

The applicant should note that a person who in any document given to the Authority makes a statement that the person knows to be false or misleading in a material respect, or recklessly makes a statement which is false or misleading in a material respect, commits an offence under Section 43E of the Mandatory Provident Fund Schemes Ordinance (“MPFSO”) and is liable to prosecution.



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

Application Self Assessment Form for Approval of Index Tracking Collective Investment Scheme (“ITCIS”)

The application self-assessment form forms part of the information in support of an application for approval of ITCIS pursuant to Section 6A(b) of Schedule 1 to the Mandatory Provident Fund Schemes (General) Regulation (Cap. 485A).

Important Notes:

- 1. Applicants should note that the below list of documents / information is by no means exhaustive, the Authority may request further documents / information in relation to the relevant application where necessary.***
- 2. Applicants should refer to the "Guidelines on Index-Tracking Collective Investment Schemes"(Guidelines III.10) in relation to the approval criteria and circular letter(s) to sponsors of approved ITCIS in relation to their ongoing obligation posted on the Authority's website from time to time.***



SECTION I – INFORMATION ON THE INDEX TRACKING COLLECTIVE INVESTMENT SCHEME (“ITCIS”)

(1) Name of the Applicant* (trustee / investment manager / sponsor)

(In English):

(In Chinese, if any):

(2) Name of the ITCIS

(In English):

(In Chinese, if any):

(3) Date of Establishment

(4) Fund Structure*

Unit Trust / Mutual Fund

(5) Governing Law

(6) Trustee

(7) Investment Manager

(8) Underlying Index

Name:

Index Provider(s):

Index Composition:

Launch Date:

(9) Statement of investment policy and objective of the ITCIS

Tracking Method

(A) Full replication

(B) Representative sampling

(C) A combination of both

Details of investment policy
and objective:

(10) Listing / Authorization
Status



- (11) For listed ITCIS, please provide the followings:
- (i) The ticker symbol: _____
 - (ii) Name of the stock exchange that the ITCIS has primary listing: _____
 - (iii) Existing/potential average daily trading volume of the ITCIS: _____
- (12) Please provide the name(s) of the potential MPF investor(s) of the ITCIS _____
- (13) Please provide the fee rate charged by the ITCIS and compare it with the fee rate of other ITCIS adopting similar investment strategy _____

SECTION II –GENERAL APPROVAL CRITERIA

	Relevant Requirement	Relevant Paragraph in Guidelines III.10	Satisfied requirements under Guidelines III.10/ Circular Letter(s) Yes / No / N/A	Remarks	Attachment No. & Section(s)/ Page No. in the Relevant Document
Legal Structure					
(1)	The fund must be a “collective investment scheme” defined under the Securities and Futures Ordinance, with the sole investment objective of tracking a particular market index.	7(a)			



	Relevant Requirement	Relevant Paragraph in Guidelines III.10	Satisfied requirements under Guidelines III.10/ Circular Letter(s) Yes / No / N/A	Remarks	Attachment No. & Section(s)/ Page No. in the Relevant Document
Investment Strategy					
(2)	<ul style="list-style-type: none"> The fund, is investing all or substantially all of its assets in the constituent securities of the market index which is being tracked, broadly in proportion to the respective weightings of the securities. Where the fund is investing in a representative sample of constituent securities of the index, this should closely reflect the overall characteristics of the index. 	7(b)			
Index Suitability					
(3)	<p>The reference index should be broadly based:</p> <ul style="list-style-type: none"> the weighting of each constituent security in the index does not exceed 20% (or 35% where that proves to be justified by exceptional conditions in markets where certain securities are highly dominant and provided that each remaining constituent security does not exceed 20%) (please state the latest percentage of holdings). 	7(c)(i)			



	Relevant Requirement	Relevant Paragraph in Guidelines III.10	Satisfied requirements under Guidelines III.10/ Circular Letter(s) Yes / No / N/A	Remarks	Attachment No. & Section(s)/ Page No. in the Relevant Document
	<ul style="list-style-type: none"> the index should not have too few constituent securities (please state the number of constituent securities and provide the names and weighting of all constituent securities in the index). 				
Index Suitability – Listing / Credit Rating					
(4)	For equity indices: <ul style="list-style-type: none"> the relevant reference index should not have a significant portion of the constituent securities listed on exchanges other than stock exchanges set out in Guideline III.4 on Approved Exchanges (please state the latest percentage of holdings). 	7(c)(ii)			
	For bond indices: <ul style="list-style-type: none"> the relevant reference index should not have a significant portion of the constituent securities that do not meet the requirements of section 7(2) of Schedule 1 to the Regulation (please state the latest percentage of holdings). 				



