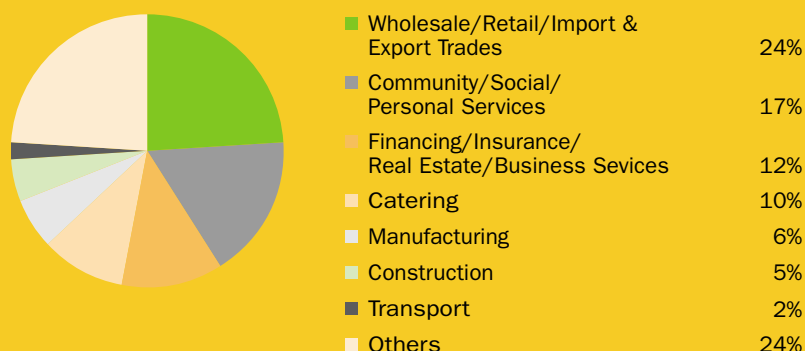


1. PROACTIVE INSPECTIONS CARRIED OUT BY DISTRICT 1.4.2002 - 31.3.2003

| District | Number | % |
|-------------------|--------------|------------|
| Central & Western | 300 | 10 |
| Eastern | 351 | 11 |
| Islands | 212 | 7 |
| Kowloon City | 56 | 2 |
| Kwai Tsing | 169 | 5 |
| Kwun Tong | 246 | 8 |
| Northern | 109 | 3 |
| Sai Kung | 32 | 1 |
| Sha Tin | 206 | 7 |
| Sham Shui Po | 129 | 4 |
| Southern | 67 | 2 |
| Tai Po | 80 | 3 |
| Tsuen Wan | 88 | 3 |
| Tuen Mun | 75 | 2 |
| Wan Chai | 283 | 9 |
| Wong Tai Sin | 108 | 3 |
| Yau Tsim Mong | 583 | 19 |
| Yuen Long | 53 | 2 |
| Total | 3 147 | 100 |

2. PROACTIVE INSPECTIONS CARRIED OUT BY BUSINESS NATURE

1/4/2002 - 31/3/2003



3. PROACTIVE INSPECTIONS CARRIED OUT BY RESULTS 1.4.2002 - 31.3.2003

| Inspection Results | Number | % |
|--|--------------|--------------|
| No further action required | 2 141 | 68.0 |
| Follow-up action required | 1 006 | 32.0 |
| No further action required after investigation | 801 | 25.5 |
| Rectified | 115 | 3.7 |
| Investigation in progress | 90 | 2.9 |
| Total | 3 147 | 100.0 |

4. NUMBER OF DEFAULT CONTRIBUTION NOTICES ISSUED 1.4.2002 - 31.3.2003

Statistics
Continued

| Month | 1st Notice: Surcharge @ 15% p.a. | 2nd Notice: Surcharge @ 20% p.a. | Total ¹ |
|---------------|--|--|--------------------|
| Apr 2002 | 42 700 ² | 13 000 | 55 700 |
| May 2002 | 18 500 | 14 400 | 32 900 |
| Jun 2002 | 18 800 | 12 700 | 31 500 |
| Jul 2002 | 18 400 | 12 800 | 31 200 |
| Aug 2002 | 18 100 | 12 800 | 30 900 |
| Sep 2002 | 19 600 | 12 300 | 31 800 |
| Oct 2002 | 20 000 | 12 800 | 32 800 |
| Nov 2002 | 22 900 | 12 700 | 35 600 |
| Dec 2002 | 19 200 | 15 300 | 34 500 |
| Jan 2003 | 20 700 | 13 300 | 34 000 |
| Feb 2003 | 19 900 | 13 500 | 33 400 |
| Mar 2003 | 21 700 | 14 600 | 36 400 |
| Total* | 260 500 | 160 400 | 420 800 |

1 Figures may not sum up to the total due to rounding.

2 The 1st notices issued in April 2002 included default cases for the months of January and February 2002, as received by the Authority in March/April 2002.

