

MANDATORY PROVIDENT FUND SCHEMES AUTHORITY

I.9 Guidelines on Approved Credit Rating Agencies

INTRODUCTION

Section 2 of the Mandatory Provident Fund Schemes (General) Regulation (“the Regulation”) defines “approved credit rating agency” as a credit rating agency approved by the Authority for the purposes of this Regulation.

2. 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 and other persons concerned with the Ordinance.

3. The Authority hereby issues guidelines to set out the names of the credit rating agencies which have been approved by the Authority for the purposes of section 2 of the Regulation.

APPROVED CREDIT RATING AGENCIES

4. For the purposes of section 2 of the Regulation, the approved credit rating agencies are as follows:

- (a) A.M. Best Company;
- (b) Fitch Ratings;
- (c) Moody’s Investor Service, Inc.;
- (d) Rating & Investment Information, Inc; and
- (e) Standard & Poor’s Corporation.

MINIMUM CREDIT RATING REQUIREMENTS

5. The respective minimum credit rating requirements as determined by the approved credit rating agencies are set out in the following Guidelines:

- (a) Guidelines I.3 – Guidelines on Custodians
- (b) Guidelines III.1 – Guidelines on Debt Securities
- (c) Guidelines III.3 – Guidelines on Eligible Overseas Banks

DEFINITION OF TERMS

6. Except where otherwise specified, the terms common to the Ordinance and the subsidiary legislation of the Ordinance carry the same meanings as defined in the Ordinance and the subsidiary legislation. Appropriate references should be made to the Ordinance and the subsidiary legislation, where necessary.