

- (b) the number of the originator's account maintained with the financial institution and from which the money for the wire transfer is paid or, in the absence of such an account, a unique reference number assigned to the wire transfer by the financial institution; *(Amended 4 of 2018 s. 26)*
 - (c) the originator's address, the originator's customer identification number or identification document number or, if the originator is an individual, the originator's date and place of birth; *(Amended 4 of 2018 s. 26)*
 - (d) the recipient's name; and *(Added 4 of 2018 s. 26)*
 - (e) the number of the recipient's account maintained with the beneficiary institution and to which the money for the wire transfer is paid or, in the absence of such an account, a unique reference number assigned to the wire transfer by the beneficiary institution. *(Added 4 of 2018 s. 26)*
- (3A) Subsection (3)(c) does not apply to a wire transfer involving an amount below \$8,000 or an equivalent amount in another currency. *(Added 4 of 2018 s. 26)*
- (4) *(Repealed 4 of 2018 s. 26)*
- (5) Subject to subsections (6) and (7), a financial institution that is an ordering institution must include in the message or payment form accompanying the wire transfer— *(Amended 4 of 2018 s. 26)*
- (a) for a wire transfer involving an amount equal to or above \$8,000 or an equivalent amount in another currency—the information recorded under subsection (3)(a), (b), (c), (d) and (e) in relation to the transfer; and *(Added 4 of 2018 s. 26)*
 - (b) for a wire transfer involving an amount below \$8,000 or an equivalent amount in another currency—the

information recorded under subsection (3)(a), (b), (d) and (e) in relation to the transfer. *(Added 4 of 2018 s. 26)*

- (6) A financial institution may, in relation to a domestic wire transfer, include in the message or payment form accompanying the transfer only the information recorded under subsection (3)(b) in relation to the transfer but if it does so, it must, on the request of the financial institution to which it passes on the transfer instruction or the relevant authority, provide to that financial institution or the relevant authority the information recorded under subsection (3)(a) and (c) in relation to the transfer within 3 business days after it receives the request.
- (7) If more than one individual wire transfer from a single originator is bundled in a batch file for transmission to a recipient or recipients in a place outside Hong Kong, a financial institution is not required to comply with subsection (5) in relation to each of the wire transfers if—
 - (a) the information recorded under subsection (3)(b) is included in the message or payment form accompanying each transfer; and
 - (b) the batch file contains the information recorded under subsection (3).
- (8) If a financial institution acts as an intermediary institution in a wire transfer, it must transmit all of the information that it receives with the transfer to the institution to which it passes on the transfer instruction.
- (9) Where a financial institution is a beneficiary institution in a domestic wire transfer—
 - (a) if the wire transfer is not accompanied by the information required under subsection (3)(b), it must as soon as reasonably practicable—

- (i) obtain the information from the institution from which it receives the transfer instruction; and
 - (ii) if the information cannot be obtained, either—
 - (A) consider restricting or terminating its business relationship with the institution referred to in subparagraph (i); or
 - (B) take reasonable measures to mitigate the risk of money laundering or terrorist financing involved; or
- (b) if the financial institution is aware that the accompanying information that purports to be the information required under subsection (3)(b) is incomplete or meaningless, it must as soon as reasonably practicable take reasonable measures to mitigate the risk of money laundering or terrorist financing involved.
- (10) Where a financial institution is a beneficiary institution or an intermediary institution in a wire transfer that is not a domestic wire transfer— *(Amended 4 of 2018 s. 26)*
- (a) if the wire transfer is not accompanied by all of the information required under subsection (3), it must as soon as reasonably practicable—
 - (i) obtain the missing information from the institution from which it receives the transfer instruction; and
 - (ii) if the missing information cannot be obtained, either—
 - (A) consider restricting or terminating its business relationship with the institution referred to in subparagraph (i); or
 - (B) take reasonable measures to mitigate the risk of money laundering or terrorist financing involved; or

(b) if the financial institution is aware that any of the accompanying information that purports to be the information required under subsection (3) is incomplete or meaningless, it must as soon as reasonably practicable take reasonable measures to mitigate the risk of money laundering or terrorist financing involved.

(11) In this section—

domestic wire transfer (本地電傳轉賬) means a wire transfer in which the ordering institution and the beneficiary institution and, if one or more intermediary institutions are involved in the transfer, the intermediary institution or all the intermediary institutions are financial institutions located in Hong Kong;

foreign institution (外地機構) means an institution—

- (a) that is located in a place outside Hong Kong; and
- (b) that carries on a business similar to that carried on by a financial institution;

originator (匯款人), in relation to a wire transfer, means—

- (a) the person from whose account with the ordering institution the money for the wire transfer is paid; or
- (b) in the absence of such an account, the person who instructs the ordering institution to carry out the wire transfer.

(Amended 15 of 2022 s. 33)

13. Special requirements for remittance transactions

- (1) This section applies to a remittance transaction, other than a wire transfer, involving an amount equal to or above \$8,000 or an equivalent amount in any other currency, that is carried out by a licensed money service operator.
- (2) Before carrying out a remittance transaction, a licensed money service operator must—

- (a) identify the originator;
 - (b) verify the identity of the originator by reference to the originator's identification document; and
 - (c) record—
 - (i) the originator's name;
 - (ii) the originator's identification document number and, if the originator's identification document is a travel document, the place of issue of the travel document;
 - (iii) the originator's address;
 - (iv) the currency and amount involved; and
 - (v) the date and time of receipt of the instructions, the recipient's name and address and the method of delivery.
- (3) In this section—
- originator*** (匯款人), in relation to a remittance transaction carried out by a licensed money service operator, means—
- (a) the person from whose account with the licensed money service operator the money for the remittance is paid; or
 - (b) in the absence of such an account, the person who instructs the licensed money service operator to carry out the remittance transaction;
- remittance transaction*** (匯款交易) means a transaction for sending, or arranging for the sending of, money to a place outside Hong Kong.

