

## **MANDATORY PROVIDENT FUND SCHEMES AUTHORITY**

### **I.4 Guidelines on Eligible Insurers**

#### **INTRODUCTION**

Section 8 of the Mandatory Provident Fund Schemes (General) Regulation (“the Regulation”) requires that insurance for registered schemes must be obtained from eligible insurers. An insurer is an eligible insurer if it is an authorized insurer, i.e. a person specified under section 6(1) of the Insurance Companies Ordinance (Cap. 41) or is considered by the Mandatory Provident Fund Schemes Authority (“the Authority”) as able to meet its liabilities.

2. In assessing an insurer’s ability to meet its liabilities, the Authority will take into account the credit rating of the insurer as determined by an approved credit rating agency and consult the Insurance Authority.

3. The Authority hereby issues guidelines on eligible insurers with respect to approved credit rating agencies and information required for assessing their ability to pay claims.

#### **APPROVED CREDIT RATING AGENCIES**

4. For the purpose of section 8(3)(a) of the Regulation, the approved credit rating agencies are as follows:

- (a) A. M. Best Company;
- (b) Duff and Phelps Credit Rating Company;
- (c) Moody's Investor Service Inc.; and
- (d) Standard & Poor's Corporation.

## **ELIGIBILITY AND DOCUMENTATION**

### **Eligibility**

5. In giving his advice to the Authority on the suitability of an insurer (other than an authorized insurer in Hong Kong) for the purpose of the Regulation, the Insurance Authority would consider whether the security offered by that insurer is at least comparable to that of an authorized insurer in Hong Kong, and more specifically :

- (a) whether the insurer is able to meet the solvency requirements of the Insurance Companies Ordinance;
- (b) whether it has the expertise in carrying out the type of insurance concerned; and
- (c) whether it is subject to a prudential supervisory regime comparable to that of Hong Kong.

### **Prescribed Form**

6. A person, other than a person specified under section 6(1) of the Insurance Companies Ordinance, who wishes to become an eligible insurer

should submit the information and documents to the Authority in the format as set out at the Annex (Form EI).

7. The prescribed format of the form in the Annex can be downloaded from the Authority's website at (address to be inserted when available).

### **Definition of Terms**

8. Except where otherwise stated in the form, the terms common to the form, the Mandatory Provident Fund Schemes Ordinance (Cap. 485) ("the Ordinance") and the subsidiary legislation of the Ordinance carry the same meanings as defined in the Ordinance and the subsidiary legislation. The insurer should make appropriate reference to the Ordinance and the subsidiary legislation, when necessary.

### **Submission of Documentation**

9. The completed Form EI together with the prescribed documents should be forwarded to the trustee to which the insurance is proposed to be issued for onward transmission to the Authority. The trustee should submit the application in hard copies either when making an application for approval as trustee or when making an application for registration of a provident fund scheme.

### **Warning**

10. If there is any change to the information or documents already submitted to the Authority, the insurer should inform the Authority as soon as practicable. It is an offence under section 43E of the Ordinance if a person, in any document given to the Authority, makes a statement that he knows to be false or

misleading in a material respect, or recklessly makes a statement which is false or misleading in a material respect.

**FORM EI**

**MANDATORY PROVIDENT FUND SCHEMES ORDINANCE (CAP. 485)  
("the Ordinance")**

**INFORMATION REQUIRED FOR ASSESSING  
THE ELIGIBILITY OF AN INSURER  
(for person who is not a person specified in section 6(1)  
of the Insurance Companies Ordinance (Cap. 41))**

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*NOTES :*

- (1) *The insurer should read the "Guidelines on Eligible Insurers" before submitting this Form.*
  - (2) *All questions must be answered. If any question is not applicable, please write "N.A."*
  - (3) *\* means delete whichever is inappropriate.*
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**FOR OFFICIAL USE ONLY**

**Application no.:** \_\_\_\_\_ **Date application received:** \_\_\_\_\_  
**Subject officer:** \_\_\_\_\_ **Input officer:** \_\_\_\_\_

