

# Hong Kong Customs takes disciplinary actions against four licensed money service operators for breaching statutory requirements

The Customs and Excise Department (C&ED) today (August 5) took disciplinary actions, including issuing public reprimands and ordering remedial actions, against four licensed money service operators (MSOs) for breaching the statutory requirements as stipulated in the Anti-Money Laundering and Counter-Terrorist Financing Ordinance.

Officers of the C&ED earlier discovered that the four MSOs had failed to notify the C&ED of the changes in particulars of a particular address or bank accounts for provision of money service within a specified period of time in accordance with the requirements of the Ordinance. One of them also failed to verify and keep the required information before carrying out remittance transactions.

Moreover, one of the MSOs had further breached three requirements, namely failing to operate a money service at a premises specified in the licence; failing to notify the C&ED of the date of cessation of the money service operation at the premises specified in the licence within a specified period of time; and failing to return the licence within a specified period of time.

With regard to the above-mentioned contraventions, the C&ED had earlier prosecuted the four MSOs. The department today further took disciplinary actions against them in order to send a deterrent message to the industry. The relevant Statement of Disciplinary Action is available on the website of the C&ED ([eservices.customs.gov.hk/MSOS/common/enforcenew?request\\_locale=en](https://eservices.customs.gov.hk/MSOS/common/enforcenew?request_locale=en)).

The C&ED reminds all MSOs to comply with the statutory requirements as stipulated in the Ordinance. The maximum penalty upon conviction is a fine of \$1 million and imprisonment for seven years.

In addition, the C&ED may take disciplinary action such as issuing a public reprimand, imposing a pecuniary penalty and ordering a remedial action. The pecuniary penalty would not exceed an amount that is the greater of \$10 million or three times the amount of the profit gained or costs avoided.