



# **Points to Note for Applicants / Holders of TCSP Licences**

**Miss Bonnie LEUNG**  
**Assistant Registry Manager**  
**23 November 2023**



# Quick Review (1) – Background

- Commencement of a licensing regime for trust or company service providers with effect from 1 March 2018
- Unless exempted, any person who carries on or wishes to carry on a trust or company service business in Hong Kong is required to apply for a licence and satisfy a “fit-and-proper” test before they can provide trust or company services as a business in Hong Kong
- Any person who carries on a trust or company service business in Hong Kong without a licence commits an offence and is liable on conviction to a fine up to \$100,000 and imprisonment up to six months.

# Quick Review (2) – Ordinance governing TCSP Licensing Regime



Anti-Money Laundering and  
Counter-Terrorist Financing Ordinance,  
Cap. 615 (“AMLO”), Part 5A

# Quick Review (3) – Guidelines issued by the Registrar of Companies



公 司 註 冊 處  
COMPANIES REGISTRY

Guideline on Licensing of  
Trust or Company Service Providers

October 2022

(“Licensing Guideline”)



公 司 註 冊 處  
COMPANIES REGISTRY

Guideline on Compliance of  
Anti-Money Laundering and  
Counter-Terrorist Financing Requirements  
for Trust or Company Service Providers

June 2023

(“AML/CTF Guideline”)



公 司 註 冊 處  
COMPANIES REGISTRY

Guideline on Imposition  
of Pecuniary Penalty

March 2018

(“Penalty Guideline”)

\* The AML/CTF Guideline was revised with effect from June 2023

# Quick Review (4) – Who is subject to the “fit-and-proper” test?

For an applicant that is an individual carrying on business as sole proprietor

- The individual
- Each ultimate owner

For an applicant that is a partnership

- Each partner
- Each ultimate owner

For an applicant that is a corporation

- Each director (including alternate director)
- Each ultimate owner

# Quick Review (5) – Who is exempted from the licensing requirement (including the “fit-and-proper” test)?

## **Accounting professional**

(i.e. a Certified Public Accountant (“CPA”) as defined in the Professional Accountants Ordinance (Cap. 50) or a CPA (practising), a corporate practice or a CPA firm as defined in the Accounting and Financial Reporting Council Ordinance (Cap. 588))

## **Legal professional**

(i.e. a solicitor or a foreign lawyer as defined in the Legal Practitioners Ordinance (Cap. 159))

**Person of a class or description prescribed by the Secretary for Financial Services and the Treasury by regulation**

## **Licensed corporation**

(as defined in the Securities and Futures Ordinance, Cap. 571)) that operates a trust or company service business in Hong Kong that is ancillary to the corporation’s principal business

## **Authorized institution**

(as defined in the Banking Ordinance (Cap. 155))



# Licensing Requirements

Apply for a TCSP licence  
**BEFORE** carrying on a trust or company service business in Hong Kong  
*(section 53G of the AMLO)*

Form TCSP1

Apply for renewal of a TCSP licence  
**AT LEAST 60 DAYS BEFORE** expiry of the licence  
*(section 53K of the AMLO)*

Form TCSP2

Obtain prior approval from the Registrar of Companies (“Registrar”)  
**BEFORE** adding an ultimate owner / a partner / a director  
*(sections 53S, 53T and 53U of the AMLO)*

Form TCSP3

Notify the Registrar of a change in particulars  
**WITHIN ONE MONTH** beginning on the date on which the change takes place  
*(section 53W of the AMLO)*

Form TCSP6

Notify the Registrar of cessation of trust or company service business  
**BEFORE** the intended date of cessation  
*(section 53X of the AMLO)*