13A. Special requirements for virtual asset transfer

- (1) For the purposes of this Schedule, a virtual asset transfer is a transaction carried out—

- (a) by an institution (*ordering institution*) on behalf of an originator by transferring any virtual assets; and
 - (b) with a view to making the virtual assets available—
 - (i) to that person or another person (*recipient*); and
 - (ii) at an institution (*beneficiary institution*), which may be the ordering institution or another institution,
- whether or not one or more other institutions (*intermediary institutions*) participate in completion of the transfer of the virtual assets.
- (2) Subject to subsection (3), before carrying out a virtual asset transfer, a financial institution that is an ordering institution must obtain and record—
- (a) the originator's name;
 - (b) the number of the originator's account maintained with the financial institution and from which the virtual assets are transferred or, in the absence of such an account, a unique reference number assigned to the virtual asset transfer by the financial institution;
 - (c) the originator's address, the originator's customer identification number or identification document number or, if the originator is an individual, the originator's date and place of birth;
 - (d) the recipient's name; and
 - (e) the number of the recipient's account maintained with the beneficiary institution and to which the virtual assets are transferred or, in the absence of such an account, a unique reference number assigned to the virtual asset transfer by the beneficiary institution.
- (3) Subsection (2)(c) does not apply to a virtual asset transfer involving virtual assets that amount to less than \$8 000.

- (4) A financial institution that is an ordering institution in a virtual asset transfer must submit to the beneficiary institution—
- (a) for a virtual asset transfer involving virtual assets that amount to not less than \$8,000—the information obtained and held under subsection (2)(a), (b), (c), (d) and (e) in relation to the transfer; and
 - (b) for a virtual asset transfer involving virtual assets that amount to less than \$8,000—the information obtained and held under subsection (2)(a), (b), (d) and (e) in relation to the transfer,
- in accordance with codes and guidelines published under any provision of this Ordinance.
- (5) A financial institution that is a beneficiary institution in a virtual asset transfer must obtain and record the information under subsection (2) submitted to it by the institution from which it receives the transfer instruction.
- (6) If a financial institution acts as an intermediary institution in a virtual asset transfer, it must transmit all of the information that it receives with the transfer to the institution to which it passes on the transfer instruction.
- (7) Where a financial institution (***instructed institution***) is a beneficiary institution or an intermediary institution in a virtual asset transfer—
- (a) if the institution (***instructing institution***) from which the instructed institution receives the transfer instruction does not submit all of the information under subsection (2) in connection with the virtual asset transferred to the instructed institution, the instructed institution must as soon as reasonably practicable—
 - (i) obtain the missing information from the instructing institution; and

- (ii) if the missing information cannot be obtained, either—
 - (A) consider restricting or terminating its business relationship with the instructing institution; or
 - (B) take reasonable measures to mitigate the risk of money laundering or terrorist financing involved; or
 - (b) if the instructed institution is aware that any of the information submitted to it that purports to be information under subsection (2) is incomplete or meaningless, it must as soon as reasonably practicable take reasonable measures to mitigate the risk of money laundering or terrorist financing involved.
- (8) In this section—
- originator*** (匯款人), in relation to a virtual asset transfer, means—
- (a) the person from whose account with the ordering institution the virtual assets for the virtual asset transfer are transferred; or
 - (b) in the absence of such an account, the person who instructs the ordering institution to carry out the virtual asset transfer.
- (Added 15 of 2022 s. 33)

14. Special requirements for correspondent banking relationships

- (1) An authorized institution must, before establishing a correspondent banking relationship with an institution located in a place outside Hong Kong that carries on a business similar to that carried on by an authorized institution (referred to in this section as ***proposed respondent bank***)—

- (a) collect sufficient information about the proposed respondent bank to enable it to understand fully the nature of the proposed respondent bank's business;
 - (b) determine from publicly available information the reputation of the proposed respondent bank and the quality of its supervision by authorities in that place that perform functions similar to those of the Monetary Authority; and
 - (c) assess the anti-money laundering and anti-terrorist financing controls of the proposed respondent bank.
- (2) An authorized institution must not establish a correspondent banking relationship with a proposed respondent bank unless—
- (a) it has obtained approval from its senior management;
 - (b) having complied with subsection (1), it is satisfied that the anti-money laundering and anti-terrorist financing controls of the proposed respondent bank are adequate and effective;
 - (c) it has documented its responsibilities and the responsibilities of the proposed respondent bank; and
 - (d) it is satisfied that, in respect of those of the proposed respondent bank's customers who will be able to directly operate the accounts it is to maintain for the proposed respondent bank, the proposed respondent bank—
 - (i) will verify the identities of those customers, and will continuously monitor its business relationships with those customers, in accordance with requirements similar to those imposed under this Schedule; and
 - (ii) will be able to provide to it, on request, the documents, data or information obtained by the

proposed respondent bank in relation to those customers in accordance with requirements similar to those imposed under this Schedule.

15. Special requirements in other high risk situations

A financial institution or a DNFBP must, in a situation specified by the relevant authority or, in the case of a DNFBP who is an accounting professional, an estate agent or a legal professional, by the relevant regulatory body, in a notice in writing given to the financial institution or the DNFBP and in any other situation that by its nature may present a high risk of money laundering or terrorist financing— *(Amended 4 of 2018 s. 26)*

- (a) where a business relationship is to be established—
 - (i) obtain approval from the senior management to establish the business relationship; and
 - (ii) either—
 - (A) take reasonable measures to establish the relevant customer's or beneficial owner's source of wealth and the source of the funds that will be involved in the business relationship; or
 - (B) take additional measures to mitigate the risk of money laundering or terrorist financing involved;
- (b) where a business relationship has been established—
 - (i) obtain approval from the senior management to continue the business relationship;
 - (ii) if there is a beneficial owner in relation to the relevant customer, take reasonable measures to verify the beneficial owner's identity so that the financial institution or the DNFBP is satisfied that

the financial institution or the DNFBP knows who the beneficial owner is; and

(iii) either—

(A) take reasonable measures to establish the relevant customer's or beneficial owner's source of wealth and the source of the funds that are involved in the business relationship; or

(B) take additional measures to mitigate the risk of money laundering or terrorist financing involved; or

(c) where an occasional transaction is to be carried out, take additional measures to mitigate the risk of money laundering or terrorist financing involved.

