



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

電話號碼 Tel No : 2292 1369

傳真號碼 Fax No :

電郵地址 Email :

本局檔號 Our Ref :

來函檔號 Your Ref :

**By Electronic System**

6 September 2023

**Circular Letter: SU/CCO/2023/004**

**To: All Registered Intermediaries**

Dear Sir/Madam,

**Stepping-up of Disciplinary Actions**

On 11 June 2021 and 31 May 2022, the Mandatory Provident Fund Schemes Authority (MPFA) issued circulars setting out disciplinary actions taken in the past against MPF intermediaries for common misconduct and factors that the MPFA will take into account when determining whether to impose a disciplinary order and what disciplinary order is to be made. The MPFA also forewarned in the circulars regarding the stepping up of disciplinary actions to achieve a stronger deterrent effect.

**Recurring Misconduct of Serious Nature**

2. Despite repeated reminders, the MPFA is concerned that there are still recurring complaints and allegations against MPF intermediaries involving unauthorized transfers of scheme members' MPF benefits from one MPF scheme to another. In some cases, the intermediaries concerned even forged the signatures of scheme members and/or impersonated the scheme members in obtaining the scheme members' account information from MPF trustees for the purpose of completing the necessary MPF transfer forms. In some other cases, the intermediaries concerned asked scheme members to sign blank MPF forms without explaining the purpose of

those forms or even misled scheme members to believe that the forms were signed for other purposes (e.g. completing a questionnaire).

3. MPF intermediaries are reminded that such acts of unauthorized transfer, forgery and impersonation are serious misconduct in breach of the conduct requirements under section 34ZL of the Mandatory Provident Fund Schemes Ordinance (Cap 485) (MPFSO), which may give rise to disciplinary proceedings and/or criminal liability under the MPFSO or other laws such as the Crimes Ordinance (Cap 200). In particular, principal intermediaries (PIs) are reminded to regularly review and step up their internal controls and procedures as appropriate to prevent such serious misconduct. The responsible officers of a PI are also required by sections 34I and 34ZM of the MPFSO to use their best endeavours to ensure that the PI has established and maintains proper controls and procedures for compliance.

### **Stepping-up of Disciplinary Actions**

4. To deter such recurring serious misconduct and raise industry standards, the MPFA will further step up disciplinary actions in relevant cases of serious misconduct. For reference of the level of disciplinary sanctions imposed in recent disciplinary cases against MPF intermediaries involving serious misconduct, please refer to the Annex as attached hereto. Going forward, the MPFA will impose heavier disciplinary sanctions in cases of similar nature as appropriate to give a stronger deterrent effect. The press releases issued in previous disciplinary cases and the relevant enforcement news are available on the MPFA website (<https://www.mpfa.org.hk/en/enforcement/mpf-intermediary/enforcement-news>).

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

Yours sincerely,



Doris Tin

Senior Manager  
Enforcement Division

### Encl.

c.c. Ms Candy Tam, Senior Manager, Banking Conduct Department, Hong Kong Monetary Authority

Ms Emma Tong, Associate Director, Licensing, Intermediaries, Securities and Futures Commission

Ms Shirley To, Senior Manager, Market Conduct Division, Insurance Authority

## Recent Disciplinary Cases against MPF Intermediaries involving Serious Misconduct

### Important Note

1. Below is a brief summary of the key serious misconduct concerned and the disciplinary orders imposed by the MPFA in disciplinary cases involving serious misconduct of MPF intermediaries since 2021.
2. For details of the cases, please refer to the press releases and enforcement news regarding MPF intermediaries on the MPFA website <https://www.mpfa.org.hk/en/enforcement/mpf-intermediary/enforcement-news>.
3. Please note that the MPFA's determination in an individual case on whether or not to make a disciplinary order and any disciplinary order (including the level of any sanction or penalty) to be imposed is subject to the particular facts and circumstances of the case. Any past disciplinary determination of the MPFA should not be construed as a binding precedent for any future case. The MPFA may from time to time consider stepping up disciplinary actions as the situation warrants to further strengthen protection of scheme members' interests.

	Disciplinary Order	Date of Press Release	Whether the Following Key Serious Misconduct is Involved		
			Unauthorized Transfer of Client's MPF Benefits <sup>1</sup>	Impersonation <sup>2</sup>	Provision of Inaccurate Information to Client <sup>3</sup>
1	40-month suspension	15 March 2021	Yes <i>(also involved 5 counts of forging client's signature)</i>	Yes	
2	32-month suspension	9 November 2022			Yes
3	20-month suspension & public reprimand <sup>4</sup>	12 January 2023	Yes	Yes	
4	20-month suspension	24 June 2021	Yes <i>(also involved 1 count of forging client's signature)</i>		
5	20-month disqualification <sup>5</sup>	31 May 2023	Yes	Yes	
6	7-month suspension	1 February 2023		Yes	
7	6-month suspension	2 June 2022		Yes	

<sup>1</sup> In breach of section 34ZL(1)(a) of the MPFSO

<sup>2</sup> In breach of section 34ZL(1)(a) of the MPFSO

<sup>3</sup> In breach of sections 34ZL(1)(a) and (e) of the MPFSO

<sup>4</sup> The case also involves a failure to carry out the client's instructions and the Mandatory Provident Fund Schemes Appeal Board affirmed the MPFA's findings on all the misconduct of the subsidiary intermediary concerned

<sup>5</sup> The MPFA may suspend the registration of an intermediary for a period of time for a misconduct. However, if an intermediary is no longer registered when the MPFA decides to impose a disciplinary order, the MPFA may disqualify such person from registration for a period of time