

Hong Kong Customs cracks down on money changer laundering about \$600 million

Hong Kong Customs mounted an operation codenamed "Spark" from October 4 to today (October 6) and successfully cracked down on a money changer which was suspected of laundering about \$600 million. Two local men and two local women, aged between 34 and 39, were arrested. They included the owner of the money changer, the compliance officer and staff.

Acting upon intelligence earlier, Customs officers targeted the money changer dealing with a large amount of suspicious remittance transactions. After months of in-depth investigation, Customs found that the compliance officer set up a shell company and bank accounts to deal with funds of unknown origin. Since 2021, a total of 12 accounts were opened at various local banks to deal with over 1 800 suspicious transactions totalling about \$600 million.

Upon further investigation, Customs believed the accounts involved were manipulated by the money changer. Customs subsequently mounted the operation and raided four residential premises and two commercial floor shops. A number of computers, mobile phones, company documents and bank account documents were seized, and the four persons who were suspected of assisting in dealing with the suspected crime proceeds in the accounts were arrested.

The investigation is ongoing. The four arrested persons have been released on bail and the likelihood of further arrests is not ruled out.

Customs reminds members of the public that they risk committing the crime of money laundering if they used bank accounts to assist in dealing with money from unknown sources, regardless of whether a monetary reward is involved.

Under the Organized and Serious Crimes Ordinance, a person commits an offence if he or she deals with any property knowing or having reasonable grounds to believe that such property in whole or in part directly or indirectly represents any person's proceeds of an indictable offence. The maximum penalty upon conviction is a fine of HK\$5 million and imprisonment for 14 years while the crime proceeds are also subject to confiscation.

Members of the public may report any suspected money laundering activities to Customs' 24-hour hotline 2545 6182 or its dedicated crime-reporting email account (crimereport@customs.gov.hk) or online form (eform.cefs.gov.hk/form/ced002/).