Form TCSP7

# Application for a TCSP Licence

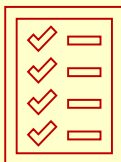


## Points to note

- Do **NOT** commence any trust or company service business unless a licence is granted
- Submit a valid business (*not branch*) registration certificate
- Provide information of the ultimate owner (*not shareholder*) (*paragraph 4.3 of licensing guideline*)
- Appoint at least one compliance officer (CO) and one money laundering reporting officer (MLRO) and keep records of the appointment and responsibilities of the CO and MLRO (*paragraphs 3.4 & 3.5 of AML/CTF guideline*)
- Keep a copy of the completed application form for record



# Application for Renewal of TCSP Licence (1)

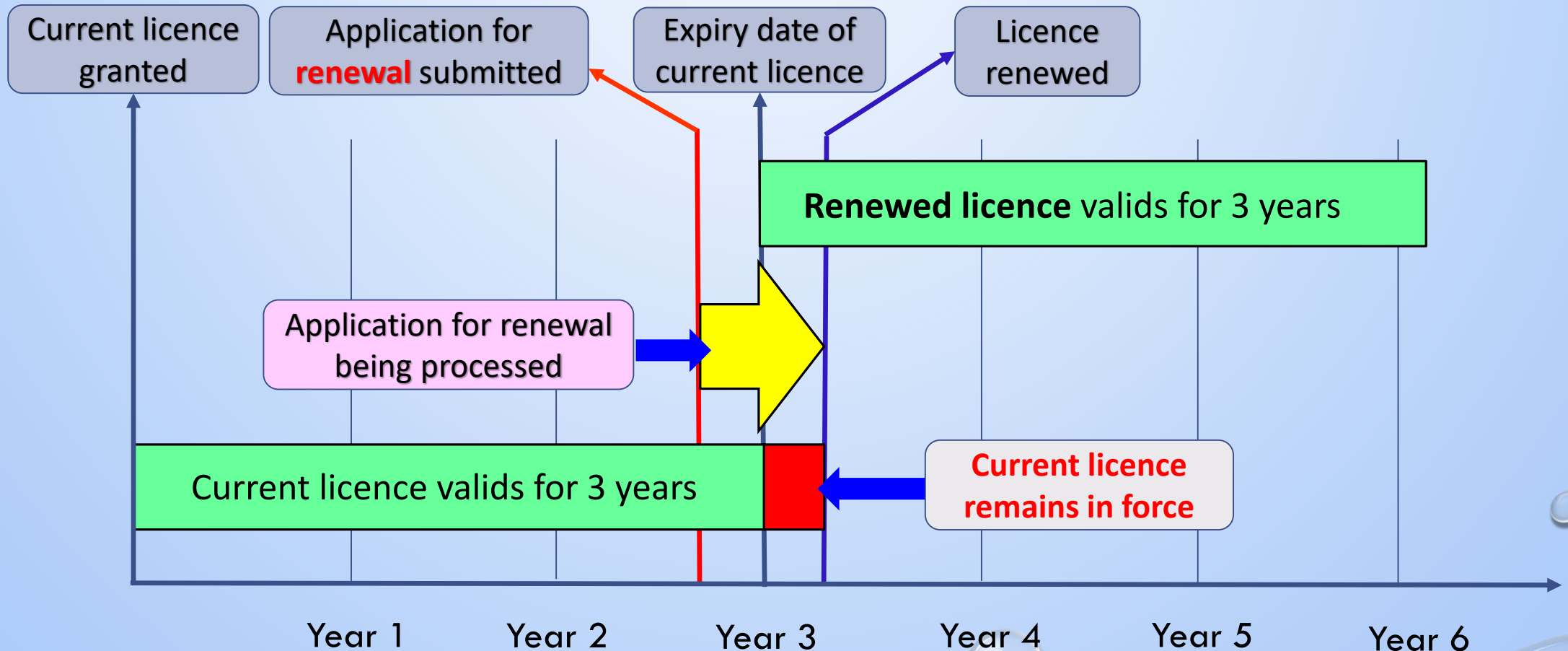


## Points to note

- There is no grace period and licensees have to apply for a new licence if they miss the deadline for renewal of licence.
- Licensees may apply for renewal of their licences 3-4 months before their licences are due to expire. Application must be submitted at least 60 days before the expiry.  
*(Reminder email will be sent to licensees 4 months before the expiry of their licences)*
- Information filled in Form TCSP2 should be consistent with the records previously provided to the Registrar.
- Upon making the application for renewal of licence successfully, your current licence remains in force until your application is withdrawn or the current licence is revoked or suspended, until it is renewed, or if it is not renewed, until the decision not to renew takes effect. *(Section 53K(4) of the AMLO)*