5. NUMBER OF INVESTIGATION CASES - BY TYPE OF ALLEGED OFFENCES BY MONTH 1.4.2002 - 31.3.2003

| Month | Alleged Offences | | | | | | Total* |
|--------------|--------------------|----------------------|---------------|----------------------|------------------------------------|------------|--------------|
| | Reduction of Wages | Forced change to SEP | Non-enrolment | Default Contribution | Failed to issue Monthly Pay Record | Others | |
| Apr 2002 | 49 | 4 | 174 | 843 | 3 | 37 | 883 |
| May 2002 | 46 | 1 | 200 | 770 | 8 | 26 | 823 |
| Jun 2002 | 47 | 0 | 161 | 711 | 8 | 34 | 753 |
| Jul 2002 | 39 | 0 | 179 | 915 | 10 | 29 | 950 |
| Aug 2002 | 26 | 2 | 199 | 697 | 7 | 42 | 744 |
| Sep 2002 | 29 | 2 | 159 | 605 | 5 | 19 | 646 |
| Oct 2002 | 31 | 2 | 162 | 675 | 3 | 28 | 703 |
| Nov 2002 | 23 | 0 | 142 | 673 | 4 | 22 | 687 |
| Dec 2002 | 29 | 0 | 149 | 583 | 2 | 18 | 597 |
| Jan 2003 | 42 | 0 | 175 | 728 | 5 | 19 | 774 |
| Feb 2003 | 34 | 0 | 174 | 776 | 4 | 25 | 814 |
| Mar 2003 | 39 | 1 | 230 | 880 | 6 | 22 | 924 |
| Total | 434 | 12 | 2 104 | 8 856 | 65 | 321 | 9 298 |

* As one case may be related to several types of alleged offences, figures may not sum up to the row total.

6. NUMBER OF SUMMONS APPLICATIONS REFERRED TO THE POLICE -
BY NATURE OF OFFENCES COMMITTED AND BY RESULTS 1/4/2002 - 31/3/2003

Statistics
Continued

| Nature of Offences | Prosecution Status as at 31/3/2003 | | | Total Number of Summonses Applied |
|---|------------------------------------|----------------------|------------|--|
| | Guilty | Not yet available | Withdrawn* | |
| Non-enrolment | 15 | 10 | 8 | 33 |
| Employee / Self-employed Person dispute | 2 | 0 | 3 | 5 |
| Non-Enrolment of Employee | 13 | 10 | 5 | 28 |
| Contributions in arrears | 504 | 148 | 68 | 720 |
| Making a false or misleading statement | 2 | 1 | 0 | 3 |
| Total | 521 | 159 | 76 | 756 |

* Summonses could not be effectively served by Police or Bailiff, as defendants had moved, closed, or became untraceable.

7. NUMBER OF APPLICATIONS LODGED TO SMALL CLAIMS TRIBUNAL,
BAILIFF AND LIQUIDATOR 1.4.2002 - 31.3.2003

| | No. of Cases | Related no. of employees |
|---------------------------------|--------------|-----------------------------|
| Lodged to Small Claims Tribunal | 687 | 1 747 |
| Lodged to Bailiff | 141 | 377 |
| Lodged to Liquidator | 207 | 6 505 |
| Total | 1 035 | 8 629 |

8. FINANCIAL PENALTY NOTICES ISSUED IN 2002/2003

| Breaches | Number of Financial Penalty Notices Issued | Amount of Financial Penalty HK\$ |
|--|--|---|
| Breach of section 152 of the General Regulation (Failure or delay in sending letters informing transfer options) | 5 | 50,000 |
| Breach of section 153(2) of the General Regulation (Failure to transfer accrued benefits within statutory timeframe) | 14 | 140,000 |
| Breach of section 156(2) of the General Regulation (Failure to transfer contribution surcharges subsequently received within statutory timeframe) | 1 | 10,000 |
| Breach of section 166(1) of the General Regulation (Failure to complete payment of accrued benefits within statutory timeframe) | 4 | 40,000 |
| Breach of section 170 of the General Regulation (Failure to publish notices in newspapers to locate scheme members/ persons entitled to deceased members' accrued benefits) | 2 | 20,000 |
| Total | 26 | 260,000 |