(Amended 4 of 2018 s. 26)

Division 3—Prohibitions

16. Anonymous accounts etc.

A financial institution or a DNFBP must not open, or maintain, any anonymous account or account in a fictitious name for any customer.

(Amended 4 of 2018 s. 26)

17. Correspondent banking relationships with shell banks

(1) An authorized institution must not establish or continue a correspondent banking relationship with a corporation that—

(a) is incorporated in a place outside Hong Kong;

(b) is authorized to carry on banking business in that place;

(c) does not have a physical presence in that place; and

- (d) is not an affiliate of a corporation that—
 - (i) is incorporated in a particular jurisdiction;
 - (ii) is authorized to carry on banking business in that jurisdiction; and
 - (iii) has a physical presence in that jurisdiction.
- (2) For the purposes of subsection (1)(c) and (d)(iii), a corporation has a physical presence in a place or jurisdiction if—
 - (a) the corporation carries on banking business at any premises in that place or jurisdiction; and
 - (b) at least one full-time employee of the corporation performs banking-related duties at those premises.
- (3) For the purposes of subsection (1)(d), a corporation is an affiliate of another corporation if—
 - (a) the corporation is a subsidiary of the other corporation; or
 - (b) at least one individual who is a controller of the corporation is at the same time a controller of the other corporation.
- (4) In this section—

associate (相關者), in relation to a person entitled to exercise, or control the exercise of, voting rights in relation to, or holding shares in, a corporation, means any other person in respect of whom that first-mentioned person has an agreement or arrangement, whether oral or in writing, express or implied, with respect to the acquisition, holding or disposal of shares or other interests in that corporation or under which they act together in exercising their voting rights in relation to it;

controller (控制人), in relation to a corporation, means—

- (a) a person in accordance with whose directions or instructions the directors of the corporation, or of another corporation of which it is a subsidiary, are accustomed to act, but does not include any person in accordance with whose directions and instructions those directors are accustomed to act by reason only that they act on advice given by the person in his or her professional capacity; or
- (b) a person who, either alone or with any associate or associates, is entitled to exercise, or control the exercise of, more than 50% of the voting rights at any general meeting of the corporation or of another corporation of which it is a subsidiary;

subsidiary (附屬公司) has the same meaning as in the Companies Ordinance (Cap. 622). (*Amended 28 of 2012 ss. 912 & 920*)

Division 4—Miscellaneous

18. Carrying out customer due diligence measures by means of intermediaries

- (1) Subject to subsection (2), a financial institution or a DNFBP may carry out any customer due diligence measure by means of an intermediary specified in subsection (3) if— (*Amended 4 of 2018 s. 26*)
 - (a) the intermediary consents in writing to be the financial institution's or the DNFBP's intermediary; and
 - (b) the financial institution or the DNFBP is satisfied that the intermediary will on request provide a copy of any document, or a record of any data or information, obtained by the intermediary in the course of carrying out the customer due diligence measure without delay.

- (2) A financial institution or a DNFBP that carries out a customer due diligence measure by means of an intermediary remains liable under this Ordinance for a failure to carry out that customer due diligence measure.
- (3) The specified intermediary is—
- (a) any of the following persons who is able to satisfy the financial institution or the DNFBP that they have adequate procedures in place to prevent money laundering and terrorist financing— *(Amended 4 of 2018 s. 26)*
- (i) an accounting professional; *(Replaced 4 of 2018 s. 26)*
- (ii) an estate agent; *(Replaced 4 of 2018 s. 26)*
- (iii) a legal professional; *(Replaced 4 of 2018 s. 26)*
- (iv) a TCSP licensee; *(Replaced 4 of 2018 s. 26)*
- (b) a financial institution that is an authorized institution, a licensed corporation, an authorized insurer, a licensed individual insurance agent, licensed insurance agency or licensed insurance broker company; *(Amended 12 of 2015 s. 163)*
- (c) a lawyer, a notary public, an auditor, a professional accountant, a trust or company service provider or a tax advisor practising in an equivalent jurisdiction, or a trust company carrying on trust business in an equivalent jurisdiction, or a person who carries on in an equivalent jurisdiction a business similar to that carried on by an estate agent, or an institution that carries on in an equivalent jurisdiction a business similar to that carried on by an intermediary financial institution, that— *(Amended 4 of 2018 s. 26)*

- (i) is required under the law of that jurisdiction to be registered or licensed or is regulated under the law of that jurisdiction;
 - (ii) has measures in place to ensure compliance with requirements similar to those imposed under this Schedule; and
 - (iii) is supervised for compliance with those requirements by an authority in that jurisdiction that performs functions similar to those of any of the relevant authorities or the regulatory bodies (as may be applicable); or
- (d) in the case of a financial institution, an institution that—
- (i) is a related foreign financial institution in relation to the financial institution; and
 - (ii) satisfies the conditions in subsection (3A). *(Added 4 of 2018 s. 26)*
- (3A) The conditions are that—
- (a) the related foreign financial institution is required under group policy—
 - (i) to have measures in place to ensure compliance with requirements similar to the requirements imposed under this Schedule; and
 - (ii) to implement programmes against money laundering and terrorist financing; and
 - (b) the related foreign financial institution is supervised for compliance with the requirements mentioned in paragraph (a) at a group level—
 - (i) by a relevant authority; or
 - (ii) by an authority in an equivalent jurisdiction that performs, in relation to the holding company or the

head office of the financial institution, functions similar to those of a relevant authority under this Ordinance. *(Added 4 of 2018 s. 26)*

- (4) A financial institution or a DNFBP that carries out a customer due diligence measure by means of an intermediary must—*(Amended 4 of 2018 s. 26)*
 - (a) immediately after the intermediary has carried out that measure, obtain from the intermediary the data or information that the intermediary has obtained in the course of carrying out that measure, but nothing in this paragraph requires the financial institution or the DNFBP to obtain at the same time from the intermediary a copy of any document, or a record of any data or information, that is obtained by the intermediary in the course of carrying out that measure;
 - (b) ensure that the intermediary will, if requested by the financial institution or the DNFBP within the period referred to in section 20(2) or (3) of this Schedule, as the case requires, provide to the financial institution or the DNFBP a copy of any document, or a record of any data or information, obtained by the intermediary in the course of carrying out that measure as soon as reasonably practicable after receiving the request; and
 - (c) in the case of a financial institution, if the intermediary is a specified intermediary under subsection (3)(d), take reasonable measures to mitigate the risk of money laundering or terrorist financing involved. *(Added 4 of 2018 s. 26)*
- (5) *(Repealed 4 of 2018 s. 26)*
- (6) Nothing in this section prevents a financial institution or a DNFBP from carrying out a customer due diligence measure by an agent but such a financial institution or a DNFBP

remains liable under this Ordinance for a failure to carry out that customer due diligence measure.

