures and controls before embarking on any Telemarketing, i.e. the other 10 measures of the Guidance Note. It is also observed from the responses received from the selected PIs that all the selected PIs that would conduct Telemarketing responded that they have also thoroughly implemented all the other 10 measures without difficulties encountered.

3. For some specific measures of the Guidance Note, the MPFA has set out in the **Annex** details of the relevant observations, good practices and room for improvement from which PIs can draw useful reference. In formulating the procedures and internal controls for conducting Telemarketing, PIs and their appointed service providers should make necessary improvements to address any shortcomings having regard to the contents of the Annex.

4. The MPFA reiterates that even if PIs do not conduct Telemarketing, PIs should still have proper controls in place to guard against fraudsters impersonating them in scam calls and implement Measures 1, 12 and 13 regardless of whether they allow Telemarketing. Where PIs do not allow Telemarketing, they should have controls and internal procedures in place to prevent their staff from conducting any unauthorized Telemarketing activities.

5. Should you have any questions about the contents of this circular, please contact Ms Clio Wong on 2292 1369 or Mr Peter Lee on 2292 1267.

Yours sincerely,



Terence Chan  
Senior Manager  
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Encl.

c.c. Mr Banny Yu, Senior Manager, Banking Conduct Department,  
Hong Kong Monetary Authority  
Ms Shirley To, Senior Manager, Market Conduct Division, Insurance Authority  
Ms Emma Tong, Associate Director, Licensing, Intermediaries,  
Securities and Futures Commission

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<sup>1</sup> Measure 1: Provide a designated telephone number of PI for public enquiry and verification of the callers' identities

Measure 12: Handle complaints concerning Telemarketing properly

Measure 13: Conduct publicity when scam calls are identified

## **Key Observations on self-assessment by Principal Intermediaries (PIs) in respect of compliance with the Guidance Note on Conducting Sales by Unsolicited Calls (Guidance Note)**

### A. Introduction

1. The key observations are based on the self-assessment completed by selected PIs (**Relevant PIs**) covering the review period from 1 September 2023 to 31 December 2023. It is observed that only around one-fourth of the Relevant PIs would allow and conduct Telemarketing.
2. For some specific measures of the Guidance Note, the key observations, good practices and room for improvement from which PIs can draw useful reference are set out below.

### B. Maintain list of authorized callers (Measure 3)

#### *Relevant requirement*

3. Measure 3 requires that only authorized persons of PIs should be allowed to conduct Telemarketing. PIs should maintain a list of authorized callers to facilitate their monitoring and controls that only authorized persons on the list would be allowed to make the calls.

#### *Key observation*

4. Among the Relevant PIs that would conduct Telemarketing, they responded that they have implemented the measure without any difficulties encountered and they have only allowed subsidiary intermediaries (**SI**s) to conduct Telemarketing.

#### *Good practice*

5. The Guidance Note reminds PIs that if any regulated activities may be conducted during the calls, the calls must be made by SIs only. Given the nature of such calls, it is a prudent and good practice to limit the making of such calls by SIs only.
6. One of the Relevant PIs further required its SIs to receive and pass internal training before conducting any Telemarketing.

### C. Use only designated or authorized telephone lines to make the calls (Measure 4)

#### *Relevant requirement*

7. Measure 4 requires that PIs should provide designated or authorized telephone lines to authorized persons to conduct Telemarketing. PIs should maintain a list of such telephone lines to facilitate checking by the public. PIs should also notify the public of such arrangement.

*Key observation*

8. Among the Relevant PIs that would conduct Telemarketing, they responded that they have implemented the measure without any difficulties encountered. Some of the Relevant PIs took additional steps to notify the public of their use of designated phone numbers in conducting Telemarketing.

*Good practice*

9. To ensure understanding and compliance by SIs of the requirement that only designated or authorized telephone lines can be used to conduct Telemarketing, the Relevant PIs that would conduct Telemarketing communicated and emphasized such requirements to their SIs via letter, training or compliance bulletin. One PI further posted a notice on its corporate website to notify the public of its use of designated phone numbers to conduct Telemarketing.