**SECTION I - PARTICULARS OF THE INSURER**

(1) Name of the insurer (in English): \_\_\_\_\_

(in Chinese,  
if any): \_\_\_\_\_

(2) Date of incorporation: 

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Day Month Year

(3) Place of incorporation: \_\_\_\_\_

(4) Registration number under  
Part XI of the Companies  
Ordinance (Cap. 32), if any: \_\_\_\_\_

(5) Financial year end date: 

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Day Month

(6) Registered office:

Flat/Room	Floor	Block	Name of building
Street no.	Name of street		
Name of district/city/province		Area code/Postal code	
Name of country			

Telephone no.: (\_\_\_\_) \_\_\_\_\_ Fax no.: (\_\_\_\_) \_\_\_\_\_

- (7) If the indemnity insurance policy is intended to be issued by the insurer's branch/agency in a country other than the country of incorporation of the insurer, address of that branch/agency (hereinafter referred to "issuing office"):

Flat/Room	Floor	Block	Name of building
Street no.		Name of street	
Name of district/city/province			Area code/Postal code
Name of country			
Telephone no.:(____)_____		Fax no.:(____)_____	

- (8) Contact address in Hong Kong (if any):

Flat/Room	Floor	Block	Name of building
Street no.		Name of street	
Name of district			<i>Hong Kong/Kowloon/N.T.*</i>
Telephone no.: _____		Fax no.: _____	
Name of contact person: _____			

## SECTION II-PARTICULARS OF THE INSURANCE SUPERVISORY AUTHORITY

### PART A - INSURANCE SUPERVISORY AUTHORITY IN THE PLACE OF INCORPORATION OF THE INSURER

- (1) Name of the insurance supervisory authority: \_\_\_\_\_
- (2) Authorization/registration number with the authority: \_\_\_\_\_
- (3) Date of authorization/registration: 

Day		Month		Year			

(4) Address of the insurance supervisory authority:

Flat/Room	Floor	Block	Name of building
Street no.		Name of street	
Name of district/city/province			Area code/Postal code
Name of country			
Telephone no.: (____) _____		Fax no.: (____) _____	

(5) Classes of insurance business for which the insurer is authorized:

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**PART B - INSURANCE SUPERVISORY AUTHORITY IN THE PLACE OF THE ISSUING OFFICE (IF APPLICABLE)**

(1) Name of the insurance supervisory authority: \_\_\_\_\_

(2) Authorization/registration number with the authority: \_\_\_\_\_

(3) Date of authorization/registration:

Day		Month		Year			

(4) Address of the insurance supervisory authority:

Flat/Room	Floor	Block	Name of building
Street no.		Name of street	
Name of district/city/province			Area code/Postal code
Name of country			
Telephone no.: (____) _____		Fax no.: (____) _____	

(5) Classes of insurance business for which the insurer is authorized:

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**SECTION III - FINANCIAL POSITION** (please state the currency used)

- (1) Paid up share capital: \_\_\_\_\_
- (2) Net asset value: \_\_\_\_\_
- (3) Date of valuation: \_\_\_\_\_

**SECTION IV - EXPERIENCE IN WRITING INDEMNITY INSURANCE \*\***

- (1) No. of years of experience in writing indemnity insurance by the insurer: \_\_\_\_\_
- (2) Types of indemnity insurance cover provided in the past 3 years (please briefly describe the cover):  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
- (3) Volume of premium written and claims history in the past 3 years (please state the currency used):

	Year	Year	Year
(A) Gross premium			
(B) Net premium			
(C) Net premium earned			
(D) Net claims incurred			

\*\* *That is, indemnity insurance which covers risks similar to those prescribed under section 8(5) of the Mandatory Provident Fund Schemes (General) Regulation.*

**SECTION V - CREDIT RATING**

- (1) Credit rating of the insurer: \_\_\_\_\_
- (2) Name of credit rating agency: \_\_\_\_\_
- (3) Date when the credit rating was given: \_\_\_\_\_

