

MPFA suspends the registration of Chow King-on as an MPF intermediary for six months

The Mandatory Provident Fund Schemes Authority (MPFA) has suspended the registration of Chow King-on as a Mandatory Provident Fund (MPF) intermediary for six months from 27 March to 26 September 2018¹.

The MPFA found that when Chow arranged for an MPF scheme member to consolidate several MPF accounts in mid-2016, he had contravened the conduct requirements of acting honestly, fairly, in the best interests of the client and with integrity under the Mandatory Provident Fund Schemes Ordinance (MPFSO) and the Guidelines on Conduct Requirements for Registered Intermediaries². The key facts of Chow's misconduct are summarized as follows:

- I. Chow impersonated the scheme member in calling MPF trustees to obtain the scheme member's account information for the purpose of the account consolidation;
- II. Chow altered the date of a confirmation slip previously signed by the scheme member without the member's consent and submitted it to the relevant trustee, for the purpose of account consolidation;
- III. Chow asked the scheme member to sign an incomplete form³ for account consolidation; and
- IV. Chow failed to provide the scheme member with copies of signed forms.

In deciding on the disciplinary order of suspension, the MPFA took into account all the circumstances of the case including that the scheme member has not suffered any loss, Chow has made frank admissions and has no previous disciplinary record with the MPFA.

The case was referred to the MPFA following an investigation by the Insurance Authority.

- Ends -

27 March 2018

1. Chow is registered as a subsidiary intermediary attached to Manulife (International) Limited.

2. Section 34ZL(1)(a) of the MPFSO provides that when carrying on a regulated activity, an MPF intermediary must act honestly, fairly, in the best interests of the client, and with integrity. Paragraph III.3 of the Guidelines provides that an MPF intermediary should ensure that any form to be signed by a client is duly completed in all material respects before asking the client to sign on it, any alterations to the completed form must be initialled by the client or, where it is not practical to do so, otherwise authenticated as representing the client's instruction, and a copy of the form should be provided to the client as soon as reasonably practicable.

3. Scheme Member's Request for Account Consolidation Form which is to be used for consolidating personal accounts into one single account.