(7) In this section—

group of companies (公司集團) has the meaning given by section 2(1) of the Companies Ordinance (Cap. 622);

group policy (集團政策) means a policy of the group of companies to which the financial institution belongs that applies to—

- (a) the financial institution; and
- (b) the relevant related foreign financial institution;

holding company (控權公司), in relation to a financial institution, means a holding company within the meaning of section 13 of the Companies Ordinance (Cap. 622);

intermediary financial institution (中介人金融機構) means a financial institution mentioned in subsection (3)(b);

related foreign financial institution (相關外地金融機構), in relation to a financial institution, means another institution that—

- (a) carries on, in a place outside Hong Kong, a business similar to that carried on by an intermediary financial institution; and
- (b) falls within any of the following descriptions—
 - (i) it is within the same group of companies as the financial institution;
 - (ii) if the financial institution is incorporated in Hong Kong or is a re-domiciled entity, it is a branch of the financial institution; (*Amended 14 of 2025 s. 273*)
 - (iii) if the financial institution is incorporated outside Hong Kong and is not a re-domiciled entity—*(Amended 14 of 2025 s. 273)*

- (A) it is the head office of the financial institution;
or
- (B) it is a branch of the head office of the financial institution. *(Replaced 4 of 2018 s. 26)*

(Amended E.R. 2 of 2014; 4 of 2018 s. 26)

19. Financial institutions and DNFBPs to establish procedures

(Amended 4 of 2018 s. 26)

- (1) A financial institution or a DNFBP must establish and maintain effective procedures for determining whether a customer or a beneficial owner of a customer is a politically exposed person.
- (2) A financial institution that carries out wire transfers must establish and maintain effective procedures for identifying and handling wire transfers in relation to which section 12(5) of this Schedule has not been complied with.
- (2A) A financial institution that carries out virtual asset transfers must establish and maintain effective procedures for identifying and handling virtual asset transfers in relation to which section 13A(4) of this Schedule has not been complied with. *(Added 15 of 2022 s. 33)*
- (3) A financial institution or a DNFBP must, in respect of each kind of customer, business relationship, product and transaction, establish and maintain effective procedures not inconsistent with this Ordinance for the purpose of carrying out the duties under sections 3, 4, 5, 9, 10 and 15 of this Schedule.

(Amended 4 of 2018 s. 26)

Record-keeping Requirements

20. Duty to keep records

- (1) A financial institution or a DNFBP must— *(Amended 4 of 2018 s. 26)*
 - (a) in relation to each transaction the financial institution or the DNFBP carries out, keep the original or a copy of the documents, and a record of the data and information, obtained in connection with the transaction in accordance with Part 2 of this Schedule; and
 - (b) in relation to each customer, keep— *(Amended 4 of 2018 s. 26)*
 - (i) the original or a copy of the documents, and a record of the data and information, obtained in the course of identifying and verifying the identity of the customer or any beneficial owner of the customer in accordance with Part 2 of this Schedule; and
 - (ii) the original or a copy of the files relating to the customer’s account and business correspondence with the customer and any beneficial owner of the customer.
- (2) Records required to be kept under subsection (1)(a) must be kept for a period of at least 5 years beginning on the date on which the transaction is completed, regardless of whether the business relationship ends during that period.
- (3) Records required to be kept under subsection (1)(b) must be kept throughout the continuance of the business relationship with the customer and for a period of at least 5 years beginning on the date on which the business relationship ends.

- (3A) Records required to be kept under subsection (1)(b) for an occasional transaction that is carried out in any of the circumstances set out in section 3(1)(b), (1A) and (1B) of this Schedule must be kept for a period of at least 5 years beginning on the date on which the occasional transaction is completed. *(Added 15 of 2022 s. 33)*
- (4) A relevant authority or a regulatory body may, by notice in writing to a financial institution or a DNFBP, require the financial institution or the DNFBP to keep the records relating to a specified transaction or customer for a period specified by the relevant authority or the regulatory body that is longer than that referred to in subsection (2) or (3), as the case requires, if— *(Amended 4 of 2018 s. 26)*
- (a) the relevant authority or the regulatory body is satisfied that the records are relevant to an ongoing criminal or other investigation carried out by it; or
 - (b) the records are relevant to any other purposes as specified by the relevant authority or the regulatory body in the notice.
- (5) A financial institution or a DNFBP to whom a notice is given under subsection (4) must keep the relevant records for the period specified in the notice.

(Amended 4 of 2018 s. 26)

21. Manner in which records are to be kept

Records required to be kept under section 20 of this Schedule must be kept in the following manner—

- (a) if the record consists of a document, either—
 - (i) the original of the document must be kept; or
 - (ii) a copy of the document must be kept either on microfilm or in the database of a computer; or

- (b) if the record consists of data or information, a record of the data or information must be kept either on microfilm or in the database of a computer.

Part 4

Miscellaneous

22. Duties extended to branches and subsidiary undertakings outside Hong Kong

- (1) A financial institution that is incorporated in Hong Kong or is a re-domiciled entity must ensure that— (*Amended 14 of 2025 s. 273*)
 - (a) its branches; and
 - (b) its subsidiary undertakings that carry on the same business as a financial institution in a place outside Hong Kong,

have procedures in place to ensure compliance with, to the extent permitted by the law of that place, requirements similar to those imposed under Parts 2 and 3 of this Schedule that are applicable to the financial institution.

