Business Operations

As an advocate of the MPF System, MPFA is committed to building a retirement system valued by Hong Kong people. We at MPFA are tasked with regulating and supervising MPF schemes and ORSO schemes, ensuring compliance with the MPF and ORSO legislation, and considering and proposing reforms of the regulatory framework. This section summarizes major results of our efforts in these areas in 2014-15.

Refining the regulatory framework

Provide better investment solutions for scheme members

The MPF System is an important part of the total savings pool for retirement needs in Hong Kong. A well-designed MPF System, where informed investment decisions are made by, or on behalf of scheme members, is important in strengthening the System's contribution to overall retirement savings outcomes for individual workers. This will, in turn, enhance the financial sustainability of Hong Kong's broader retirement protection system.

After comprehensive studies and reviews, we have come to the view that an important next step in reforming the MPF System is to improve the investment choice framework by ensuring that all schemes make available a well-designed default investment strategy ("DIS") that represents good value for scheme members. In this connection, we are working on the introduction of a DIS with fee control as the standardized low-fee investment approach to address the concerns over high fee and difficulty in making fund choices.

A public consultation entitled "Providing Better Investment Solutions for MPF Members" on the DIS was conducted jointly with the Government from June to September 2014. Twelve questions were posed in the consultation paper, to which 266 formal responses were received. We also gathered views from a wide range of parties and key stakeholders through meetings and fora.

Having regard to the comments received, we put forward a number of proposals in the consultation conclusions which were issued on 12 March 2015. The specific directions are as follows:

(a) the DIS in each MPF scheme should be based on the same investment approach;
(b) the DIS will apply to contributions to or accrued benefits of an MPF scheme for which (i) a member does not, or has not, indicated a choice of MPF funds[1], or (ii) a member specifically chooses to invest according to the DIS;
(c) the DIS should be designed to reduce investment risks as a member approaches age 65;
(d) the DIS will likely reduce investment risks by adjusting a member's accrued benefits and contributions in two or more constituent funds in each scheme. The main constituent fund used for this purpose may be referred to as the "Core" constituent fund in the scheme and may invest into common underlying investment funds;
(e) management fees of the DIS should not exceed 0.75% of assets per annum. We will keep in view room for further reduction of this fee level upon the implementation of the fee control mechanism; and
(f) to encourage a standardized approach, trustee should report performance outcomes of constituent funds used in the DIS in each scheme against an agreed industry benchmark portfolio and facilities will be made available by MPFA for the public to compare investment performance across schemes and as against the benchmark on a regular basis.

1 Currently, a wide range of funds, with differing risk and return profiles, are being used as the default investment fund for investing MPF contributions for scheme members who do not make investment choices.

The proposals represent a new policy direction for the MPF System. Mandating a standardized DIS across MPF schemes will better support the investment decision-making processes of scheme members and provide them with a preferred investment approach having regard to long-term retirement savings objectives. At the same time, scheme members can be confident that they are getting good value through the fee control.

Subject to completing the necessary legislative process and preparation work, the DIS could be introduced by the end of 2016. With technical input from the industry, further developmental work is being carried out to take the proposals forward.

Improve presentation and disclosure of MPF information

Improving the presentation and disclosure of MPF information has been an important ongoing project of MPFA. We aim to ensure that scheme members are provided with useful information in an accessible way to facilitate decisions in retirement planning and in choosing suitable MPF schemes.

The focus of the project in the year is to simplify and standardize information presentation and risk disclosure in the offering documents for MPF schemes[2]. Proposals have been worked out to improve the readability and usefulness of the documents for scheme members or other users. We are liaising with trustees on the details and timing of implementation of the proposals.

Increase flexibility of withdrawing MPF accrued benefits

Scheme members can withdraw their MPF accrued benefits when they reach the retirement age of 65 or satisfy other circumstances specified in the MPF legislation[3]. For greater flexibility, legislative amendments were proposed under the Mandatory Provident Fund Schemes (Amendment) Bill 2014 to provide an option of withdrawal in phases and allow early withdrawal by scheme members suffering from terminal illness[4]. The corresponding Mandatory Provident Fund Schemes (Amendment) Ordinance 2015 ("Amendment Ordinance 2015") was enacted by the Legislative Council on 21 January 2015. We are preparing for the implementation of the relevant provisions on early withdrawal of benefits on grounds of terminal illness in about six months, and the provisions on withdrawal in phases in about 12 months, after enactment of the Amendment Ordinance 2015.

