



HONG KONG
MONEY SERVICE OPERATORS
ASSOCIATION

香港金錢服務業協會



Our Work

The continuous increase in the number of members of the Hong Kong Money Service Operators Association ("Our Association" or "MSOA") has reflected the recognition and affirmation of our industry counterparts on the work we have done over the past year. **We would like to take this opportunity to invite you to become part of our Association** (all licensed money service operators ("MSOs") can register as members for free) so we can unite the industry and maintain and protect the common interest of the industry. In the past, our Association has strived for the rights of the industry and promoted positive messages in order to enhance social image of the money service industry. Our Association affairs include:

Enhanced Communication • Rights Protection

■ Communication with governmental departments and financial institutions:

- ▶ Hong Kong Customs and Excise Department ("HKC&ED") – Exchanged opinions and reflected industry condition in relation to a number of issues related to money service industry. Issues discussed include **customer due diligence, ongoing monitoring, record-keeping, training of practitioners, building sustainable business relationship with banks, change in business particulars, virtual commodities, license renewal, Trades Description Ordinance**, etc.
- ▶ Legislative Council - Met with Legislative Council members Hon Ng Leung-sing and Hon Starry Li Wai-king to discuss about **problems encountered by MSOs when dealing with banks. Also suggested regulatory body to formulate relevant bank guidelines** which clearly provide guidance on the operation between banks and MSOs
- ▶ Narcotics Division, Security Bureau - Provided professional opinion on the proposed measures on carrying state currency into and out of Hong Kong
- ▶ Consumer Council - Allowed staff of the Consumer Council to **understand more about the money service industry in Hong Kong and to enable our Association to learn about cases related to MSOs:**
 - Cases shared **mainly involve differences between forex rates displayed and/or oral quotations and the final transaction rate**
 - Our Association holds a neutral view on relevant cases, yet MSOs should at all times abide to Cap 34 Money Changers Ordinance and Cap 362 Trade Descriptions Ordinance, especially:
 - * **To provide a sufficiently large board to display the net rates of exchange in a clearly visible and legible manner**
 - * **To legibly make out in duplicate a transaction note and provide a copy to the customer. The transaction note shall include details including date of the transaction, type and amount of currency tendered by the customer and the net rate of exchange**, etc.

■ Our Association was invited to meet with 7 local banks to discuss how MSOs can build a sustainable business relationship with banks:

- ▶ Our Association explained to respective banks the licensing mechanism of MSOs, **enabling the banks to gain more knowledge of the money service industry in Hong Kong**
- ▶ Regardless of the scale of business of MSOs, respective banks expressed that they hold a positive and open attitude towards licensed money changers opening accounts at their banks as long as they are operating in compliance with relevant laws
- ▶ Banks believed it is currently an adaptation period for banks and MSOs since Cap 615 Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance became effective. As long as licensed money changers properly implement their compliance procedures as required by law, **it will definitely enhance the confidence in building a sustainable business relationship for both parties**
- ▶ Our Association suggests licensed MSOs to perform the followings:
 - Lay down and obtain understanding in compliance policies and procedures (including due-diligence, on-going monitoring, etc.) and to put these relevant policies and procedures into practice
 - Keep proper transaction records
 - **Provide banks accurate information and adequate assistance during sample-testing of records**
 - Provide staff with more comprehensive training on anti-money laundering



 **3176 2004**

 **www.msoa.hk**

Hong Kong Money Service Operators Association Limited 香港金錢服務業協會有限公司
Address: A2/F, Dolford Mansion, 1-3 Chatham Court, Tsim Sha Tsui, Kowloon, Hong Kong
Fax: (852) 3010 8582 Email: info@msoa.hk Skype: hkmsoa



Serve the Industry

Training and Development

- Organized 4 anti-money laundering training sessions covering in details **customer due diligence, ongoing monitoring, process and importance of suspicious transaction reporting and relevant case studies**
- Discussed with internationally-renowned organization, Association of Certified Anti-Money Laundering Specialists, to discuss about training and recruitment of professional compliance personnel in Hong Kong



Provide Industry Information

- Provide MSOs free industry information over our website, including **circulares and publications issued by the HKC&ED to MSOs**
- Provide information to MSOs regularly through mail, email and facsimile so that industry counterparts can receive industry information through various channels
- Provide free consultation on compliance regulations and anti-money laundering tools, basic compliance assessment and assistance in drafting compliance manual and policy
- Provide **FAQ and industry discussion forum as well as publishes hot issues related to the industry** e.g. license renewal, counterfeit money detectors, security measures and facilities in money changers, the new Companies Ordinance and virtual commodities, etc. for MSOs reference