- (2) If the law of the place at which a branch or subsidiary undertaking of a financial institution carries on business does not permit the application of any procedures relating to any of the requirements referred to in subsection (1), the financial institution must—
 - (a) inform the relevant authority accordingly; and
 - (b) take additional measures to effectively mitigate the risk of money laundering and terrorist financing faced by the branch or subsidiary undertaking as a result of its inability to comply with the requirement.

- (2A) A DNFBP that is incorporated in Hong Kong or is a redomiciled entity must ensure that— *(Amended 14 of 2025 s. 273)*
- (a) its branches; and
 - (b) its subsidiary undertakings that carry on the same business as a DNFBP in a place outside Hong Kong, have procedures in place to ensure compliance with, to the extent permitted by the law of that place, requirements similar to those imposed under Parts 2 and 3 of this Schedule that are applicable to the DNFBP. *(Added 4 of 2018 s. 26)*
- (2B) If the law of the place at which a branch or a subsidiary undertaking of a DNFBP carries on business does not permit the application of any procedures relating to any of the requirements referred to in subsection (2A), the DNFBP must—
- (a) inform the relevant authority, or if applicable, the relevant regulatory body, accordingly; and
 - (b) take additional measures to effectively mitigate the risk of money laundering and terrorist financing faced by the branch or subsidiary undertaking as a result of its inability to comply with the requirement. *(Added 4 of 2018 s. 26)*
- (3) In this section—

branch (分行), in relation to a financial institution or a DNFBP, means a branch of the financial institution or the DNFBP outside Hong Kong at which it carries on a business similar to that carried on by the financial institution or the DNFBP, whether or not the business of the branch is limited by the laws or regulations of the place in which the branch is situated and whether or not the branch is referred to as an agency in that place; *(Amended 4 of 2018 s. 26)*

subsidiary undertaking (附屬企業) is to be construed in accordance with Schedule 1 to the Companies Ordinance (Cap. 622). (*Amended 28 of 2012 ss. 912 & 920*)

23. Financial institutions and DNFBPs to prevent contravention of Part 2 or 3 of this Schedule

(*Amended 4 of 2018 s. 26*)

A financial institution or a DNFBP must take all reasonable measures— (*Amended 4 of 2018 s. 26*)

- (a) to ensure that proper safeguards exist to prevent a contravention of any requirement under Part 2 or 3 of this Schedule; and
 - (b) to mitigate money laundering and terrorist financing risks.
-

Schedule 3

[ss. 28, 30, 31, 35, 36,
37, 38, 39 & 50]

Fees

Item	Particulars	Fee \$
1.	For certifying a copy of an entry in or extract from the register	160 per copy
2.	For providing an uncertified copy of an entry in, or extract from, the register	1 per page or portion of a page
3.	For providing a certificate specified in section 28(1)(b)	160 per copy
4.	Application for the grant of a licence plus for each additional business premises plus for each person who is subject to the fit and proper person test	3,310 2,220 860
5.	Application for the renewal of a licence plus for each additional business premises plus for each person who is subject to the fit and proper person test	790 355 860

Item	Particulars	Fee \$
6.	Application for an approval to become a licensee's director	860 for each person in relation to whom the application is made
7.	Application for an approval to become a licensee's ultimate owner	860 for each person in relation to whom the application is made
8.	Application for an approval to become a licensee's partner	860 for each person in relation to whom the application is made
9.	Application to add new business premises	2,220 for each new business premises
10.	Application to operate a money service at particular premises	2,220 for each business premises

Schedule 3A

[ss. 53C、53E、53G、
53K、53V & 53ZL]

Fees in relation to Part 5A

Column 1 Item	Column 2 Particulars	Column 3 Fee \$
1.	For certifying a copy of an entry in or extract from the register	260 per copy
2.	For providing a certificate referred to in section 53E(1)(b)	385 per copy
3.	Application for the grant of a licence plus for each person who is subject to the fit and proper test	3,440 975
4.	Application for the renewal of a licence plus for each person who is subject to the fit and proper test	2,910 975

Column 1	Column 2	Column 3
Item	Particulars	Fee
		\$
5.	Application for an approval to become an ultimate owner of a TCSP licensee	1,140 for each person in relation to whom the application is made
6.	Application for an approval to become a partner of a TCSP licensee	1,140 for each person in relation to whom the application is made
7.	Application for an approval to become a director of a TCSP licensee	1,140 for each person in relation to whom the application is made

(Schedule 3A added 4 of 2018 s. 27)

Schedule 3B

[ss. 53ZR & 53ZTM &
Sch. 3G]

VA Service

Part 1

VA Service

1. Operating a VA exchange, that is to say, providing services through means of electronic facilities—
 - (a) whereby—
 - (i) offers to sell or purchase virtual assets are regularly made or accepted in a way that forms or results in a binding transaction; or
 - (ii) persons are regularly introduced, or identified to other persons in order that they may negotiate or conclude, or with the reasonable expectation that they will negotiate or conclude sales or purchases of virtual assets in a way that forms or results in a binding transaction; and
 - (b) where client money or client virtual assets comes into direct or indirect possession of the person providing such service.

Part 2

Interpretation

1. Interpretation

An expression used in this Schedule, and defined or otherwise explained in Part 5B, has the same meaning as in that Part.

