The Actuarial Society of Hong Kong
NEWSLETTER

Volume 02/99

Mandatory Provident Fund Schemes

The Mandatory Provident Fund Schemes Authority ("MPFA") has set up an official homepage. Its address is http://www.mpfahk.org. Information on the MPFA, MPF Guidelines and Codes, legislative provisions, statutory forms, updated MPF news can be obtained and downloaded from the website.

MPF intermediaries are required to pass an MPF examination recognized by the MPFA and must be qualified distributors, advisers or staff of authorized institutions as approved by the SFC, the Insurance Authority and/or the Hong Kong Monetary Authority. According to Paragraph 7 of Section 2 of the Code of Conduct for MPF intermediaries, MPF intermediary means a person who for remuneration engages in the business of marketing or selling MPF schemes, or advising others on any underlying investment. Actuaries who give advice incidental to the practice of their profession are not included as MPF intermediaries.

An evening session was held on 15 June 1999 to discuss the exposure draft regarding guidelines on "Illustration Examples to demonstrate the differences in benefits between relevant ORSO registered scheme and MPF scheme". The transparencies presented are enclosed for information. During the meeting, different opinions were expressed on whether the guidelines to be issued by the ASHK should consider the perspectives of employers, employees, trustees, service providers, actuaries and consultants collectively and pragmatically; or whether the ASHK should focus on the issue from the specific perspective of the actuarial profession. Attendees suggested all illustrative examples be carried out on an "individualized" basis as opposed to the flexible approach highlighted in the discussion paper which allows standard examples to be used for certain standard provident funds.

In light of the differences of opinion on how the guidelines should be structured, a survey is now being carried out to collect Members' views and preferences before a second exposure draft is prepared. Your active response and feedback on this issue are essential not only for the ASHK but also the community at large.

New Actuaries Office to serve students and members in East Asia

Patrick Cichy, the coordinator of SOA's Asian services, set up the Society of Actuaries representative office in Hong Kong in November 1997. ASHK is pleased to announce that the SOA's representative office has been reorganized as a joint representative office as of 1 July 1999 to pursue the common interests of the Society of Actuaries, the Faculty and Institute of Actuaries, the Actuarial Society of Hong Kong, and the Institute of Actuaries of Australia. The representative office, known as the *Actuaries Office in Hong Kong*, will serve the members and students of the participating organizations in East Asia and help to promote the actuarial profession and education through

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Note: Views expressed are not necessary those of The Actuarial Society of Hong Kong

the combined and co-ordinated efforts of the organizations. Patricia Kum is the new coordinator of Asian services. Patrick Cichy has returned to the United States.

Correspondence for the office should be addressed to: Patricia Kum, Actuaries Office in Hong Kong, Units 2207-2212, 22/F Miramar Tower, 1-23 Kimberley Road, Tsim Sha Tsui, Kowloon, Hong Kong. Patricia can also be contacted by telephone at 2199 1110 or by fax at 2730 5356.

Amendments to ORSO

The Retirement Schemes Committee had been discussing the Registrar's proposed amendment to the Occupational Retirement Schemes Ordinance. However, the Registrar has informed the ASHK that due to tight timeframe the proposed amendments have been postponed to the next legislative session.

EAAC 2001

As reported previously, Hong Kong will host the 2001 East Asian Actuarial Conference. Preparations are already underway on the myriad of details that needs to be organized ranging from the theme of the conference to selecting the top tourist attractions. Mike Ross is heading the organizing committee, and would appreciate any assistance.

ASHK Membership Subscriptions

The notices for membership subscription for 1998/999 were sent out to members in March. Members who have not yet paid their subscriptions are reminded to do so as soon as possible. Please contact Tian Keat Aun (keat_tian@watsonwyatt.com, 2820-8206) if another subscription form is required.

New Members

The Council has recently approved the following new members.

Name	Status	Company
LAU Gar Hung, Christopher	Student	Watson Wyatt
CHEUNG Suk Yee	Student	Watson Wyatt
CHUNG Phuong	Fellow	Tillinghast – Towers Perrin
NG Kwok Hung, Thomas	Student	--
PORTER Jeremy	Fellow	Trowbidge Consulting
LAW Sylvia	Student	East Asia Aetna
LEE Emil	Fellow	Manulife
HUDDART Michael	Fellow	Manulife
RICHARDSON-HAY James	Fellow	Manulife
NG Sokuen	Fellow	Manulife
KAN Catherine	Student	CRC Protective Life
WONG Tsam Yan	Student	CRC Protective Life
YAN Yuk Wah	Student	CRC Protective Life
CHOW Ka Ming	Student	National Mutual
CHU Hei Mei	Student	BOC Group Life

International Actuarial Association.

The I.A.A. has formed a China Committee

to help develop the actuarial profession in China. Stuart Leckie has been nominated by the Council to serve as Chairman.

With the Professional Code of Conduct and the accompanying Guidance on Professional Conduct in place, ASHK now satisfies the IAA's conditions for full membership status. An application for full membership has been submitted.

Health Insurance Association of America (HIAA)

The HIAA is a health insurance trade association based in Washington, D.C. Its 250 member companies provide medical expense and supplemental insurance as well as long term care insurance and disability income protection. The HIAA offers self-study courses on the health care industry for both healthcare insurance professionals and non-professionals with an interest in the industry. Swiss Re is the representative for HIAA in HK and further details on the courses can be obtained from Alan TAN, Swiss Re at 2582 5689.