

Mandatory Reference Checking Scheme Frequently Asked Questions for In-Scope Individuals

Part A About the MRC Scheme

Q1 What is the MRC Scheme?

A1 The Mandatory Reference Checking Scheme (**MRC Scheme**) is a standardised reference-checking arrangement that is designed to support the integrity of “authorized institutions” regulated by the Hong Kong Monetary Authority (**HKMA**) (each, an **In-Scope Institution**).

At a high level, the MRC Scheme requires an In-Scope Institution intending to hire an individual for certain relevant positions (**Recruiting Institution**) to conduct a mandatory reference check on that individual, by requesting information about them from each relevant former and current employer (**Reference Providing Institution**). A2 provides further information about the relevant positions.

Q2 When does the MRC Scheme apply to me?

A2 Your employment history will be checked under the MRC Scheme if you:

- (a) have held a position with an In-Scope Institution in the 7 years before your job application; and
- (b) apply for a job at a different In-Scope Institution in any of the following positions (each, a **Relevant Position**):
 - (i) Director approved under §71 of the Banking Ordinance (**BO**).
 - (ii) Chief executive or alternate chief executive approved under §71 of the BO.
 - (iii) Manager notified to the HKMA under §72B of the BO.
 - (iv) Executive officer approved under §71C of the BO.
 - (v) Responsible officers (**RO**) approved by the Insurance Authority (**IA**) under §64ZE of the Insurance Ordinance (**IO**).
 - (vi) RO approved by the Mandatory Provident Fund Schemes Authority (**MPFA**) under §34W of the Mandatory Provident Fund Schemes Ordinance (**MPFSO**).
 - (vii) Staff licensed to carry out securities related regulated activities under the Securities and Futures Ordinance (**SFO**) (i.e. Relevant Individuals).
 - (viii) Staff licensed to carry out insurance related regulated activities under the IO (i.e. Technical Representatives licensed by the IA under §64Y or §64ZC of the IO).
 - (ix) Staff registered to carry out regulated activities under the MPFSO (i.e. subsidiary intermediaries registered with the MPFA under §34U(4) of the MPFSO).

Important note. The MRC Scheme does not limit the checks that a Recruiting Institution may undertake generally. For example, a Recruiting Institution may decide to make enquiries of your past employers that are not In-Scope Institutions. They may also conduct reference checks if you apply for, or undertake, an *internal* transfer to a Relevant Position. In this respect, the details in

these FAQs relate to typical MRC Scheme procedures, but you should be aware that other checks may apply.

Q3 Does the MRC Scheme apply if my application for a Relevant Position was made before 30 September 2025?

A3 Yes. A Recruiting Institution can conduct a reference check under the MRC Scheme upon receiving your application or at other times such as during the interview or onboarding process. Depending on the terms of your offer and contract, it could also be at other times such as during any probationary period. A Recruiting Institution can conduct reference checks through a recruiter or a third party.

Q4 Are MRC Scheme checks undertaken even if I am staying in the same group of companies?

A4 Your employment history will still be subject to the MRC Scheme if you apply for a Relevant Position at an In-Scope Institution which is part of the same group as your current employer and is not the same legal entity as your current employer.

Q5 If I am not employed by an In-Scope Institution, but will be seconded to one to take up a Relevant Position, are MRC Scheme checks required?

A5 Yes. The MRC Scheme covers all employees in Relevant Positions including permanent, contract or other temporary employment relationships (such as secondment or assignment by third parties), regardless of the duration or terms of the employment. In this scenario, reference checks will be obtained from your previous In-Scope Institution employers (if any) in the preceding 7 years, while excluding your current employer who is not an In-Scope Institution.

Q6 Are all of my past employers required to provide references of me under the MRC Scheme?

A6 Not necessarily. MRC Scheme checks are only requested from In-Scope Institutions. Please see A2 for further details. To avoid unnecessary delay, you should ensure that your application to a Recruiting Institution contains accurate details of your current and past employers (including full name), and not just the “brand name” or parent company of the entities you worked for.