(Schedule 3B added 15 of 2022 s. 5)

Schedule 3C

[ss. 53ZR & 53ZTM]

Fees in relation to Part 5B

Part 1

Prescribed Fees

Column 1	Column 2	Column 3
Item	Particulars of matter	Fee
1.	Prescribed fee payable under section 53ZRI(1)(a) for— (a) providing an uncertified copy of an entry in, or extract from, a register maintained under section 53ZRH (b) certifying a copy of an entry in, or extract from, the register	\$9 per page \$200
2.	Prescribed fee for providing a certificate specified in section 53ZRI(1)(b)	\$200

Column 1	Column 2	Column 3
Item	Particulars of matter	Fee
3.	Prescribed fee payable under section 53ZRK on an application for the grant of a licence for a licensed provider	\$4,740 for a VA service
4.	Prescribed fee payable under section 53ZRL on an application for the grant of a licence for a licensed representative	\$1,790 for a VA service
5.	Prescribed fee payable under section 53ZRM on an application for approval of an accreditation of a licensed representative	\$200
6.	Prescribed fee payable under section 53ZRM on an application for approval of a transfer of an accreditation of a licensed representative	\$200 for a VA service
7.	Prescribed fee payable under section 53ZRN on an application for variation of any VA service— (a) in the case of a licensed provider— (i) for adding any VA service	\$4,740 for each VA service

Column 1	Column 2	Column 3
Item	Particulars of matter	Fee
	(ii) for removing any VA service (subject to subparagraph (iii))	\$200 for each VA service
	(iii) for removing all VA services	Nil
	(b) in the case of a licensed representative—	
	(i) for adding any VA service	\$1,790 for each VA service
	(ii) for removing any VA service (subject to subparagraph (iii))	\$200 for each VA service
	(iii) for removing all VA services	Nil
8.	Prescribed fee payable under section 53ZRP(1) on an application for approval to be a responsible officer	\$2,950 for a VA service
9.	Prescribed fee payable under section 53ZRQ(2) on an application for approval to be an ultimate owner	\$3,000

Column 1	Column 2	Column 3
Item	Particulars of matter	Fee
10.	Prescribed fee payable under section 53ZRR on an application for approval of premises	\$1,000
11.	Prescribed annual fee payable under section 53ZRY— <ul style="list-style-type: none">(a) in the case of a licensed provider(b) in the case of a licensed representative—<ul style="list-style-type: none">(i) who is not approved as a responsible officer of the licensed provider on whose behalf the licensed representative provides a VA service(ii) who is approved as a responsible officer of the licensed provider on whose behalf the licensed representative provides a VA service	\$4,740 for a VA service \$1,790 for a VA service \$4,740 for a VA service

Interpretation

1. Interpretation

An expression used in this Schedule, and defined or otherwise explained in Part 5B, has the same meaning as in that Part.

(Schedule 3C added 15 of 2022 s. 5)

Schedule 3D

[ss. 53ZRW & 53ZTM]

Associated Entities—Prescribed Particulars

1. Interpretation

An expression used in this Schedule, and defined or otherwise explained in Part 5B, has the same meaning as in that Part.

2. Particulars to be notified on becoming an associated entity

For the purposes of section 53ZRW(1), the particulars required to be provided to the Commission after an associated entity of a licensed provider becomes such an associated entity are—

- (a) the name of the licensed provider;
- (b) the date on which it became such an associated entity;
- (c) its name and business name (if different);
- (d) the date and place of its incorporation;
- (da) its place of domicile, and the date beginning on which that place has been its place of domicile; *(Added 14 of 2025 s. 274)*
- (db) each of its former places of domicile (if any), and the period during which that place was its place of domicile; *(Added 14 of 2025 s. 274)*
- (e) its telephone and fax number, electronic mail address and website address (if any);
- (f) each of the following addresses, together with its effective date—
 - (i) the address of its principal place of business in Hong Kong (if any);

- (ii) the address of its registered office;
 - (iii) its correspondence address;
 - (iv) the address of each of the premises where books and records relating to client assets of the licensed provider, received or held by it in Hong Kong, are kept;
- (g) the details of its bank account for holding client assets of the licensed provider received or held in Hong Kong, including—
- (i) the name of the bank with which the account is opened; and
 - (ii) the number of the account;
- (h) whether it is aware of the existence of any matter that might render it insolvent or lead to the appointment of a liquidator;
- (i) the facts that gave rise to its becoming such an associated entity; and
- (j) in relation to each of its executive officers who are its directors responsible for directly supervising the receiving or holding of the client assets of the licensed provider—
- (i) the executive officer's name;
 - (ii) the executive officer's Hong Kong identity card number, or details of documents issued by a competent government agency providing proof of identity; and
 - (iii) the executive officer's contact details, including residential address in Hong Kong (if any) and correspondence address.

3. Particulars to be notified on ceasing to be an associated entity

For the purposes of section 53ZRW(1), the particulars required to be provided to the Commission after an associated entity of a licensed provider ceases to be such an associated entity are—

- (a) the date of ceasing to be such an associated entity;
- (b) the name of the licensed provider;
- (c) whether all client assets of the licensed provider received or held by it before it ceases to be such an associated entity have been fully accounted for and properly disposed of and, if not, the particulars of any such client assets that have not been fully accounted for and properly disposed of; and
- (d) the facts that gave rise to its ceasing to be such an associated entity.

(Schedule 3D added 15 of 2022 s. 5)

Schedule 3E

[ss. 53ZRY & 53ZTM]

Annual Return—Information

1. Interpretation

An expression used in this Schedule, and defined or otherwise explained in Part 5B, has the same meaning as in that Part.

2. Annual return must include certain information

- (1) For the purposes of section 53ZRY(4)(b), the information that a licensed person must include in the annual return is—
 - (a) the reporting period of the licensed person; and
 - (b) a full description of any change in any prescribed information (if the description has not been provided to the Commission).
- (2) In this section—

prescribed information (訂明資料) means any information that has been provided to the Commission under Divisions 3, 4 or 7 of Part 5B or any codes or guidelines published under section 53ZTK;

reporting period (申報期) means—

- (a) the period of 1 year to each anniversary of the date on which a person is licensed by the Commission as a licensed person; or
- (b) such other period as may be approved by the Commission by written notice.

(Schedule 3E added 15 of 2022 s. 5)

Schedule 3F

[ss. 53ZSC & 53ZTM]

Auditable Entities—Prescribed Financial Statements and Other Prescribed Documents

1. Interpretation

An expression used in this Schedule, and defined or otherwise explained in Part 5B, has the same meaning as in that Part.