Improve efficiency and effectiveness of the MPF System

Amendments are included in the Amendment Ordinance 2015 to improve the efficiency and effectiveness of the MPF System by:

(a) providing an express legal basis for refusing to approve an MPF fund if MPFA is not satisfied that the addition of the fund is in scheme members' interests;
(b) facilitating the use of electronic means of communication;
(c) simplifying certain administrative procedures of MPF schemes;

2 "Offering document" refers to a document that invites participation in an MPF scheme by prospective members. It should contain necessary information (including information about the scheme, operators, constituent funds, contributions and withdrawals, fees and charges, warnings and other important issues) for an individual to make informed decisions about the scheme.

3 Accrued benefits derived from mandatory contributions of an MPF scheme member must be preserved until the scheme member reaches the retirement age of 65 or satisfies other circumstances specified in the MPF legislation, namely early retirement at the age of 60, permanent departure from Hong Kong, death, total incapacity and small balance account. For members of MPF-exempted ORSO schemes (see note 10) who joined the schemes after 1 December 2000, when they cease employment, their minimum MPF benefits must be transferred to MPF schemes for preservation until they reach the retirement age of 65 or satisfy the circumstance specified in the MPF legislation, namely early retirement at the age of 60, permanent departure from Hong Kong, death and total incapacity.

4 "Terminal illness" refers to an illness that is life endangering, such that the remaining life expectancy of an individual suffering from it is reduced to 12 months or less.

(d) amending the information disclosure restrictions to facilitate compliance with reporting requirements to enhance tax transparency and combat tax evasion; and
(e) extending the time limit to institute criminal proceedings under the Mandatory Provident Fund Schemes Ordinance ("MPFSO") to facilitate effective enforcement actions.

Some of the new provisions relating to (a), (d) and (e) above took effect on 30 January 2015. We are working with the industry to prepare for the implementation of the remaining provisions in about six months after enactment of the Amendment Ordinance 2015.

Improve efficiency of adjusting the minimum and maximum relevant income levels for MPF contribution purposes

Under the MPF System, the amount of mandatory contributions is subject to the minimum and maximum relevant income ("RI")[5] levels which are adjustable over time to reflect changes in the earnings distribution of the working population. The mechanism for reviewing and adjusting the RI levels is set out in the MPFSO.

Having gathered input from key stakeholders, we submitted to the Government a proposal on an automatic adjustment mechanism in 2014. The proposal sought to keep contribution levels better aligned with the earnings distribution of the working population and provide more certainty and improve efficiency in the adjustment process.

Having discussed with the Government, we conducted a public consultation on a refined proposal from 23 January to 5 March 2015. Labour unions, employer groups, industry bodies, and the Legislative Council Panel on Financial Affairs were also consulted. We received around 35 000 submissions at the close of the consultation. As at end of March 2015, we were reviewing and compiling the comments received.

Supervising the industry

MPF trustees

MPF trustees have a duty to act in the best interests of scheme members, and a statutory duty to assist employers and scheme members to participate effectively in the operation of MPF schemes. We adopt a proactive and risk-based supervisory approach in monitoring and supervising trustees to detect potential weaknesses in their compliance with the MPF legislation and applicable standards and requirements via off-site monitoring, on-site visits, and thematic reviews of specific areas of operation.

Surveillance and monitoring

We maintain regulatory dialogues with trustees to understand their business models, risks and control environments. Through the analysis of financial and non-financial intelligence, we ensure that trustees act in compliance with statutory requirements and in the best interests of scheme members.

During the year, we issued seven circulars to trustees on subjects related to compliance and administration of MPF schemes, as well as other MPF issues. Moreover, we continued to follow up complaints and self-reported breaches by trustees and their associated service providers. For non-compliance issues that would warrant supervisory actions, 89 supervisory actions relating to internal controls, data keeping and regulatory obligations of trustees were taken in 2014-15.

5 "Relevant income" ("RI") refers to wages, salary, leave pay, fee, commission, bonus, gratuity, perquisite or allowance, expressed in monetary terms, paid or payable by an employer to an employee. It does not include severance payments or long service payments under the Employment Ordinance. An employee or a self-employed person whose RI is less than the minimum RI level is not required to make mandatory contributions. This does not affect the obligation of the employer to make mandatory contributions to the employee's MPF account. The maximum RI level is the level beyond which an employee or a self-employed person is not required to make mandatory contributions in respect of the excess amount of RI. The employer is likewise not required to make mandatory contributions for the employee in respect of such excess amount.