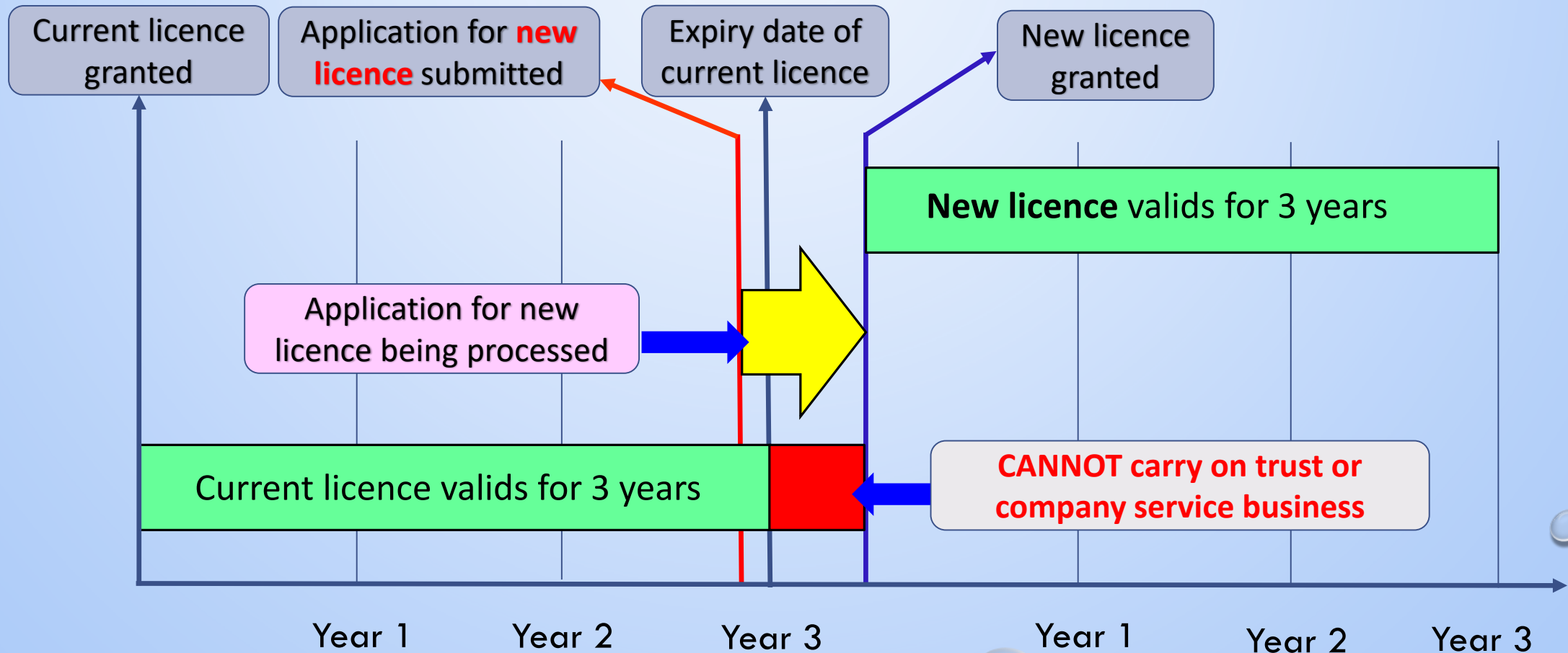
# Application for Renewal of TCSP Licence (2)

Application must be submitted at least 60 days before the licence expires



# Application for Renewal of TCSP Licence (3)

Licensee **fails** to submit application at least 60 days before the licence expires



# Licensing Conditions

• All TCSP licensees are required to comply with the licensing conditions imposed by the Registrar: -



The Licensee should appoint a CO and an MLRO during the term of the licence and should ensure that a new CO or MLRO (as the case may be) is appointed **within 7 days** where a vacancy occurs in the two posts.



