

Hong Kong Customs suspends two licences of one money service operator at seven money changers

Following the suspension of the licence of a money service operator (MSO) at six money changers for suspected contravention of the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (AMLO) last night (March 16), Hong Kong Customs today (March 17) further suspended another MSO licence of the same operator and discovered that the operator was suspected of operating another money changer without a valid licence. A total of eight money changers are involved.

Customs conducted an immediate investigation following the operation last night. Apart from providing money services at six shops in Sham Shui Po, Mong Kok and Cheung Sha Wan, the MSO was found to have operated another money changer with another MSO licence in Sham Shui Po.

Customs officers further issued another notice in writing to the MSO this morning to suspend its licence involved with immediate effect. Customs has also reminded the MSO to process the related outstanding transactions and payments in an appropriate manner.

Including the MSO licence at six money changers, two licences of the concerned MSO at a total of seven money changers have all been suspended by Customs.

The MSO was suspected to have violated the licensing requirements under the AMLO and have failed to take all reasonable measures 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 is now investigating the case according to the AMLO.

Furthermore, the investigation revealed that the MSO was suspected to have operated another money changer without a valid licence in Sham Shui Po. Customs is carrying out the investigation.

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 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.

Also, 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).