**SECTION VI - FINANCIAL STATUS**

- (1) Has the insurer ever been a party to any civil litigation, in Hong Kong or elsewhere?  
Yes/No\*

If yes, please provide the following information:

Name of plaintiff, defendant and third party(if any):

\_\_\_\_\_

\_\_\_\_\_

Nature of litigation and outcome (with dates):

\_\_\_\_\_

\_\_\_\_\_

Name and place of court where proceedings commenced:

\_\_\_\_\_

\_\_\_\_\_

- (2) Other than those listed under question (1), if any, has the insurer ever been, or is the insurer presently, or does the insurer expect to be engaged in any litigation in Hong Kong or elsewhere?  
Yes/No\*

If yes, please provide the following information:

Name of the parties involved:

\_\_\_\_\_

\_\_\_\_\_

Date and place of litigation:

\_\_\_\_\_

\_\_\_\_\_

Nature of litigation:

\_\_\_\_\_

\_\_\_\_\_

- (3) Has the insurer ever, in Hong Kong or elsewhere, entered into any scheme of arrangement or any form of composition with its creditors? Yes/No\*

If yes, please provide the following information:

Details of arrangement or composition (with dates):

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- (4) Has a petition ever been presented for winding up the insurer? Yes/No\*

If yes, please provide the following information:

Date of such petition:

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Current status:

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Outcome:

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Amount involved:

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- (5) Has a receiver ever been appointed by the court or any creditor to manage the affairs of the insurer? Yes/No\*

If yes, please provide the following information:

Date of such appointment:

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Current status:

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Outcome:

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Amount involved:

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- (6) Has the insurer failed to meet any judgement debts, judgements or courts orders for the payment of damages, or other sums of money, in Hong Kong or elsewhere, outstanding against it? Yes/No\*

If yes, please provide the following information:

Current status:

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Outcome:

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Amount involved:

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## SECTION VII – DOCUMENTS TO BE ATTACHED

	<b>Documents</b>	<b>Attachment No.</b>
(1)	Copy of certificate of incorporation/registration with overseas authority in respect of the insurer	
(2)	Copy of certificate of registration with the Companies Registry in Hong Kong in respect of the insurer, if any	
(3)	Audited financial statements (including directors' report, revenue account, profit and loss account and balance sheet of the insurer) for each of the last 3 financial years or since its incorporation if it has been incorporated for less than 3 years	
(4)	Statement showing the amount by which the assets exceed liabilities (excluding liabilities in respect of capital and free reserves) at the date of application and how it is calculated	
(5)	Certifications/confirmations from the insurance supervisory authorities mentioned in Part A and B of section II above stating - (A) the class of insurance business for which the insurer is authorized to carry on in the country; (B) whether, currently, or in the past ten years, the insurer is or has been subject to any conditions or requirements imposed on prudential grounds (e.g. restriction on premium income or investments) and if yes, the details	

**SECTION VIII - DECLARATION**

We declare that to the best of our knowledge and belief the information given in this Form is correct and complete. ✦

We certify that the documents attached to this Form are true and correct copies.

We undertake to notify the Mandatory Provident Fund Schemes Authority (“the Authority”) of any matter which affects the validity of any information given in support of the application.

After the application is approved, we undertake to notify the Authority of any material changes to, or affecting the completeness or accuracy of, the information provided in this Form as soon as possible.

Name of insurer:

\_\_\_\_\_  
\_\_\_\_\_

Signature and company chop  
(to be signed by two directors):

\_\_\_\_\_

Name of persons signing:

\_\_\_\_\_

Title or position of persons signing:

\_\_\_\_\_

Date:

\_\_\_\_\_

✦ **Warning** : Section 43E of the Ordinance makes it an offence punishable with a maximum of 1 year imprisonment for the first occasion and 2 years imprisonment on each subsequent occasion for a person who makes a false or misleading statement in a material aspect.

Name and telephone no. of the contact person for the Authority’s enquiries in connection with this application -

Name: \_\_\_\_\_

Telephone no.: \_\_\_\_\_