

STATEMENT OF DISCIPLINARY ACTION

The disciplinary action

1. The Mandatory Provident Fund Schemes Authority (**MPFA**) has reprimanded and disqualified LI Siu Man (**LI**) from registration as a Mandatory Provident Fund (**MPF**) intermediary for 8 months from 10 July 2025 to 9 March 2026 (both dates inclusive).
2. The MPFA found that LI had failed to promptly carry out the instructions of a client to enrol in an MPF scheme as an employer.
3. LI's conduct was also in breach of the conduct requirements under section 34ZL(1)(b) of the Mandatory Provident Fund Schemes Ordinance, Cap 485 (**MPFSO**), and paragraphs III.17 and III.20 of the Guidelines on Conduct Requirements for Registered Intermediaries (**Conduct Guidelines**) (version 1 of September 2012)¹.
4. The MPFA also found that such misconduct of LI constitutes a non-compliance with the related internal policy and guidelines of his principal intermediary².

Summary of facts

5. LI was an MPF subsidiary intermediary³ attached to an MPF principal intermediary, Manulife (International) Limited (**Manulife**) between 3 September 2020 and 9 November 2023. LI has ceased registration as an MPF subsidiary intermediary since 19 February 2024.
6. On 1 May 2023, a company (**Company**) employed two employees and was required to enrol in an MPF scheme as an employer, enrol its employees and make MPF contribution for them. On 5 June 2023, LI met a representative (**Representative**) of the Company at the office of the Company and assisted the Representative to complete and sign the relevant forms for enrolling the Company in an MPF scheme (**Scheme**).
7. On 6 June 2023, Manulife received the application documents in respect of the Company and found that the documents were not signed by a director of the Company and therefore sent internal messages to LI asking him to follow up.
8. On 23 June 2023, the Representative enquired LI about the enrolment application. LI found out on the next working day that the enrolment application had not been

¹ Version 1 – September 2012 was in force at the time of the breach. Two versions of new Guidelines on Conduct Requirements for Registered Intermediaries (version 2 of October 2023) and Guidelines on Conduct Requirements for Registered Intermediaries (version 3 of June 2024) were implemented on 1 March 2024 and 26 June 2024 respectively.

² A principal intermediary is a business entity registered by the MPFA to engage in conducting MPF sales and marketing activities and giving regulated advice.

³ A subsidiary intermediary is a person registered by the MPFA to carry out MPF sales and marketing activities and to give regulated advice on behalf of a principal intermediary to which the person is attached.

processed as the forms were not signed by a director of the Company. LI then informed the Representative of the same on the same day.

9. On 5 July 2023, the Representative informed LI via WhatsApp that the relevant documents duly signed by the director of the Company had been delivered to LI via courier. LI replied that he would provide her with a copy of the documents after submission.
10. Between 12 and 25 July 2023, the Representative made various phone calls and sent WhatsApp messages to LI to ascertain the status of the application but LI did not answer her calls or respond to her messages.
11. On 26 July 2023, Manulife eventually received the enrolment application documents of the Company. On 31 July 2023, an MPF account under the Scheme was set up for the Company accordingly. On 7 August 2023, Manulife received from the Company the enrolment forms for its two employees and a cheque for the contribution payments. However, as the contribution for the contribution months of May and June 2023 were made late, a surcharge was imposed on the Company.
12. In the course of investigation, LI admitted that as he was feeling depressed at the material time in July 2023, he did not respond to the Representative's enquiries or pass the Company's enrolment documents to Manulife promptly.
13. The case was referred to the MPFA for follow-up action in August 2024 after an investigation by the Insurance Authority.

Breach and reasons for action

14. 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.
15. Paragraph III.17 of the Conduct Guidelines states that a registered intermediary should take all reasonable steps to carry out a client's 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.
16. Paragraph III.20 of the Conduct Guidelines states that a registered intermediary should comply with the controls, procedures and standards of conduct as required by his principal intermediary.
17. Having considered all the circumstances of the case, the MPFA is of the view that LI, when carrying on a regulated activity, had 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 by failing to promptly carry out the client's instructions of enrolling the client in an MPF scheme as an employer.

18. In doing so, LI had breached the regulatory requirements under the MPFSO and the Conduct Guidelines and also failed to comply with Manulife's internal policy or guidelines.

Conclusion

19. The MPFA's view is that LI's conduct has breached the conduct requirements under section 34ZL(1)(b) of the MPFSO and paragraphs III.17 and III.20 of the Conduct Guidelines. The MPFA has therefore decided to take the disciplinary action set out in paragraph 1 hereinabove against LI.
20. In determining the disciplinary sanction, the MPFA took into account all relevant circumstances, including (a) the nature, seriousness and impact of LI's breach; (b) LI had no previous disciplinary record with the MPFA; and (c) the need to send a strong deterrent message to the industry that the MPFA will not tolerate such misconduct.