Separately, we completed reviews of trustees' supervision of custodial arrangements of MPF assets and their contribution handling and transfer processing. Appropriate supervisory strategies have been devised.

Supervisory inspections

We set up a specialized on-site inspection team in November 2014 for continuous monitoring of the administration and compliance standards of trustees. Through on-site inspections, we are able to gain an in-depth understanding of industry risks, controls and practices, and assess trustees' compliance with statutory requirements.

During the year, we began a round of thematic inspections on the record keeping of scheme members' accounts and unit balances. As at end of March 2015, we have completed inspection of four trustees.

Trustees' governance and risk culture

Robust governance and risk culture at senior management level of trustees are increasingly important as they are the starting point for setting expectations and are in the best position to oversee the situations and address any gaps identified. Weak governance and risk culture could lead to a higher chance of operational mistakes in scheme administration.

To strengthen trustees' governance and risk culture, we started in August 2014 a campaign on promoting good governance and risk culture amongst the trustee industry. We conducted visits to trustees' boards of directors and engaged in intensive regulatory dialogues with them on issues relating to governance and risk management. We also highlighted to trustees the importance of good governance on fund performance and regularly requested them to review the performance of MPF funds and best practices in scheme administration.

Regular liaison

We maintained a regular dialogue with trustees on MPF-related issues and worked closely with them to pursue initiatives to enhance the MPF System. The Trustees Operations Liaison Group, comprising representatives from trustees and MPFA, met three times during the year to discuss the development of information systems, MPF scheme operation issues, and developments in the MPF System. We also had regular meetings with individual trustees to discuss governance, compliance, operational and trustee-specific issues.

MPF intermediaries

Registration

The statutory regulatory regime for MPF intermediaries came into force in November 2012. Under the statutory regime, MPF intermediaries are required to register with MPFA before they can carry out sales and marketing activities or give advice in relation to MPF schemes. Members of the public can check MPF intermediaries' registration through a public register on MPFA's website or by calling MPFA's hotline.

A two-year transitional period for about 32 300 MPF intermediaries to register under the statutory regime ended on 31 October 2014[6]. About 26 600 of them migrated from the old regime and renewed their registration with MPFA under the new regime. The remaining intermediaries who were no longer attached to any principal intermediaries or failed to apply for re-registration under the new regime during the transitional period had been de-registered, but they can submit new applications to MPFA for registration if they wish to conduct regulated MPF sales and marketing activities.

6 MPF intermediaries with valid registration with MPFA immediately before the commencement of the new statutory regime on 1 November 2012 were given two years to apply for registration under the new regime by 31 October 2014 if they wish to continue to conduct regulated MPF sales and marketing activities.

MPF intermediaries are required to submit annual returns to MPFA within one month after the end of a calendar year. We also maintain regular dialogues with them. During the year, we issued five circulars to them on administration issues, such as revised MPF guidelines and forms for MPF intermediaries.

Training

To maintain their professional competencies in MPF business, MPF subsidiary intermediaries must comply with the Continuing Professional Development ("CPD") requirement by undertaking a minimum of 10 hours of CPD activities each year. Non-compliance may result in suspension or revocation of registration.

As at 31 March 2015, there were 32 activities, in the form of courses, seminars, lectures or conferences, recognized as MPF core CPD activities. We carried out quality assurance checks on these activities, which included vetting the materials used, visiting classes and reviewing participants' evaluation. Moreover, we conducted three briefing sessions on quality assurance of CPD training activities and annual returns submission via the "eService"[7] in November 2014, for MPF principal intermediaries and CPD activity providers.

Regulatory collaboration

The statutory regime works on a multi-regulator model, under which MPF intermediaries are supervised by the regulator of their respective trades (i.e. Monetary Authority, Insurance Authority or Securities and Futures Commission) ("frontline regulators"). During the year, 16 on-site inspections were conducted by the frontline regulators. We also work closely with the frontline regulators on complaints or cases with potential disciplinary or criminal prosecution actions.