Part B The MRC Scheme Process

Q7 What is the process for conducting reference checks under the MRC Scheme and what will I need to do to apply for a Relevant Position?

A7 A typical process under the MRC Scheme is as follows, although each Recruiting Institution may have its own additional steps:

01

**Candidate submits an application**

This application may be made to the Recruiting Institution directly or through a recruiter. The submitted information should contain the specific names of all In-Scope Institutions where you have held a position in the last 7 years.

02

**Candidate completes a consent form if asked to do so**

If your application progresses, you will be asked to complete an MRC Scheme consent form. The consent form will ask you to indicate whether you agree to undergo the MRC Scheme process. See A10 and A11 for further details about consent.

03

**Recruiting Institution requests information from each Reference Providing Institution**

Please see A15 about scope of information which will be requested by the Recruiting Institution for the reference checks.

04

**Each Reference Providing Institution provides the requested information to Recruiting Institution**

The Recruiting Institution will consider the information provided by each Reference Providing Institution, as well as other information available to it. In certain cases, the Recruiting Institution may also discuss the information it has received with you. See A12 for further details.

05



Recruiting Institution makes its decision

The Recruiting Institution will make a decision on whether or not to employ you in the Relevant Position, based on all applicable criteria and any other steps as part of the recruitment process.

Q8 Can a Recruiting Institution conduct MRC checks on me while I am still employed by another institution?

A8 Yes. Please refer to A9 and A14.

Q9 Will my direct supervisor be handling the MRC request received from my prospective employer?

A9 Each Reference Providing Institution has its own policies and procedures when handling MRC requests. All MRC requests will be handled confidentially and on a need-to-know basis. In some cases, your supervisor may be involved, depending on all the facts and circumstances. Please also refer to A14.

Q10 Can I refuse to consent to a reference check under the MRC Scheme?

A10 Yes. You may refuse to give your consent. However, if you do so, the Recruiting Institution will not be able to consider your job application for a Relevant Position.

Q11 Can I withdraw a consent I have previously given?

A11 Yes. You may notify the Recruiting Institution (or the relevant recruiter) in writing either by email or by letter. Upon receiving your withdrawal request, the Recruiting Institution will inform the Reference Providing Institutions to cease providing your information as soon as practicable. However, if your consent is withdrawn, your job application will cease to be considered by the Recruiting Institution.

A withdrawal of your consent does not affect any references already provided. That is, references already provided to the Recruiting Institution may still be retained (see A17).

Q12 Will I have the chance to respond to any negative information about me received by my prospective employer?

A12 The Recruiting Institution may contact you to understand further details about your reference checks and application generally. This is discretionary, as it depends on all the facts and the Recruiting Institution's procedures. For clarity, a Recruiting Institution may or may not wish to hire you for various reasons.

If you would like to discuss anything in your employment history, you may also raise this with the Recruiting Institution (or recruiter) as part of the interview process, where applicable.

If the Recruiting Institution invites you to explain a reference check, you may be provided with further information to facilitate the discussion.

Q13 How long does the MRC Scheme process take?

A13 The MRC Scheme referencing checking process may take up to 1 month from the date that a request for information is made by the Recruiting Institution. Reference Providing Institutions are encouraged to respond as swiftly as possible to facilitate the hiring process. Ultimately, this will depend on several factors including the complexity of your employment record, the volume of job applications and information requests received by the Recruiting Institution and the Reference Providing Institutions respectively, the involvement of any third-party screening agencies and the accuracy of information provided.

Q14 When will my current or past employers be contacted to provide references? Can the reference check be conducted after I am onboarded with my new employer?