The Licensee should put in place adequate and proper anti-money laundering and counter-terrorist financing (“AML/CTF”) policies, procedures and controls, **as evidenced by policy statement(s) or other written documents.**



The Licensee should provide information relating to his business during the term of the licence as may be required by the Registrar of Companies and such information should be **provided within such time as the Registrar of Companies may specify.**

**A TCSP Licensee may be subject to disciplinary actions by the Registrar for any non-compliance with the licensing conditions.**

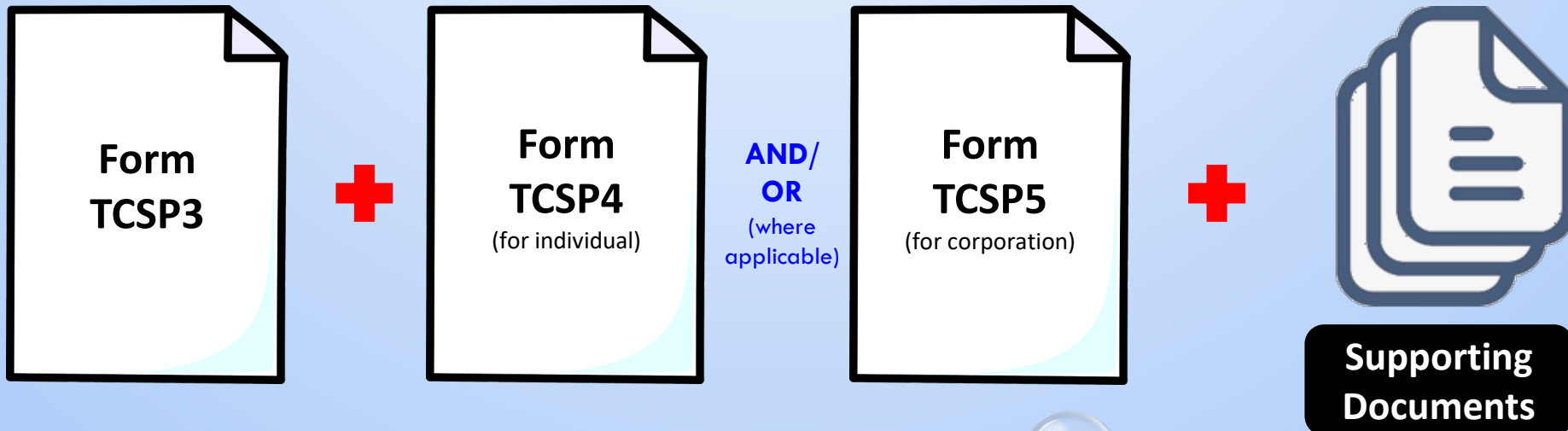
# Application for approval to become an ultimate owner / a partner / a director of a TCSP Licensee (1)

## When to apply?

- **BEFORE** adding an ultimate owner / a partner / a director who is subject to the “fit-and-proper” test

## How to apply?

- Submit the following forms and documents together with the correct fees electronically, in person or by post to the TCSP Registry: -



