

Money service operator fined for contravention of customer due diligence requirements

A partner of a licensed money service operator was fined \$24,000 in total today (October 3) at the Eastern Magistrates' Courts after being convicted of 12 charges of failing to comply with the customer due diligence requirements as stipulated in the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance.

A compliance inspection conducted by officers of the Customs and Excise Department (C&ED) revealed that the female partner had failed to record the names, addresses and identification documents of customers in connection with 12 remittance transactions conducted between August 2014 and July 2015.

The C&ED reminds all licensed money service operators to comply with the customer due diligence and record-keeping requirements as stipulated in the Ordinance which came into effect on April 1, 2012. The maximum penalty on conviction is imprisonment for seven years and a fine of \$1,000,000.