A Memorandum of Understanding concerning the Regulation of Regulated Persons with Respect to Registered Schemes under the Mandatory Provident Fund Schemes Ordinance ("MoU") lays down the broad framework of the interaction and cooperation among MPFA and the frontline regulators. Pursuant to the MoU, MPFA convened three meetings of the MPF Intermediaries Regulation Committee with the frontline regulators for the exchange of views on supervisory and enforcement issues relating to MPF intermediaries.

On operational issues, three liaison meetings were held during the year with a frontline regulator for mutual progress updates in relation to complaints handled by MPFA, cases referred by MPFA to it for investigation, and supervisory work conducted by it.

Facilitating the market and lowering costs

Standardize, streamline and automate MPF scheme administration

With a view to reducing the costs of the MPF System, thus facilitating fee reduction of MPF schemes, we have been pursuing ways to standardize, streamline and automate scheme administration. As part of the project, an E-Payment for MPF Transfer system was launched in June 2014 to carry out electronic payment and settlement for the transfer of MPF accrued benefits between trustees. With the help of the system, the accuracy and efficiency of the transfer process have been enhanced and the time needed for transfers between schemes has been shortened by about one week.

The Amendment Ordinance 2015 also includes a number of amendments to facilitate electronic communication and simplify certain administrative procedures of MPF schemes. We have started to work with the industry on implementation details of these provisions.

7 "e-Service" refers to a platform on MPFA's website for electronic submission of annual returns by MPF intermediaries.

Bring down fees and charges of MPF funds

Facilitating fee reduction of MPF schemes has always been MPFA's objective. Various short-term and long-term measures we pursued are expected to further facilitate market forces, allowing room for fee reduction over time. We are pleased to note that, over the years, there has been a steady reduction in the average Fund Expense Ratio ("FER")[8] of MPF funds. The average FER of funds as at 31 March 2015 was 1.62%, representing a drop of 23% from the ratio of 2.1% in 2007. As at 31 March 2015, some 40% or 176 of the MPF funds in the market were low-fee funds (funds with fee of 1% or below or FER of 1.3% or below) of different types with 128 of them investing in equities and/or bonds.

As mentioned above, the management fees of the default investment strategy will be capped at 0.75% of assets per annum. The introduction of the fee control may have a further impact on market forces placing further downward pressure of fees of other funds over time.

Facilitate compliance with the United States Foreign Account Tax Compliance Act

We supported the Government in negotiation with the United States ("US") authorities in concluding an intergovernmental agreement ("IGA") designed to facilitate compliance with the US Foreign Account Tax Compliance Act ("FATCA")[9] by financial institutions in Hong Kong. The Government signed the IGA with the US authorities on 13 November 2014. According to the IGA, retirement funds that qualify as exempt beneficial owners are exempt from the requirements of FATCA, as they present a low risk of being used by US persons to evade US tax. As such, MPF schemes are exempted and ORSO schemes are conditionally exempted under FATCA.

Through circular letters, we kept MPF trustees and ORSO employers informed of the developments, and reminded ORSO employers to make all necessary arrangements to ensure that the schemes are in compliance with the relevant FATCA requirements and/or consider whether exemptions may apply under the IGA.

Regulating ORSO schemes

MPFA is the Registrar of Occupational Retirement Schemes. Our major work includes processing of notifications of changes and various applications in relation to ORSO schemes, and monitoring of compliance with ongoing requirements by ORSO schemes.

Information on the operations of MPFA as the Registrar is in Appendix 5 and detailed statistics on ORSO schemes are in Part D of the Statistics section.

Funding status of ORSO schemes

We monitor the funding status of ORSO schemes by examining their annual returns and audited financial statements. In the case of defined benefit schemes, actuarial certificates must be supplied to MPFA at least once every three years. According to the relevant reports received up to 31 March 2015,

- nine out of 231 defined-benefit ORSO schemes were under-funded, covering around 600 scheme members;
- the total asset size of these schemes was $750 million; and

8 "Fund Expense Ratio" ("FER") refers to a ratio that measures the expenses of an MPF fund as a percentage of fund size based on data from the most recently ended financial period. The higher the FER, the higher the percentage of operating expenses to fund size. The types and names of fees and expenses vary from scheme to scheme, but general examples include (a) fees of trustees, custodian, administrator, investment manager and sponsor; (b) guarantee charge (for guaranteed funds); (c) compensation fund levy (currently not levied); (d) audit fees and legal costs; and (e) miscellaneous items, such as establishment costs, indemnity insurance, and other out-of-pocket disbursements like postage.