Promote Compliant Operations

- Met with a number of different international institutions and organizations
 - Obtained in depth understanding of the suitability of various anti-money laundering tools to compliant operation and customer management of industry counterparts
 - Proactively participated in social activities with numerous professional organizations, of which includes the CEO of our Association being invited as one of the speakers to the ACAMS 6th Annual AML & Financial Crime Conference Asia Pacific held by the Association of Certified Anti-Money Laundering Specialists



Become a Member



All licensed MSOs can register as members for free. Please complete the attached "**Membership Registration Form**" and enjoy member benefits we provide, including:

- Latest Industry Information
- Latest Circulars issued by HKC&ED and relevant governmental departments
- Updates of Hong Kong Laws and FATF Recommendations
- Assistance on Compliance Regulations and Consultation on Compliant Operation
- All-rounded Discussion Forum
- Compliance talks and seminars
- Consultation on anti-money laundering system tools
- Professional hotline for industry-specific enquiries

Date: 27 June 2014

Our Association is a non-profit organization and we are thankful to the collective effort of our enthusiastic counterparts for our set up. **The future operations of the Association will greatly rely on fundraising and sponsorship** and we hope that you will provide us with the much needed support. **Please feel to contact our Association or call our hotline at 3176 2004.**

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MEMBER REGISTRATION FORM

This company _____

(MSO Licence No.: _____), now registers as a member of the

Hong Kong Money Service Operators Association Limited, with our company particulars as follows:

Address: _____

Contact Person: _____ Mr. Mrs. Ms. Email: _____

Telephone: _____ Fax: _____

Mobile: _____ WhatsApp: _____

Skype: _____ WeChat: _____

Preferred Language: Chinese English

Date: _____ Authorised Signature and Company Chop: _____

Please choose: This company is not willing to disclose our membership in the Association website.

This company does not / I do not willing to receive any messages from this Association via WhatsApp (if applicable).

FOR OFFICIAL USE ONLY

Received Date: _____ Receipt No. & Date: _____ Handled by: _____

Approval Date: _____ Membership No.: _____ Note: _____

Personal Data (Privacy) Ordinance

1. You are not obliged to provide to the Hong Kong Money Service Operators Association Limited ("the Association") with your personal data. However, such provision is necessary to enable the Association to provide services to its members.
2. The purpose for which your personal data may be used include:
 - for performing the Association's functions;
 - for internal research and statistical purposes; and
 - for any other lawful purposes.
3. Personal data collected will not be used by the Association for any other purposes unless authorised by you or such use is permitted or required by law.
4. The Association will put in place security measures to protect the loss, misuse and alteration of the personal data of members. Personal data will be retained for such period as may be necessary for the proper discharge of the Association's functions.

Our Mission

MSOA aims to create synergy amongst talents of the money service industry, to assist all licensed money service operators in understanding relevant law and regulations, to provide the industry with a high quality business environment with compliant operations as well as to safeguard the common interest of money service operators.

Association Affairs

Bridge of Communication :

- Discuss with respective banks on how licensed money service operators and banks can build sustainable business relationships
- Communicate with government departments (including Hong Kong Customs and Excise Department, Hong Kong Monetary Authority, Legislative Council and Narcotics Division of Security Bureau, etc.) to deliver feedback collected from the industry counterparts
- Understand points of views of licensed money changers and share market information and experiences with them

Industry Information :

- Latest circulars and press releases issued by the Hong Kong Customs and Excise Department and related government departments
- Latest updates on relevant legislations in Hong Kong and other major countries
- Latest local and overseas industry information
- Consultation on applying for Money Service Operators Licence

Enhance Professionalism :

- Organize and participate in courses and seminars relevant to compliance and Certified Anti-Money Specialists certification
- Provide compliance and legal related courses
- Consultation on anti-money laundering system tools
- Consultation on compliance software and system tools
- Assistance on attaining required legal compliance standard and consultation on compliant operation
- Compliance self-evaluation services
- Industry discussion forum

Hotline :

Hotline has been set up to answer other queries of industry practitioners

Register as a member of MSOA

Any licensed money service operators (formally known as remittance agent and currency exchange operators) can register as our member to receive money service industry related information, relevant legislation updates in Hong Kong, current affairs updates, attend courses and seminars, participate in industry discussion forum and to enquire various industry related issues for **FREE**.

Membership application form can be obtained via telephone request or downloaded from the internet. Please email, post or fax the completed application form to us to register as our member for FREE.

