



Customs and Excise Department  
香港海關

**Circular**

MSSB/MIS\_1/2015

14 August 2015

**Circular to Money Service Operators**

**Anti-Money Laundering/Counter-Terrorist Financing**

**Alert to Telephone Scams in Conducting Business**

In view of the recent increasing number in telephone scams involving the use of different tactics of fraud such as swindlers posing as law enforcement officials, other authorities, bank or delivery company staff etc., asking intended victims to transfer money to an unknown account or recipient; deceiving or intimidating them into paying to help relatives out of fake trouble; etc., this Department would like to urge you to be vigilant about being exploited as tools by criminals or fraudsters in conducting money service business.

Where relevant to your business, aside from complying with the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance, you must also beware of falling unwittingly for those telephone scams as aforementioned.

Where appropriate, your customer due diligence and ongoing monitoring measures should include, but not limited to, identifying transactions that are unusual or have no apparent legitimate purpose or inconsistent with the expected pattern of the customer, as well as asking the customer questions that a reasonable person would ask in the circumstances for clarification if necessary, for example, where the customer's story does not amount to a reasonable and legitimate explanation of the activity observed, etc.

You are also reminded that any suspicious activity related to money laundering and terrorist financing on a customer should be reported to the Joint Financial Intelligence Unit. In situations where other crimes, such as fraud, are perceived, you should report to the Hong Kong Police.

Should you have any questions regarding the contents of this circular, please contact us on 3759 3720.

Money Service Supervision Bureau  
Customs and Excise Department

End