# Application for approval to become an ultimate owner / a partner / a director of a TCSP Licensee (2)

Q	Our company would like to appoint a director who is subject to the “fit-and-proper” test. What forms should we file?
A	<div>Step 1: Submit a <b>Form TCSP3</b> to apply for approval for the proposed person to become a director</div> <div>↓ after approval is given</div> <div>Step2: Make arrangements for the approved person to become a director</div> <div>↓ after the appointment is made</div> <div>Step 3: Submit a <b>Form ND2A</b> within 15 days and a <b>Form TCSP6</b> within one month</div>



# Application for approval to become an ultimate owner / a partner / a director of a TCSP Licensee (3)

<b>Q</b>	<b>I have passed the “fit-and-proper” test before becoming a director of Licensee A. Do I need to apply for approval again before I can be appointed to be a director of Licensee B?</b>
----------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

<b>A</b>	Yes.
----------	------

<b>Q</b>	<b>I have passed the “fit-and-proper” test before becoming a director of Licensee A. Do I need to apply for approval before I can be added to be an ultimate owner of Licensee A?</b>
----------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

<b>A</b>	Yes.
----------	------

<b>Q</b>	<b>Our company would like to allot / transfer shares. Do we need to submit any form to the TCSP Registry?</b>
----------	---------------------------------------------------------------------------------------------------------------

<b>A</b>	If the allotment / transfer of shares will result in addition of an ultimate owner, prior approval is required before such arrangement can be made.
----------	-----------------------------------------------------------------------------------------------------------------------------------------------------

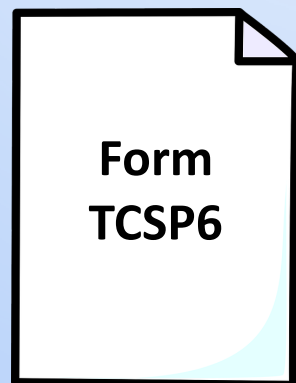
# Notification of Changes in Particulars (1)

## When to apply?

- **WITHIN ONE MONTH** beginning on the date on which a change takes place

## How to apply?

- Submit the following form and documents electronically, in person or by post to the TCSP Registry: -



**Supporting  
Documents**

# Notification of Changes in Particulars (2)

Type of changes which a TCSP licensee must notify the Registrar

**Changes in particulars of licensee, for example, the licensee's business name, business address, business email address, business telephone number etc.**

**Changes of the licensee's ultimate owner / partner / director / CO / MLRO**

**Changes in particulars of the licensee's ultimate owner / partner / director / CO / MLRO**

**Changes in the fit and proper status of persons who have undergone the "fit-and-proper" test**

# Notification of Changes in Particulars (3)

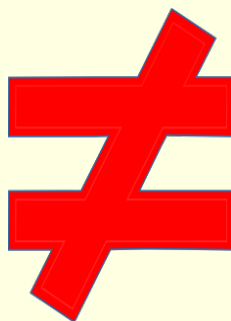
Q	<b>Our company has recently filed a Form ND2A with the Companies Registry for change of company secretary. Do we need to notify the TCSP Registry of the change as well?</b>
A	No. Change of company secretary is not a change in the particulars previously provided to the Registrar in connection with a licensee's application for the grant or renewal of a licence.
Q	<b>Our company has just changed its business address. We are about to renew our licence. Can we report the new business address on the Form TCSP2 without filing of the Form TCSP6 with the TCSP Registry?</b>
A	No. Your company must submit a Form TCSP6 to report the change of business address within one month after the change takes place.
Q	<b>Our company has notified the TCSP Registry of the change of company name and business address. Will our company receive a new licence showing the new company name and business address?</b>
A	No, but the new company name and business address will be shown in the register of TCSP licensees for public inspection.

## Notification of Changes in Particulars (4)

Q	Our company has filed a Form ND2B with the Companies Registry to report the change of passport number of one of our directors. Do we still need to submit a Form TCSP6 to report the same change?
A	Yes. Your company has to file both Forms ND2B and TCSP6 to comply with the requirements of the Companies Ordinance, Cap 622 and the AMLO.



