

Phishing instant message related to Bank of Singapore Limited

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) wishes to alert members of the public to a press release issued by Bank of Singapore Limited relating to a phishing instant message, which has been reported to the HKMA. A hyperlink to the press release is available on the [HKMA website](#).

The HKMA wishes to remind the public that banks will not send SMS or e-mails with embedded hyperlinks which direct them to the banks' websites to carry out transactions. They will not ask customers for sensitive personal information, such as login passwords or one-time password, by phone, email or SMS (including via embedded hyperlinks).

Anyone who has provided his or her personal information, or who has conducted any financial transactions, through or in response to the instant message concerned, should contact the bank using the contact information provided in the press release, and report the matter to the Police by contacting the Cyber Security and Technology Crime Bureau of the Hong Kong Police Force at 2860 5012.

Monetary Authority takes disciplinary action against 33 Financial Services Limited for contravention of Payment Systems and Stored Value Facilities Ordinance

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) announced today (January 14) that it had completed an investigation and disciplinary proceedings for 33 Financial Services Limited (33FS) under the Payment Systems and Stored Value Facilities Ordinance (Cap. 584) (PSSVF0). The Monetary Authority (MA) has reprimanded and ordered 33FS to pay a pecuniary penalty of \$875,000 for contravening section 8Q of the PSSVF0 as it failed to fulfil the minimum criterion relating to anti-money laundering and counter-terrorist financing measures under section 6(2)(b) of Part 2 of Schedule 3 to the PSSVF0.

The disciplinary action (Note 1) follows an on-site examination and further investigation by the HKMA which found that, during the period from November 2016 to June 2019, 33FS failed to have in place adequate and appropriate systems of control to comply with the relevant paragraphs of the Guideline on Anti-Money Laundering and Counter-Financing of Terrorism (AML/CFT) for Stored Value Facility (SVF) Licensees (Guideline) (Note 2).

Specifically, the contravention relates to deficiencies in 33FS' systems of control in two areas, namely:

1. continuously monitoring business relationships in respect of transaction monitoring; and
2. implementing an effective name screening mechanism.

In deciding the disciplinary action, the MA took into account all relevant circumstances and factors, including but not limited to:

1. the seriousness of the investigation findings;
2. the need to send a clear deterrent message to 33FS and the industry about the importance of effective controls and procedures to address money laundering (ML) and terrorist financing (TF) risks;
3. 33FS has taken remedial measures to address the deficiencies identified by the HKMA and enhance its AML/CFT systems of control. In this regard, 33FS will submit to the HKMA a report prepared by an external auditor to validate the completeness and effectiveness of the remedial measures and the enhancement; and
4. 33FS has no previous disciplinary record and is co-operative in resolving concerns identified by the HKMA.

Executive Director (Enforcement and AML) of the HKMA, Ms Carmen Chu, said, "While the majority of the SVF sector is characterised by lower ML/TF risks in view of the business nature, higher risk situations may emerge as business scale and scope develop, such as prepaid cards being misused for cash withdrawals funded by third-party's (non-cardholders') deposits. All SVF licensees are expected to make reference to the lessons learnt from this case as well as the guidance provided by the HKMA in the Guideline and circulars in their ongoing efforts to have in place effective AML/CFT systems of control for identifying, assessing and managing ML/TF risks, especially when encountering higher ML/TF risk situations."

Note 1: The disciplinary action is taken under section 33Q of the PSSVF0.

Note 2: Paragraphs 5.1, 5.10, 5.14 and 6.16 of the Guideline (October 2018 version) and paragraphs 5.1, 5.11 and 6.22 of the Guideline (September 2016 and February 2018 versions).

Hong Kong Customs seizes suspected heroin and suspected methamphetamine worth about \$16 million (with photos)

Hong Kong Customs yesterday (January 13) seized about 6.5 kilograms of suspected heroin and about 11kg of suspected methamphetamine with a total estimated market value of about \$16 million in Cheung Sha Wan. A man and a woman were arrested.

During an anti-narcotics operation conducted in Cheung Sha Wan yesterday afternoon, Customs officers intercepted a 28-year-old man and a 24-year-old woman, and found about 700 grams of suspected heroin hidden in two bags of dog food inside a recycle bag carried by the man. The man and the woman were subsequently arrested.

After a follow-up investigation, Customs officers escorted them to a commercial premises nearby for a search. About 5.8kg of suspected heroin and about 11kg of suspected methamphetamine were seized in the premises, which were concealed inside bags of dog food and tea packages respectively.

An investigation is ongoing.

Under the Dangerous Drugs Ordinance, trafficking in a dangerous drug is a serious offence. The maximum penalty upon conviction is a fine of \$5 million and life imprisonment.

Members of the public may report any suspected drug trafficking activities to Customs' 24-hour hotline 2545 6182 or its dedicated crime-reporting email account (crimereport@customs.gov.hk).





[Progress in handling of banking complaints by HKMA](#)

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) announced today (January 14) the progress made in its handling of banking complaints received as at end-December 2021. Banking complaints include cases concerning general banking services and conduct-related issues.

In December 2021, 203 cases were received and the handling of 339 cases were completed. As at end-December, the handling of 620 cases was in progress.

A table summarising the progress made in the handling of banking complaints by the HKMA is attached.

[Analytical accounts of Exchange Fund](#)

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) released today (January 14) the key analytical accounts of the Exchange Fund at the end of December 2021.

Foreign assets, representing the external assets of the Exchange Fund, decreased during the month by HK\$21.5 billion to HK\$4,065.2 billion.

The Monetary Base, comprising Certificates of Indebtedness, Government-

issued currency notes and coins in circulation, the balance of the banking system and Exchange Fund Bills and Notes issued, amounted to HK\$2,131.6 billion.

Claims on the private sector in Hong Kong amounted to HK\$260.4 billion.

The analytical accounts of the Exchange Fund are released in accordance with the International Monetary Fund's Special Data Dissemination Standard (SDDS) and are referred to as the Analytical Accounts of the Central Bank under SDDS (Annex).

At present, four press releases relating to the Exchange Fund's data are issued by the HKMA each month. Three of these releases are issued to disseminate monetary data in accordance with the SDDS. The fourth press release, on the Exchange Fund's Abridged Balance Sheet and Currency Board Account, is made in accordance with the HKMA's policy of maintaining a high level of transparency. For the month of January 2022, the scheduled dates for issuing the press releases are as follows:

- January 7 SDDS International Reserves
(Issued) (Hong Kong's Latest Foreign Currency Reserve Assets Figures)
- January 14 SDDS Analytical Accounts of the Central Bank
(Analytical Accounts of the Exchange Fund)
- January 31 SDDS Template on International Reserves and
Foreign Currency Liquidity
- January 31 Exchange Fund Abridged Balance Sheet and
Currency Board Account