A14 Generally speaking, Recruiting Institutions are required to conduct reference checks before you are onboarded with the Recruiting Institution. The Recruiting Institution may consult with you as to when exactly in the recruitment process the MRC request should be sent. If you have any questions or concerns, you should discuss this with the Human Resources personnel at the Recruiting Institution or the relevant recruiter. If a Recruiting Institution decides to make an employment offer before the reference-checking is completed, this may also be subject to conditions, such as successful completion of MRC Scheme checks. Please also refer to A21.

Part C Information-sharing

Q15 What information is shared about me by the Reference Providing Institutions in the MRC Scheme process?

A15 A Recruiting Institution will request under the MRC Scheme information such as whether you have been involved in misconduct, breach of legal or regulatory requirements or incidents which cast doubt on your fitness and propriety. If any of these apply, the Reference Providing Institution will also indicate whether these matters have led to termination or other disciplinary actions, or are still under ongoing investigation.

Q16 What types of ongoing investigations are reportable under the MRC Scheme?

A16 Each Reference Providing Institution will assess what to report, depending on all the facts and circumstances. In essence, these are more serious scenarios under the Reference Providing Institution's review. Examples of such scenarios may include investigations into matters involving dishonesty, fraud or other serious misconduct. Please also refer to A15.

Q17 How will my personal data and privacy be protected during the MRC Scheme process?

A17 All personal data collected, shared, and retained in the MRC Scheme process will be handled in accordance with the Personal Data (Privacy) Ordinance (Cap. 486) (PDPO), applicable regulatory guidelines and relevant privacy notices and consents. Disclosure of necessary information under the MRC Scheme will be on a need-to-know basis only and data is retained in accordance with PDPO principles and relevant privacy notices and consents. Please refer to the MRC Scheme consent form as well as the relevant Personal Information Collection Statement (or similar) provided by the Recruiting Institution for further detail.

Part D Impacts of the MRC Scheme

Q18 How might the MRC Scheme affect my job application? Will I be banned from employment if negative information is received?

A18 You will not be automatically banned from employment with the Recruiting Institution. However, the Recruiting Institution retains ultimate discretion as to their decision of whether to hire you.

Q19 Is the MRC Scheme relevant if I am just moving to a new role at the same legal entity?

A19 The MRC Scheme is generally only conducted when you apply for a Relevant Position with a new employer.

If you transfer internally to a Relevant Position with the same employer, your current employer will generally use information already available to it, rather than the MRC Scheme. However, it may consider requesting reference checks (not necessarily under the MRC Scheme) from your previous employers if it determines that there is insufficient internal information to assess your fitness and propriety in relation to the newly appointed role.

Q20 Can a Reference Providing Institution stop the Recruiting Institution from hiring me – for example, by lodging a complaint to the HKMA or the Hong Kong Association of Banks?

A20 In principle, Reference Providing Institutions cannot stop an existing/ ex-employee from joining a Recruiting Institution. Under the MRC Scheme, the Reference Providing Institution is obliged to respond to MRC request(s) from a Recruiting Institution by providing the requested information to the Recruiting Institution to enable the Recruiting Institution to complete its reference checking procedures. The Recruiting Institution then has full discretion to make any employment decision, taking into account all relevant facts and circumstances.

Q21 Can the Recruiting Institution hire me before receiving reference checks from my current or past employers?

A21 Yes. However, this is at the discretion of the Recruiting Institution and may be subject to conditions. For example, if you progress through the hiring process, your employment offer may be conditional or clearance of reference-checking may form part of the conditions of any probationary period imposed on you.

Example: you may be invited to start work at the Recruiting Institution, but ongoing employment is conditional upon receiving satisfactory references. If any unsatisfactory references are received after onboarding, the Recruiting Institution may terminate the employment contract at its discretion. Any such termination will be subject to the Recruiting Institution's own review of the relevant facts and circumstances against applicable legal and internal requirements.

Part E Further information and inquiries

Q22 Where can I find more information about the MRC Scheme?

A22 You may visit <https://www.hkab.org.hk/en/page/5/mandatory-reference-checking-scheme-phase-2> or consult the Human Resources personnel member (or recruiter) who is handling your job application.