

Hong Kong Customs combats unfair trade practice at money changer

Hong Kong Customs today (May 9) arrested a sole proprietor of a money changer suspected of having applied a false trade description to the remittance service supplied, in contravention of the Trade Descriptions Ordinance (TDO).

Hong Kong Customs earlier received information alleging that a money changer in Mong Kok made a false claim to a customer that the money would be remitted to the bank accounts designated by the customer, but then failed to provide the service accordingly.

After investigation, Customs today arrested a 55-year-old female sole proprietor of the money changer.

Investigation is ongoing and the arrested woman has been released on bail.

Customs officers also found that the money changer was suspected to have violated the requirements under the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (AMLO) and failed to take all reasonable measures to mitigate money laundering and terrorist financing risks, and consequently its licensee may no longer be a fit and proper person to operate a money service.

Customs officers issued a notice in writing to the money changer to suspend its money service operator licence on April 24 with immediate effect. Customs has also reminded the money changer to process the outstanding transactions and payments in an appropriate manner.

Under the TDO, any trader who applies a false trade description to a service supplied to a consumer commits an offence. The maximum penalty upon conviction is a fine of \$500,000 and imprisonment for five years.

Customs reminds all licensed money service operators to 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 service 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.

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