

MANDATORY PROVIDENT FUND SCHEMES AUTHORITY

I.6 Guidelines on Application for Approval of Pooled Investment Funds

INTRODUCTION

Section 6 of Schedule 1 to the Mandatory Provident Fund Schemes (General) Regulation (the Regulation) provides that the funds of a constituent fund of a registered scheme may invest in an approved pooled investment fund.

2. Section 6(1) of the Regulation provides that an investment fund is an approved pooled investment fund for the purposes of the Regulation if it is an insurance policy, authorized unit trust or authorized mutual fund¹ that:

- (a) complies with the requirements set out in section 17(2) of Schedule 1 to the Regulation; and
- (b) is approved by the Mandatory Provident Fund Schemes Authority (the Authority).

3. Section 6(2) of the Regulation provides that the granting of an approval in respect of a pooled investment fund (PIF) is subject to the payment to the Authority of such fee (if any) as may be prescribed in the Mandatory Provident Fund Schemes (Fees) Regulation and to such conditions (if any) as the Authority considers appropriate. The Authority may vary any such conditions by written notice given to the investment manager of the investment fund concerned.

¹ The existing law does not permit the incorporation of mutual fund corporations in Hong Kong. The guidelines issued therefore refer only to insurance policies and authorized unit trusts.

4. Section 6H of the Mandatory Provident Fund Schemes Ordinance (the Ordinance) provides that the Authority may issue guidelines for the guidance of approved trustees, service providers, participating employers and their employees, self-employed persons, regulated persons and other persons concerned with the Ordinance.

5. The Authority hereby issues guidelines relating to the application for approval of PIFs. There is a separate set of guidelines issued in the form of a code which prescribes the detailed requirements in respect of PIFs.

EFFECTIVE DATE

6. These revised Guidelines (Version 7 – April 2023) shall become effective on 24 April 2023. The previous version of these Guidelines (Version 6 – October 2017) shall be superseded on that day.

APPLICATION FOR APPROVAL OF PIF

The Applicant

7. The applicant seeking approval of a PIF in the case of an authorized unit trust may be the trustee or the investment manager and in the case of an insurance policy, the authorized insurer. The trustee in this case refers to the approved trustee or the person who has applied for approval as approved trustee under section 20 of the Ordinance.

Prescribed Forms

8. The prescribed forms for approval of a PIF are provided in Annexes A to E:

- (a) Annex A refers to Part A (Form PF) of the application which covers the information relating to the PIF and a summary of the parties

involved in administering and managing the PIF. The form should be completed by the applicant of the PIF.

- (b) Annex B refers to Part B (Form PF(T)) of the application which covers the information relating to the trustee of the PIF, being an authorized unit trust. It should be completed by the trustee.
- (c) Annex C refers to Part C (Form PF(I)) of the application which covers the information relating to the authorized insurer of the PIF, being an insurance policy. It should be completed by the authorized insurer.
- (d) Annex D refers to Part D (Form PF(C)) of the application which covers the information relating to the custodian of the PIF. It should be completed by the custodian. However, if the trustee assumes the custodial function, the trustee is not required to complete this form.
- (e) Annex E refers to Part E (Form PF(M)) of the application which covers the information relating to the investment manager of the PIF. It should be completed by the investment manager. In the case of an insurance policy with the authorized insurer assuming the investment management function, the authorized insurer has to complete this form as well.

9. The prescribed format of the forms in the Annexes can be downloaded from the Authority's website at: www.mpfa.org.hk.

Signature Requirements

10. The application for approval of the PIF must be signed by at least two directors of the applicant.

Submission of Application

11. The completed application forms and the relevant documents should be submitted in hard copies and sent to:

Mandatory Provident Fund Schemes Authority
Level 12, Tower 1, The Millennity
98 How Ming Street, Kwun Tong
Hong Kong

12. The application should be accompanied by the appropriate fees as specified in the Mandatory Provident Fund Schemes (Fees) Regulation.

DEFINITION OF TERMS

13. Where a term used in the Guidelines is defined in the Ordinance or the subsidiary legislation then, except where specified in the Guidelines, that term carries the meaning as defined in the Ordinance or the subsidiary legislation.

WARNING

14. If there is any change to the application information or documents after an application has been submitted to the Authority, the applicant should inform the Authority as soon as reasonably practicable. It is an offence under section 43E of the Ordinance if a person, in any document given to a prescribed person² in connection with the Ordinance, 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.

² Prescribed person means (a) the Authority; (b) a system operator of an electronic MPF system; (c) an approved trustee; (d) a trustee of a relevant scheme; or (e) an auditor of an approved trustee or of a registered scheme.