

MANDATORY PROVIDENT FUND SCHEMES AUTHORITY

II.5 Guidelines on Annual Statements of Approved 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 (APIF).

2. Section 6(1) of the Regulation provides that an investment fund is an APIF 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 17(2)(h) of Schedule 1 to the Regulation stipulates that the financial statements, investment reports and auditor's reports of an APIF must be lodged with the Authority and additional information relating to those statements and reports must be provided to the Authority whenever the Authority requests.

4. C2.2 and D2.2 of the Code on MPF Investment Funds provide that the reporting requirements specified in sections 81, 87, 102 and 110 of the

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

Regulation are relevant to an APIF. Those sections specify the requirements on financial statements, investment report, auditor's report and other information to be included in the annual statement of a registered scheme.

5. Section 6H(1) 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.

6. Section 6H(3) of the Ordinance provides that a guideline may require persons (including persons belonging to a class) specified in the guideline to give to the Authority information or documents of a kind specified in the guideline. The guideline may only specify information or documents of a kind that the Authority reasonably requires for the exercise or performance of its functions.

7. The Authority hereby issues guidelines to specify the information to be submitted in respect of the annual statement of an APIF, and where applicable, additional information relating to the statement, including the appointed actuary's report for an APIF that is a Class G insurance policy. These guidelines also specify the means by which the annual statement and accompanying documents are requested to be submitted to the Authority.

EFFECTIVE DATE

8. These revised Guidelines (Version 11 – April 2023) shall become effective on 24 April 2023. The previous version of these Guidelines (Version 10 – December 2022) shall be superseded on that day.

ANNUAL STATEMENTS

Contents of Annual Statement

9. The contents of the annual statement of an APIF are set out in:
 - (a) Annex A (Form APIF-AS/UT) in respect of an authorized unit trust; and
 - (b) Annex B (Form APIF-AS/IP) in respect of an insurance policy.

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

11. The information to be provided should be in respect of the end of each financial year of the APIF.

Signature Requirements

12. The annual statement must be signed by at least two directors of:
 - (a) the approved trustee of an authorized unit trust; or
 - (b) the insurer of an insurance policy.

Submission of Annual Statement and Accompanying Documents

13. The annual statement and the accompanying documents are requested to be submitted by electronic means specified by the Authority or in hard copies to:

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

The Authority (as the recipient) has given consent to being given the aforesaid documents by the means described in this paragraph 13.

14. The annual statement must be submitted within six months of each financial year end of the APIF.

DEFINITION OF TERMS

15. 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

16. 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.