D. Set standards and issue guidelines on Telemarketing (Measure 5)*Relevant requirement*

10. Measure 5 requires that PIs should establish standards and guidelines for conducting Telemarketing.

*Key observation*

11. Among the Relevant PIs that would conduct Telemarketing, they responded that they have implemented the measure without any difficulties encountered. To ensure understanding and compliance of this measure, they would conduct training on this measure to their SIs who would conduct Telemarketing.

*Good practice*

12. One of the Relevant PIs included questions in their compulsory Annual Compliance Training to test and ensure SIs' knowledge about the internal guidelines.

E. Maintain a call log on Telemarketing and audio-record the calls (Measure 7)*Relevant requirement*

13. Measure 7 requires PIs to keep proper records of the calls to facilitate review and monitoring. The call log records should be kept for at least 2 years. It is also recommended to audio-record these calls.

*Key observation*

14. Among the Relevant PIs that would conduct Telemarketing, they responded that they have implemented the measure without any difficulties encountered. To ensure understanding and compliance by SIs, they would conduct regular check on audio-records for compliance monitoring.

*Good practice*

15. To facilitate review and monitoring of Telemarketing calls made by their SIs and ascertaining whether the SIs have complied with the standards, guidelines and scripts provided by PIs, the Relevant PIs which would conduct Telemarketing have adopted the Guidance Note's recommendation to audio-record Telemarketing calls and would keep the audio records for an appropriate length of time (for reference, the call log records should be kept for at least 2 years as mentioned in paragraph 13 above).

F. Controls on engagement of service providers for Telemarketing (Measure 8)*Relevant requirement*

16. Measure 8 requires that PIs should only engage reputable service providers and include the following terms in the contracts:
  - (i) act in accordance with the Guidance Note;
  - (ii) report to PIs query or complaint received for handling;
  - (iii) comply with applicable laws and rules including the Mandatory Provident Fund Schemes Ordinance and the Personal Data (Privacy) Ordinance; and
  - (iv) allow PIs to conduct inspection on the records maintained by service providers for Telemarketing.
17. If a service provider fails to comply with the Guidance Note, the PI concerned will remain fully responsible for the acts of the service provider.

*Key observation*

18. Only one of the Relevant PIs would allow the engagement of service providers for conducting Telemarketing and it has implemented the measure.
19. Other Relevant PIs responded that they would not allow the engagement of service providers at all.

*Good practice*

20. If the engagement of external service providers is not allowed for conducting Telemarketing, PI would have direct and greater control and oversight over the process, including training to SIs who would conduct Telemarketing and compliance monitoring.

### G. Comply with unsubscribe requests (Measure 10)

#### *Relevant requirement*

21. Measure 10 requires that whenever a called party makes a request to remove the called party's contact information from the PI's call list, the concerned PI should accept and timely update the unsubscribe list.

#### *Key observation*

22. Among the Relevant PIs that would conduct Telemarketing, they responded that they have implemented the measure without any difficulties encountered. They would require SIs conducting Telemarketing to check the unsubscribe list prior to making unsolicited calls and provide relevant training and guidelines to SIs.

#### *Good practice*

23. Some of the Relevant PIs responded that they would conduct regular sample checks on the call records to ensure compliance with this requirement.

#### *Room for improvement*

24. The Relevant PIs responded that they would update the unsubscribe list on a regular basis. Nevertheless, it is suggested that the unsubscribe list be updated within two working days after an unsubscribe request is received to avoid those who made unsubscribe requests from receiving further unsolicited calls from the PI.

### H. Conduct publicity when scam calls are identified (Measure 13)

#### *Relevant requirement*

25. Measure 13 requires PIs to conduct appropriate publicity to alert the public when scam calls are identified.

#### *Key Observation*

26. All the Relevant PIs responded that they have implemented the measure without any difficulties encountered.
27. If scam calls are identified, the Relevant PIs would:
- (i) post alert message on their websites; and
  - (ii) provide phone number and email for public to make enquiries.

#### *Good practice*

28. In addition to the abovementioned publicity, it is noted that some of the Relevant PIs would conduct additional publicity as follows:
- (i) issue press release;
  - (ii) post alert messages to their members via newsletter, benefit statements, hotline and member's online login system; and
  - (iii) post alert messages to the public through social media channels.