	Relevant Requirement	Relevant Paragraph in Guidelines III.10	Satisfied requirements under Guidelines III.10/ Circular Letter(s) Yes / No / N/A	Remarks	Attachment No. & Section(s)/ Page No. in the Relevant Document
Index Suitability – Investment Objectives of the Underlying Index					
(5)	<ul style="list-style-type: none"> The reference index should have a clearly defined objective (please state the investment objectives). The market the ITCIS aims to represent should be clear (please state the market). The reference index appropriately reflects the characteristics of the market. 	7(c)(iii)			
Index Suitability – Investability					
(6)	The reference index should be investible. The constituent securities should be sufficiently liquid (taking into account their respective weightings and trading volume), and may be readily acquired or disposed of under normal market circumstances and in the absence of trading restrictions (please provide the latest weightings and trading volume).	7(c)(iv)			



	Relevant Requirement	Relevant Paragraph in Guidelines III.10	Satisfied requirements under Guidelines III.10/ Circular Letter(s) Yes / No / N/A	Remarks	Attachment No. & Section(s)/ Page No. in the Relevant Document
Index Suitability – Transparency and Publication					
(7)	<p>The reference index should be transparent and published in an appropriate manner. The last closing reference index level and other important news should be either:-</p> <ul style="list-style-type: none"> published in Hong Kong daily newspapers (please state where it is published); or conveniently accessible by investors (for example, by enquiring the Hong Kong Representative (as defined in the SFC’s Code on Unit Trusts and Mutual Funds of the ITCIS or through relevant websites) (please specify how the information can be accessed). 	7(c)(v)			



	Relevant Requirement	Relevant Paragraph in Guidelines III.10	Satisfied requirements under Guidelines III.10/ Circular Letter(s) Yes / No / N/A	Remarks	Attachment No. & Section(s)/ Page No. in the Relevant Document
Index Suitability – Expertise of the Index Provider					
(8)	<ul style="list-style-type: none"> The reference index provider should possess the necessary expertise and technical resources to construct, maintain and review the methodology/rules of the index (please demonstrate how the reference index provider possess such expertise and resources). The methodology/ rules should be well documented, consistent and transparent (please briefly describe the methodology). 	7(c)(vi)			
Borrowing, Security Lending and Use of Derivatives					
(9)	The fund <u>should not</u> engage in borrowing, securities lending or the use of derivatives in a way inconsistent with the objective of the MPF system (please state the relevant investment limits as specified in the offering documents).	7(d)			



	Relevant Requirement	Relevant Paragraph in Guidelines III.10	Satisfied requirements under Guidelines III.10/ Circular Letter(s) Yes / No / N/A	Remarks	Attachment No. & Section(s)/ Page No. in the Relevant Document
Ongoing obligation of sponsors					
(10)	The applicant is aware of the ongoing obligation of sponsors of approved ITCIS.	N.A.			



SECTION III – ADDITIONAL APPROVAL CRITERIA (ONLY FOR SFC AUTHORISED ITCIS)

	Relevant Requirement	Relevant Paragraph in Guidelines III.10	Satisfied requirements under Guidelines III.10 Yes / No / N/A	Remarks	Attachment No. & Section(s)/ Page No. in the Relevant Document
(1)	The ITCIS must be authorized by SFC within the meaning of the Securities and Futures Ordinance.	13			
(2)	Waivers granted by SFC pursuant to Chapter 8.6 of the SFC Code on Unit Trusts and Mutual Funds in relation to the ITCIS do not adversely impact on the suitability of the ITCIS as an MPF investment. Please describe what waiver is granted.	14			
(3)	For SFC-authorized ITCIS which is a feeder fund investing in a master fund, the following factors will be taken into consideration in reviewing an application for approval: <ul style="list-style-type: none"> meeting the general approval criteria as set out in paragraph 7 in Guidelines III.10 by the master fund in which the feeder fund invests (for master fund, please also provide the information required in part (1) to part (9) under the above Section II – General Approval Criteria); 	14			