**Filing form(s)  
under the  
Companies  
Ordinance (Cap. 622)**  
*(e.g. Form NR1, ND2A,  
ND2B)*



**Filing form(s)  
under the  
AMLO (Cap. 615)**  
*(e.g. Form TCSP6)*

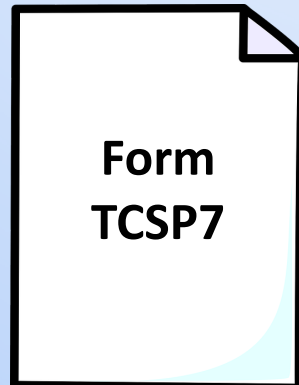
# Notification of Cessation of TCSP business (1)

## When to apply?

- **BEFORE** the intended date of cessation

## How to apply?

- Submit the following form and documents electronically, in person or by post to the TCSP Registry: -





# Notification of Cessation of TCSP business (2)

Q	<b>Our company is going to apply for deregistration. Do we need to inform the TCSP Registry?</b>
A	Yes. Your company should submit a Form TCSP7 to notify the Registrar of your intention to cease business and the intended date of cessation.
Q	<b>Our company has submitted a Form TCSP7 to the TCSP Registry. Will we receive an acknowledgement letter?</b>
A	Yes. A notification will be issued to you informing that the Registrar has cancelled/will cancel your licence with effect from the intended date of cessation and you are required to cease all your trust or company service business upon cessation of your licence.

# Revised AML/CTF Guideline (1)

- The AML/CTF Guideline for TCSPs had been revised in 2023 which covered the following amendments: -

Amending the definition of “beneficial owner” in relation to a trust

Updating the definition of politically exposed person (“PEP”), and the introduction of “former PEP”

“Recognized Digital Identification System” to verify a customer’s identity where the client is not physically present

Requirements of employee screening and independent audit function

Professional company secretary as one of the suitable persons for certifying verification of identity documents

Record-keeping requirement for occasional transaction

Risk assessment in relation to new services, new business practices and use of new technologies