Application Form can be downloaded here: <http://www.msoa.hk/joinus.pdf>

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Legislations relevant to Money Service Industry

Hong Kong Law Cap 615 Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance (AMLO) came into effect on 1st April 2012. Under AMLO, any person operating a currency exchange or remittance service in Hong Kong is required to obtain licence from the Commissioner of Customs and Excise (CCE). Operating a money service without obtaining a money service operator licence from the CCE is an offence.

Introduction to MSOA

Since the establishment of the money service operators licensing system, the number of licensed money service operators has exceeded 1,700. At the same time, the industry had been seeking for a **well-recognized and credible association to represent them and protect the interests of industry practitioners.**

In view of this, a number of enthusiastic money service operators collectively prepared and founded an industry association which led to the registration and set up of the **Hong Kong Money Service Operators Association Limited** as a **non-profit organization** under the Hong Kong Companies Ordinance.

MSOA aims to **represent and protect the interests of money service operators, maintain communication with government departments, strive to assist Hong Kong to align with requirements set out by international organizations,** and at the same time provide members a platform to share market information and experiences as well as to provide workshops and seminars on relevant law and regulations for working and non-working force.

Organization Structure

A management team is responsible for daily affairs of the Association. Our team of Professional Advisors is voluntarily formed by independent professionals from the legal, accounting, compliance, finance and banking sectors as well as experienced money changers.

The Professional Advisors aim to provide comprehensive, objective, independent and professional advice to assist the Association in long-term development and to achieve its mission.

Our Goal

- To assist the Hong Kong SAR government and Hong Kong financial service sector to comply and align with requirements set out by relevant international organizations
- As one of the key players in the Hong Kong financial service industry, to provide assistance to the legislation, judicature and law enforcement of Hong Kong SAR in order to better suit the condition and requirement of the industry
- To promote compliant operations to industry counterparts in accordance with the Hong Kong law
- To protect and ensure common interests of the industry and to promote and enhance industry's image in society
- To provide industry information to money service operators in order to enhance their competitiveness in the market
- To strengthen communication with various financial institutions and government departments
- To organize regulation-related workshops and seminars for working and non-working force
- To cultivate industry talents, to foster the setting up of qualification program and to enhance quality of practitioners

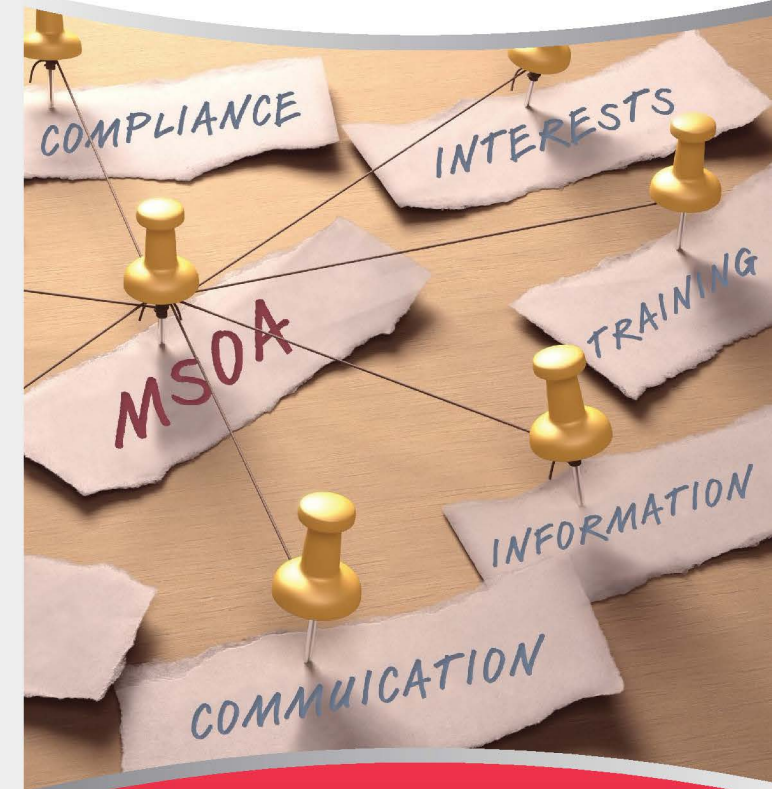
Declaration

Hoping to create a better and healthier business environment for the industry and to secure the reputation of Hong Kong in the financial industry internationally, counterparts of the money service industry have provided MSOA sponsorships and collectively supported MSOA's operation and expenses in daily affairs and organizing of courses. The future operations of the Association will **rely heavily on fundraising and sponsorships** and we **hope that all of you can provide us with the much needed support.**



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