

Hong Kong Customs arrests man and woman operating money changer without licence

Hong Kong Customs today (March 20) arrested one man and one woman in Sham Shui Po in connection with a case detected earlier this week on suspected contravention of the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (AMLO).

Customs suspended two licences of a money service operator (MSO) operating seven money changers on March 16 and 17. The female MSO was also suspected of operating another unlicensed money changer in Sham Shui Po.

After follow-up investigation, Customs took action again today to conduct further investigation into the money changers involved and arrested the female MSO, who was suspected of operating an unlicensed money changer and whose licences had been suspended.

A man suspected of participating in the business of the money changer was also arrested today.

The arrested man and woman, aged 57 and 51 respectively, are now being detained for further investigation. A batch of foreign currency exchange records and remittance records was also seized for investigation.

The money changers involved are situated in Sham Shui Po, Mong Kok and Cheung Sha Wan. Customs suspended the licences of the MSO with immediate effect earlier this week for suspected contravention of the AMLO. The MSO has failed to take all reasonable measures, including the customer due diligence (such as examining the identification of customers and remittance purposes) and record-keeping requirements, to mitigate money laundering and terrorist financing risks, and consequently can no longer be a fit and proper person to operate a money service.

Customs has also reminded the persons involved to process the outstanding transactions and payments in an appropriate manner.

Investigation into the case is being conducted according to the AMLO.

Customs reiterates that the department has all along been enforcing the monitoring work of MSOs and conducting compliance regulations and investigations. All licensed money service operators should comply with the requirements of the AMLO. The maximum penalty upon conviction is a fine of \$1 million and imprisonment for seven years. Consumers are reminded to procure services from licensed money service operators. The register of licensees is accessible from the website of Customs' Money Service Operators Licensing System at eservices.customs.gov.hk/MSOS/wsrh/001s1?request_locale=en.

MSOs must comply with the Trade Descriptions Ordinance (TDO) when

providing money services to customers. Customs will continue to take appropriate enforcement measures if a violation of the TDO is found.

Members of the public may report any suspected violations of the AML0 or the TDO to Customs' 24-hour hotline 2545 6182 or its dedicated crime-reporting email account (crimereport@customs.gov.hk).