9 "FATCA" is a law of the US against tax evasion by US citizens, resident aliens and entities through the use of foreign financial institutions ("FFIs") and non-financial foreign entities ("NFFEs"). Under FATCA, all withholdable payments made to FFIs and NFFEs will be subject to a withholding tax unless the FFIs and NFFEs comply with certain reporting, disclosure and related requirements or are deemed to comply with those requirements.

- the shortfall was $44 million, representing about 5.9% of the total assets of these under-funded schemes.

Such shortfalls were caused by investment loss and/or salary increase higher than the assumption used by actuaries. The relevant employers were required to make up the shortfall in funding by making a lump sum contribution or regular monthly contributions within three years and to submit actuarial certificates annually until the schemes were fully funded.

Relinquishing of MPF exemption status of ORSO schemes

Before the launch of the MPF System on 1 December 2000, employers operating ORSO schemes had an option to apply for exemption from MPF requirements. During the year, 125 MPF-exempted ORSO schemes[10] (covering about 900 scheme members) relinquished their exemption status. The employers concerned subsequently submitted notices of termination of these schemes and had to enrol the employees concerned in MPF schemes[11].

Enforcing the law

MPFA is a law enforcement agency, closely monitoring various parties' compliance with the MPF and ORSO legislation, including MPF and ORSO trustees, MPF intermediaries, employers and scheme members. We handle complaints and investigate suspected breaches or non-compliance and take enforcement actions as necessary. For cases in relation to MPF intermediaries, we coordinate investigations among frontline regulators and impose disciplinary sanctions where appropriate.

To enhance the efficiency of MPFA's enforcement efforts, we maintain close communication and exchange intelligence with stakeholders. In respect of the compliance of employers, we maintain close contact with labour unions to monitor and keep abreast of the situations of specific industries, especially those which tend to have more non-compliant cases, including the catering, retail, cleaning, security and construction industries. Meanwhile, we have enhanced our communication and collaboration with the Commercial Crime Bureau of the Hong Kong Police Force for stepping up enforcement actions against illegal activities, such as impersonation of MPFA's staff in soliciting MPF-related business.

A summary of the enforcement actions taken in 2014-15 is set out in the following pages.

10 "MPF-exempted ORSO scheme" refers to an ORSO scheme in respect of which an exemption has been granted under section 5 of the MPFSO. Members, or a class of members, of such a scheme and their employer are exempt from the operation of all or any specified provisions of the MPFSO.

11 For ORSO schemes which no longer have MPF exemption status, the employers concerned may choose to freeze or terminate the schemes, or to retain them as top-up schemes to provide benefits supplementary to those provided under an MPF scheme. If they terminate the schemes, they have to enrol their employees in MPF schemes or other MPF-exempted ORSO schemes unless they cease business operation.

Enforcement actions against MPF trustees
(1.4.2014 – 31.3.2015)

Number of complaints against trustees received by MPFA: **323** (mainly concerning the processing of contributions and unsatisfactory customer services)

Number of cases investigated

Suspected non-compliance	Number
Scheme administration non-compliance	124
Investment non-compliance	2
Total	**126**

Number of financial penalty notices issued to trustees: **6** (in relation to instances of scheme administration non-compliance and fined a total of $140,000)

Enforcement actions against MPF intermediaries
(1.4.2014 – 31.3.2015)

Number of cases (including complaint and referral cases) received: **23** (mainly concerning failure to comply with the conduct requirements under the MPFSO)

Number of cases resulting in criminal conviction: **1** (one MPF intermediary and another person were convicted for making false or misleading statements and fined a total of $27,200)

Enforcement actions against employers
(1.4.2014 – 31.3.2015)

Number of employment establishments visited under proactive inspection to check compliance with MPF requirements: **1 905** (major targets included catering establishments, retail outlets and construction sites)

Number of cases investigated

Alleged offences	Number
Default contribution	44 676
Non-enrolment	1 445
Forced change to self-employed person	33
Others[12]	705
Total[13]	**45 083**

12 Others include failure to notify trustees of termination of employment, failure to issue monthly pay record, etc.
13 As one case may be related to several types of alleged offences, figures may not sum up to the total.

