

STATEMENT OF DISCIPLINARY ACTION

The Disciplinary action

1. The Mandatory Provident Fund Schemes Authority (**MPFA**) has disqualified WONG Chun Yin (**WONG**) from being registered as a Mandatory Provident Fund (**MPF**) intermediary for 1 month from 19 July 2023 to 18 August 2023.
2. The MPFA found that WONG had failed to carry out a scheme member's instructions to transfer the scheme member's MPF benefits from an MPF scheme to another MPF scheme (**Transfer Instruction**).
3. WONG's conduct was in breach of the conduct requirements under section 34ZL(1)(b) of the Mandatory Provident Fund Schemes Ordinance, Cap 485 (**MPFSO**) and paragraph III.17 of the Guidelines on Conduct Requirements for Registered Intermediaries (**Conduct Guidelines**).

Summary of facts

4. WONG was a subsidiary intermediary attached to FWD Life Insurance Company (Bermuda) Limited from 18 December 2017 to 16 June 2020 and Manulife (International) Limited from 15 September 2020 to 9 December 2020.
5. WONG became acquainted with the scheme member in around January 2020, when WONG (who also operated a payment system installation company) went to the scheme member's work place to install payment system (**Meeting**). During the Meeting, WONG invited the scheme member to transfer her MPF benefits with AIA Company (Trustee) Limited (**AIA**) to Sun Life Trustee Company Limited (**Sun Life**) (i.e. the Transfer Instruction). At WONG's request, the scheme member provided details of her MPF accounts with AIA to WONG for processing the Transfer Instruction. However, WONG never carried out the Transfer Instruction for the scheme member.
6. WONG admitted that he failed to carry out the Transfer Instruction for the scheme member because he was about to work for another principal intermediary.

Breach and reasons for action

7. Section 34ZL(1)(b) of the MPFSO states that, when carrying on a regulated activity, a principal intermediary or a subsidiary intermediary attached to a principal intermediary must exercise a level of care, skill and diligence that may reasonably be expected of a prudent person who is carrying on the regulated activity.
8. Paragraph III.17 of the Conduct Guidelines states that a registered intermediary should take all reasonable steps to carry out client instructions promptly and accurately, notify the client after the instructions have been carried out and alert the client within a reasonable time in case of any delay or failure to execute the client's instructions by the registered intermediary.

9. Having considered all the circumstances of the case, the MPFA is of the view that WONG deliberately failed to carry out the Transfer Instruction as he was about to work for another principal intermediary. WONG had, when carrying on a regulated activity, failed to exercise a level of care, skill and diligence that may reasonably be expected of a prudent person who is carrying on the regulated activity.

Conclusion

10. The MPFA's view is that WONG's conduct has breached the conduct requirements under section 34ZL(1)(b) of the MPFSO and paragraph III.17 of the Conduct Guidelines. The MPFA has therefore decided to take the disciplinary action set out in paragraph 1 hereinabove against WONG.
11. In determining the disciplinary sanction, the MPFA took into account all relevant circumstances, including the nature, seriousness and impact of WONG's breach and that he has no previous disciplinary record with the MPFA.