	Relevant Requirement	Relevant Paragraph in Guidelines III.10	Satisfied requirements under Guidelines III.10 Yes / No / N/A	Remarks	Attachment No. & Section(s)/ Page No. in the Relevant Document
	<ul style="list-style-type: none"> • any authorization or waiver from authorization granted by the SFC to the master fund in which the feeder fund invests (please describe what waiver is granted); • whether the feeder fund is domiciled in Hong Kong; and • the relative management fee level of the feeder fund and the master fund (please state the fee level of feeder fund and master fund and provide explanation for any differences in the fee level between the feeder fund and the master fund). 				



SECTION IV – ADDITIONAL APPROVAL CRITERIA (ONLY FOR LISTED ITCIS)

	Relevant Requirement	Relevant Paragraph in Guidelines III.10	Satisfied requirements under Guidelines III.10 Yes / No / N/A	Remarks	Attachment No. & Section(s)/ Page No. in the Relevant Document
(1)	The ITCIS must be listed on a stock exchange set out in paragraph 16 of Guideline III.10.	15(a)			
(2)	<p>The following information must be readily available to professional investors such as approved trustees or their delegates:-</p> <p>(i) the legal structure of the ITCIS;</p> <p>(ii) a description of the market the ITCIS aims to represent;</p> <p>(iii) the characteristics and general composition of the ITCIS and, where applicable, concentration in any economic sectors and/or issuers;</p> <p>(iv) the general composition of the reference index;</p> <p>(v) the investment methodology adopted by the ITCIS to track the reference index;</p>	15(b)			



	Relevant Requirement	Relevant Paragraph in Guidelines III.10	Satisfied requirements under Guidelines III.10 Yes / No / N/A	Remarks	Attachment No. & Section(s)/ Page No. in the Relevant Document
	(vi) a comparison of the ITCIS's performance and the actual index performance since inception of the ITCIS; and (vii) any other information which is relevant and material for investors to make an informed investment decision.				



SECTION V – DOCUMENTS SUBMITTED

	Document	Attachment No.
(1)	A copy of the constitutive document(s) of the ITCIS	
(2)	A copy of the offering document	
(3)	A copy of the latest audited financial statements of the ITCIS	
(4)	Evidence showing that the ITCIS has obtained authorization from the SFC as an authorized unlisted index fund or index-tracking exchange traded fund	
(5)	Information about the composition and weightings of the top 10 largest constituent securities of the index as of the latest month end or quarter end	
(6)	A comparison of the ITCIS's performance and the actual index performance since inception of the ITCIS	
(7)	Description of mechanism put in place to minimize any tracking errors between the ITCIS and the underlying index	



SECTION VI – CONTACT INFORMATION

Contact details of the head of compliance, chief executive officer or person with similar authority of its office located in Hong Kong or, in the absence of a local presence in Hong Kong, contact details of the representative in Hong Kong, for handling ongoing compliance issues of the ITCIS.

Name of the representative: _____

Title or position: _____

Telephone number: _____

Email address: _____

Address: _____



SECTION VII - CONFIRMATION

We confirm that to the best of our knowledge and belief the information given in this form is correct and complete. ✦

We certify that the documents attached to this form are true and correct copies.

Name of the applicant: _____

Signature and company chop
(to be signed by two directors): _____

Name of persons signing: _____

Title or position of persons signing: _____

Date: _____

✦ **Warning** : Section 43E of the MPFSO makes it an offence punishable with a maximum of 1 year's imprisonment for the first occasion and 2 years' imprisonment on each subsequent occasion for a person who makes a false or misleading statement in a material aspect.

Name and telephone no. of the contact person for the Authority's enquiries in connection with this application -

Name: _____

Telephone no.: _____