

# First-ever conviction case of money service operator violating Trade Descriptions Ordinance

A sole proprietor of a money changer was sentenced to 14 months' imprisonment today (June 18) at West Kowloon Magistrates' Courts after conviction for wrongly accepting payment in the course of business, in contravention of the Trade Descriptions Ordinance (TDO). This is the first-ever conviction case of a money service operator for engaging in unfair trade practices when running its business since the TDO was amended in July 2013.

Hong Kong Customs earlier received information alleging that a money changer in Mong Kok had engaged in wrongly accepting payment in providing remittance service.

After investigation, Customs found that the money changer had failed to remit the money received from 18 customers to their designated Mainland bank accounts. The total amount involved was about \$3.2 million.

Customs welcomed the sentence and said a clear warning has been issued and a considerable deterrent effect has been imposed on unscrupulous practitioners operating a money changer.

Customs also reminds traders to comply with the requirements of the TDO. Any trader commits an offence if at the time of acceptance of payment, the trader intends not to supply the product, or there are no reasonable grounds for believing that the trader will be able to supply the product within a specified or reasonable period. The maximum penalty upon conviction is a fine of \$500,000 and imprisonment for five years.

Members of the public may report any suspected violations of the TDO to Customs' 24-hour hotline 2545 6182 or its dedicated crime-reporting email account ([crimereport@customs.gov.hk](mailto:crimereport@customs.gov.hk)).