Number of payment notices issued to employers in respect of default contribution

In respect of non-compliance under	Number
MPF schemes[14]	299 800
MPF-exempted ORSO registered schemes[15]	200

Financial penalty notices issued to repeat defaulters

Breach	Number of financial penalty notices issued	Number of employers involved	Amount of financial penalty
Breach of section 7A(8) of the MPFSO[16]	46	44	$270,591

Number of summons applications referred to the Police for prosecution

Nature of offences	Prosecution status as at 31.3.2015				Number of summonses applied
	Guilty	Acquitted	Not yet available	Withdrawn[17]	
Contributions in arrears	290*	31	128	26	475
Non-enrolment of employee	55*	2	16	2	75
False statement	2*	0	0	0	2
Failure to comply with court order	14^	0	7	2	23
Total	**361**	**33**	**151**	**30**	**575**

* *Involving 66 employers (total amount of fines was $1,080,500) and 3 directors/managers of limited companies (fined between $8,000 and $14,000 each).*
^ *Involving 11 employers and 2 directors of a limited company (fined between $3,000 and $12,000 each).*

Number of court orders applied to compel convicted employers to rectify their non-compliance with contribution requirements: **7**

14 A surcharge calculated at 5% of the amount of MPF contributions in arrears is imposed on employers who failed to make MPF contributions for their employees within the prescribed period. The surcharges received are credited into the MPF accounts of the employees concerned.
15 A surcharge calculated at 15% or 20% of the amount of ORSO contributions in arrears is imposed on employers who failed to make ORSO contributions for their employees. No surcharge will be imposed in the first payment notice in respect of ORSO contributions.
16 Failure to pay MPF contributions in respect of an employee to the approved trustee within the prescribed period.
17 Summonses could not be effectively served by the Police or Bailiff, as the defendants had moved away, closed, become untraceable, wound up or become bankrupt.

Number of cases submitted to Small Claims Tribunal, District Court, Bailiff and Liquidators

In respect of substantiated non-compliance under MPF schemes

Number of cases submitted to		Number of employees involved
Small Claims Tribunal	350	1 646
District Court	53	976
Bailiff	73	318
Liquidators	149	1 506

In respect of substantiated non-compliance under MPF-exempted ORSO registered schemes

Number of cases submitted to		Number of employees involved
Small Claims Tribunal	1	2
District Court	1	8

Number of Garnishee Orders applied

In respect of non-compliance under	Number
MPF schemes	77
MPF-exempted ORSO registered schemes	1

Outstanding MPF and ORSO contributions recovered

On behalf of employees, we recovered outstanding MPF and ORSO contributions through the courts, by persuasion and counselling of the employers concerned.

Outstanding contributions in	Amount recovered
MPF schemes	$130.5 million
MPF-exempted ORSO registered schemes	$896,000

Non-compliant employer and officer records

To increase the transparency of MPFA's enforcement actions against non-compliant employers under the MPF System for greater deterrent effect, we maintain a Non-Compliant Employer and Officer Records section on MPFA's website. From the database, members of the public can view and search for information on employers and officers with MPF non-compliance records, including criminal convictions and civil awards of judgments.

As at 31 March 2015, the database contained 2 813 non-compliance records (comprising 747 criminal conviction records and 2 066 civil awards or judgments).

Enforcement actions against members of MPF or ORSO schemes

(1.4.2014 – 31.3.2015)

Number of summonses/charges referred to the Police for prosecution

	Prosecution status as at 31.3.2015				
Nature of offences	Guilty	Acquitted	Not yet available	Withdrawn[18]	Number of summonses/ offences laid
False statement under the MPFSO[19]	79[#]	0	41	4	**124**

[#] *Involving 69 MPF scheme members (average fine imposed: about $4,500).*

Prosecution result of cases referred to the Police for investigation

	Number of cases		
Nature of offences	Guilty	Acquitted	Total
False statement under the Crimes Ordinance[20]	2[¤]	0	**2**

[¤] *Involving 2 ORSO scheme members (sentenced to community service and given a suspended jail sentence respectively).*

18 Summonses could not be effectively served by the Police or Bailiff, as the defendants had moved away, become untraceable, or become bankrupt.
19 MPF scheme members made a false statement in order to withdraw MPF accrued benefits on grounds of permanent departure from Hong Kong.
20 ORSO scheme members made a false statement in order to withdraw their minimum MPF benefits on grounds of permanent departure from Hong Kong.