2. Financial statements etc. required to be submitted annually by licensed provider

(1) For the purposes of section 53ZSC(1)(a), the financial statements and other documents that a licensed provider must prepare, in respect of each financial year, are—

(a) a set of accounts consisting of each of the following, prepared in accordance with generally accepted accounting principles—

- (i) a profit and loss account;
- (ii) a balance sheet;
- (iii) notes to the accounts;

(b) in so far as applicable, the following returns as required under any codes or guidelines published under section 53ZTK, each made up to the last day of the financial year—

- (i) a liquid capital computation;
- (ii) a required liquid capital computation;
- (iii) a summary of bank loans, advances, credit facilities and other financial accommodation available to it;

- (iv) an analysis of its margin clients (if applicable);
 - (v) an analysis of collateral received from margin clients (if applicable);
 - (vi) an analysis of its rolling balance cash clients;
 - (vii) an analysis of its client assets;
 - (viii) an analysis of its proprietary derivative positions (if applicable); and
- (c) a business and risk management questionnaire.
- (2) In this section—
- margin client*** (保證金客戶) means a client to whom the licensed provider provides virtual assets margin financing.
- 3. Financial statements etc. required to be submitted annually by associated entity**
- For the purposes of section 53ZSC(1)(a), the financial statements and other documents that an associated entity of a licensed provider must prepare, in respect of each financial year, are—
- (a) a set of accounts consisting of each of the following, prepared in accordance with generally accepted accounting principles—
 - (i) a profit and loss account;
 - (ii) a balance sheet;
 - (iii) notes to the accounts;
 - (b) an analysis of client assets as at the end of the financial year; and
 - (c) a business and risk management questionnaire.
- 4. Financial statements etc. required to be submitted by licensed provider on ceasing to provide VA service**

For the purposes of section 53ZSC(2)(a), the financial statements and other documents that a licenser provider must prepare if it ceases to provide the VA service for which it is licensed to provide are—

- (a) a set of accounts as referred to in section 2(1)(a) of this Schedule; and
- (b) a liquid capital computation as referred to in section 2(1)(b)(i) of this Schedule.

5. Financial statements etc. required to be submitted by associated entity on ceasing to such entity

For the purposes of section 53ZSC(2)(a), the financial statements and other documents that an associated entity of a licensed provider must prepare if it ceases to be such an associated entity are—

- (a) a set of accounts as referred to in section 3(a) of this Schedule; and
- (b) an analysis of client assets as referred to in section 3(b) of this Schedule.

6. Requirements applicable to prescribed auditor's report

- (1) For the purposes of section 53ZSC(1)(b) or (2)(b), a report of the prescribed auditor submitted by a licensed provider or an associated entity of a licensed provider to the Commission must contain a statement by the prescribed auditor as to whether, in the prescribed auditor's opinion—
 - (a) the profit and loss account and the balance sheet are in accordance with the records kept by the licensed provider or the associated entity under any codes or guidelines published under section 53ZTK and satisfy the requirements in the codes or guidelines;

- (b) the balance sheet gives a true and fair view of the state of affairs of the licensed provider or the associated entity as at the end of the financial year to which it relates;
 - (c) the profit and loss account gives a true and fair view of the profit or loss of the licensed provider or the associated entity for the financial year to which it relates;
 - (d) in the case of a licensed provider, each of the returns as referred to in section 2(1)(b) or 4(b) of this Schedule is correctly compiled from the records of the licensed provider or, if not correctly compiled, the nature and extent of the incorrectness;
 - (e) in so far as applicable, during the financial year in question, the licensed provider or the associated entity had in place systems of control, including internal controls and trading, custody, accounting and settlement systems, that were adequate to ensure compliance with regulatory requirements relating to client assets under any codes or guidelines published under section 53ZTK;
 - (f) in so far as applicable, during the financial year in question, the licensed provider or the associated entity has complied with regulatory requirements relating to client assets and record keeping under any codes or guidelines published under section 53ZTK; and
 - (g) in the case of a licensed provider, there appears to have been any contravention of regulatory requirements relating to financial resources under any codes or guidelines published under section 53ZTK by the licensed provider during the financial year in question.
- (2) A licensed provider or an associated entity of a licensed provider may submit 2 separate reports of the prescribed auditor in respect of a financial year, one containing a

statement by the prescribed auditor concerning the matters referred to in subsection (1)(a), (b) and (c) and the other containing a statement by the prescribed auditor concerning the matters referred to in subsection (1)(d), (e), (f) and (g).

(Schedule 3F added 15 of 2022 s. 5)

Schedule 3G

[ss. 53ZR & 53ZTY]

Transitional Arrangements for Anti-Money Laundering and Counter-Terrorist Financing (Amendment) Ordinance 2022

Part 1

Preliminary

1. Interpretation

(1) An expression used in this Schedule, and defined or otherwise explained in Part 5B, has the same meaning as in that Part.

(2) In this Schedule—

closing-down period (結業期)—see section 11 of this Schedule;

first 9 months (首9個月) means the period of 9 months beginning on 1 June 2023;

first 12 months (首12個月) means the period of 12 months beginning on 1 June 2023;

objection period (反對限期), in relation to a section 3 notice, section 5 notice or section 7 notice issued by the Commission in respect of a person, means a period specified by the Commission in the notice as the period within which the person may object to the deemed withdrawal of the person's application or applications under section 10 of this Schedule;

regulatory requirements (規管性規定) means requirements under this Ordinance, and codes and guidelines published under section 53ZTK;

section 3 notice (第3條通知)—see section 3(5) of this Schedule;
section 5 notice (第5條通知)—see section 5(5) of this Schedule;
section 7 notice (第7條通知)—see section 7(5) of this Schedule;
specified form (指明格式) means a form specified by the Commission;

VA service (虛擬資產服務) means operating a VA exchange within the meaning of item 1 of Schedule 3B.

