

AIA MPF MEMBER TERMINATION GUIDE



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AIA Corporate Solutions

— Your MPF and Group Insurance Partner



**HEALTHIER. LONGER.
BETTER LIVES**

Member Termination Guide

To help you handle the MPF matters of a leaving employee.

Reasons for Termination

Resignation	Retirement
Redundancy / Layoff	Total incapacity
Termination of employment / Dismissal	Death
Summary dismissal	

3 STEPS to handle termination of AIA membership of a leaving employee

STEP 1

Explain the three options for handling MPF benefits to the leaving employee and provide them with a **Scheme Member's Request for Fund Transfer Form [Form MPF(S)-P(M)]**

Note: Please refer to the Member's Guide P.8 / Employer's Guide P.13 for employee's options for handling his/her MPF benefits

If he/she chooses to stay with AIA, you can pass his/her form to us.

If he/she chooses to transfer out, he/she can send the form to the new trustee within 30 days after the end of employment.

STEP 2

Notify us by completing
1 the relevant sections in the Remittance Statement; or
2 Notification of MPF Scheme Member Termination
AND
pay the final contributions for the leaving employee **on or before the 10th of the month following the month when employment ends**

STEP 3

Keep proper records including the leaving employee's name, address and employment period, for at least six months

Important Notes:

A termination reason is required if 1) there is a request to offset Long Service Payment (LSP) / Severance Payment (SP) against the MPF accrued benefits derived from your contributions*, and/or 2) there are accrued benefits attributable to your voluntary contributions.



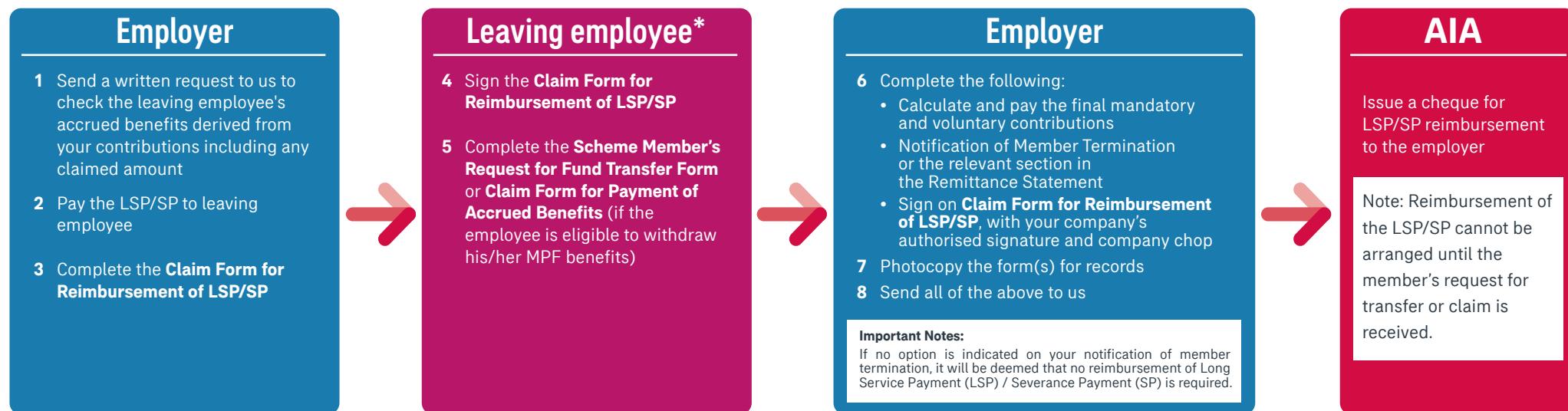
Employers who fail to notify the trustee of an employee's last day of employment, either by a written notice or via a remittance statement, are liable to a financial penalty of HK\$5,000 for the first failure, and up to HK\$20,000 for subsequent failures.

HOW can you get reimbursed for Long Service Payment / Severance Payment?

If the leaving employee is entitled to Long Service Payment (LSP) or Severance Payment (SP), you may request reimbursement from the **employer's portion of the voluntary contributions**.

Starting from 1 May 2025*, only the vested benefits accrued from your voluntary contributions in respect of the leaving employee can be used to offset his/her LSP or SP entitlements.

Please send us a written request to check the leaving employee's accrued benefits derived from your contributions including any claimed amount before paying LSP/SP to him/her.



* Before 1 May 2025, employers can offset the LSP/SP payable to employees against the accrued benefits derived from employer mandatory and voluntary contributions ("offsetting arrangement") (unless otherwise agreed, starting with voluntary contributions (if any) and followed by mandatory contributions). Regarding the abolition of offsetting arrangement, starting from 1 May 2025 ("the transition date"), employers can no longer use the accrued benefits derived from employer mandatory contributions to offset LSP/SP of employees for years of service since the transition date. However, the accrued benefits derived from employer voluntary contributions can continue to offset LSP/SP of employees (irrespective of whether the years of service are before or after the transition date). The abolition of the offsetting arrangement has no retrospective effect. If an employee's employment commenced before the transition date, the accrued benefits derived from employer contributions throughout the employee's whole employment period (irrespective of whether the contributions are mandatory or voluntary; and irrespective of whether the contributions are made before, on or after the transition date) can continue to be used for offsetting LSP/SP of the employee in respect of the years of service before the transition date. For details, please refer to Labour Department's Thematic Webpage on the Abolition of MPF Offsetting Arrangement <https://www.opl.labour.gov.hk/en/index.html>.

* Where the employee is deceased, the form(s) should be completed and signed by his/her personal representative.



TIPS:

For your convenience, all forms are available for download from aia.com.hk. Please refer to the MPF Administration Checklist for details.

Employer Hotline : (852) 2100 1888