Part 2

First 12 Months

2. **Section 53ZRD not contravened by continuing pre-existing VA service during first 12 months**

- (1) An act by a corporation of carrying on, or holding itself out as carrying on, a business of providing a VA service does not constitute a contravention of section 53ZRD(1) if—
 - (a) the corporation has been carrying on the business of providing the VA service in Hong Kong immediately before 1 June 2023; and
 - (b) the act is done during the first 12 months.
- (2) An act by an individual of performing, or holding himself or herself out as performing, a regulated function in relation to a business, carried on by a corporation, of providing a VA service does not constitute a contravention of section 53ZRD(3) if—
 - (a) because of subsection (1), an act by the corporation done, during the first 12 months, of carrying on the business of providing the VA service does not constitute a contravention of section 53ZRD(1); and

- (b) the act by the individual is done during the first 12 months.
- (3) In subsections (1) and (2), a reference to a corporation does not include one to which a closing-down period under section 11(1), (3) or (4) of this Schedule applies.

Part 3

Persons Deemed to be Licensed or Approved After First 12 Months

3. Transitional arrangements apply to pre-existing provider on certain conditions

- (1) Section 4 of this Schedule applies to a corporation if all of the following conditions are met in relation to the corporation—
 - (a) the corporation has been providing a VA service in Hong Kong immediately before 1 June 2023;
 - (b) within the first 9 months, the corporation—
 - (i) makes an application (*application*) in accordance with section 53ZRK to be licensed to provide the VA service;
 - (ii) gives the Commission a confirmation that the corporation has been providing the VA service in Hong Kong immediately before 1 June 2023; and
 - (iii) gives the Commission a confirmation that the corporation will, on being deemed to be licensed to provide the VA service—
 - (A) comply with the regulatory requirements applicable to a licensed provider of the VA service; and

- (B) have arrangements in place to ensure the corporation complies with the regulatory requirements applicable to a licensed provider of the VA service;
 - (c) the Commission has not issued a section 3 notice under subsection (5) in respect of the corporation's application.
- (2) The condition in subsection (1)(b)(i) is regarded as not met in relation to the corporation if the Commission has not acknowledged receipt in writing that it has received the application.
- (3) If any of the matters specified in subsection (4) are not proved to the Commission's satisfaction in relation to the corporation, the Commission may—
- (a) decide that section 4 of this Schedule is not to apply to the corporation; and
 - (b) decide to commence the deemed withdrawal procedure under section 10 of this Schedule in respect of the application.
- (4) The matters are that—
- (a) all of the conditions specified in subsection (1)(a) and (b) are met in relation to the corporation; and
 - (b) the corporation has a reasonable prospect of successfully showing to the Commission that the corporation is capable of complying with the regulatory requirements applicable to a licensed provider of the VA service.
- (5) The Commission must inform the corporation of its decisions under subsection (3) by written notice (*section 3 notice*) given to the corporation.
- (6) The section 3 notice must—
- (a) state the Commission's decisions referred to in subsection (3) and the reasons for the decisions; and

- (b) state that the corporation has a right under section 10 of this Schedule to object to the deemed withdrawal of the application within the objection period.
- (7) A section 3 notice may only be issued before the end of the first 12 months.

4. Corporate applicant deemed licensed provider pending determination of application

- (1) If, under section 3 of this Schedule, this section applies to a corporation that made an application referred to in subsection (1)(b)(i) of that section, the corporation is deemed, for the period specified in subsection (2), to be licensed under section 53ZRK to provide the VA service to which the application relates.
- (2) The period specified for the purposes of subsection (1)—
 - (a) begins on the day immediately following the first 12 months; and
 - (b) ends on the day on which one of the following events happens (whichever happens first)—
 - (i) the corporation's application under section 53ZRK is withdrawn;
 - (ii) a refusal of the corporation's application under section 53ZRK takes effect as a specified decision under section 75;
 - (iii) a licence is granted to the corporation under section 53ZRK.
- (3) During the period the corporation is deemed under this section to be licensed—
 - (a) the requirement in section 53ZRQ(1) does not apply in respect of the corporation;

- (b) the premises in respect of which an application is lodged under section 53ZRR(2) are deemed to be approved; and
 - (c) the corporation is deemed to have complied with section 53ZRR(1) in relation to the premises.
- (4) During the period the corporation is deemed under this section to be licensed and, if the corporation is granted a licence under section 53ZRK to provide the VA service, even after that, the day immediately following the first 12 months is to be regarded—
- (a) for the purposes of section 53ZRY(1), as the date of the grant of the licence to the corporation, unless another date is approved by the Commission under that section; and
 - (b) for the purposes of section 53ZRY(4), as the date on which the corporation is licensed, unless another date is approved by the Commission under that section.

5. **Transitional arrangements apply to representative of pre-existing provider on certain conditions**

- (1) Section 6 of this Schedule applies to an individual if all of the following conditions are met in relation to the individual—
- (a) within the first 9 months, the individual—
 - (i) makes an application in accordance with section 53ZRL to be licensed to provide a VA service on behalf of a corporation (*corporation*), but not as a responsible officer on behalf of the corporation;
 - (ii) makes an application in accordance with section 53ZRM to be accredited to the corporation;
 - (iii) gives the Commission a confirmation that the individual is providing the VA service in Hong Kong on behalf of the corporation at

- the time the individual's applications referred to in subparagraphs (i) and (ii) (*individual's applications*) are made; and
- (iv) gives the Commission a confirmation that the individual will, on being deemed to be so licensed comply with the regulatory requirements applicable to a licensed representative of a licensed provider of the VA service;
- (b) the individual's applications are made in connection with an application by the corporation to be licensed to provide the VA service;
- (c) the individual is providing the VA service in Hong Kong on behalf of the corporation at the time the individual's applications are made;
- (d) under section 3(1) of this Schedule, section 4 of this Schedule applies to the corporation;
- (e) the Commission has not issued a section 5 notice under subsection (5) in respect of the individual's applications.
- (2) A condition in subsection (1)(a)(i) or (ii) is regarded as not met in relation to the individual if the Commission has not acknowledged receipt in writing that it has received the application referred to in that subsection.
- (3) If any of the matters specified in subsection (4) are not proved to the Commission's satisfaction in relation to the individual, the Commission may—
- (a) decide that section 6 of this Schedule is not to apply to the individual; and
- (b) decide to commence the deemed withdrawal procedure under section 10 of this Schedule in respect of the individual's applications.
- (4) The matters are that—