Counter-Financing of Proliferation of Weapons of Mass Destruction

# Revised AML/CTF Guideline (2)

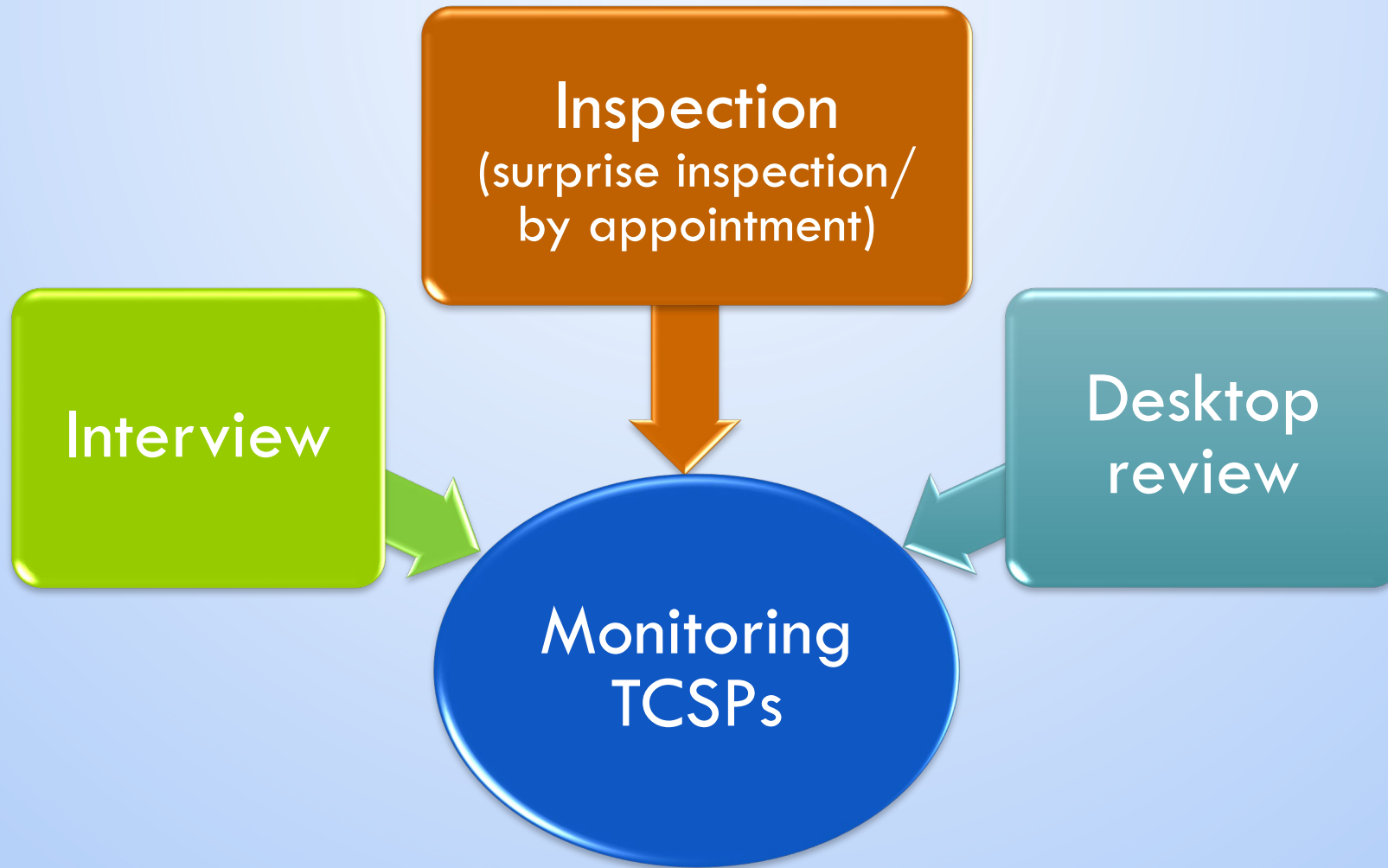
## Employee Screening Procedures

- develop and implement policies, procedures and control on employee screening
- appropriate screening procedures to satisfy the integrity of new employees
- should be conducted at the recruitment stage and on an ongoing basis

## Independent Audit Function

- should regularly review the adequacy and effectiveness of the AML/CTF systems of the licensees
- can be performed by internal staff / external third parties with sufficient expertise (CO /MLRO **cannot** perform the function)
- frequency and extent of review should be commensurate with the nature, size and complexity of the licensee's business and the ML/TF risks

# Enforcement of the Licensing Regime (1)



# Form SIS2

- Form SIS2 will be sent to all TCSP licensees for completion through email/letter as an annual exercise
- Failure to provide information before the deadline will constitute a breach of Licensing Condition 3 and disciplinary action may be taken by the Registrar under section 53Z of the AMLO



公 司 註 冊 處  
COMPANIES REGISTRY  
信託及公司服務提供者註冊辦事處  
REGISTRY FOR TRUST AND COMPANY SERVICE PROVIDERS

SIS2

信託或公司服務提供者  
牌照編號  
TCSP Licence No.

持牌人的補充資料表格 2  
Supplementary Information Sheet 2 for Licensee

持牌人姓名／名稱  
Name of Licensee

中文姓名／名稱 Name in Chinese	
英文姓名／名稱 Name in English	

年份 Year

2	0	2	2
---	---	---	---

請於第一部填報截至上一個年度 12 月 31 日的資料(除此部最後的問題外):  
Please complete the information as at 31 December of the last calendar year end in Part 1 (except the last question of this part):

第一部 業務資料  
Part 1 Business Information

在香港受僱提供信託或公司服務的職員人數  
Number of staff employed in Hong Kong to provide trust or company service business

(包括全職及兼職職員)  
(including both full-time and part-time staff)

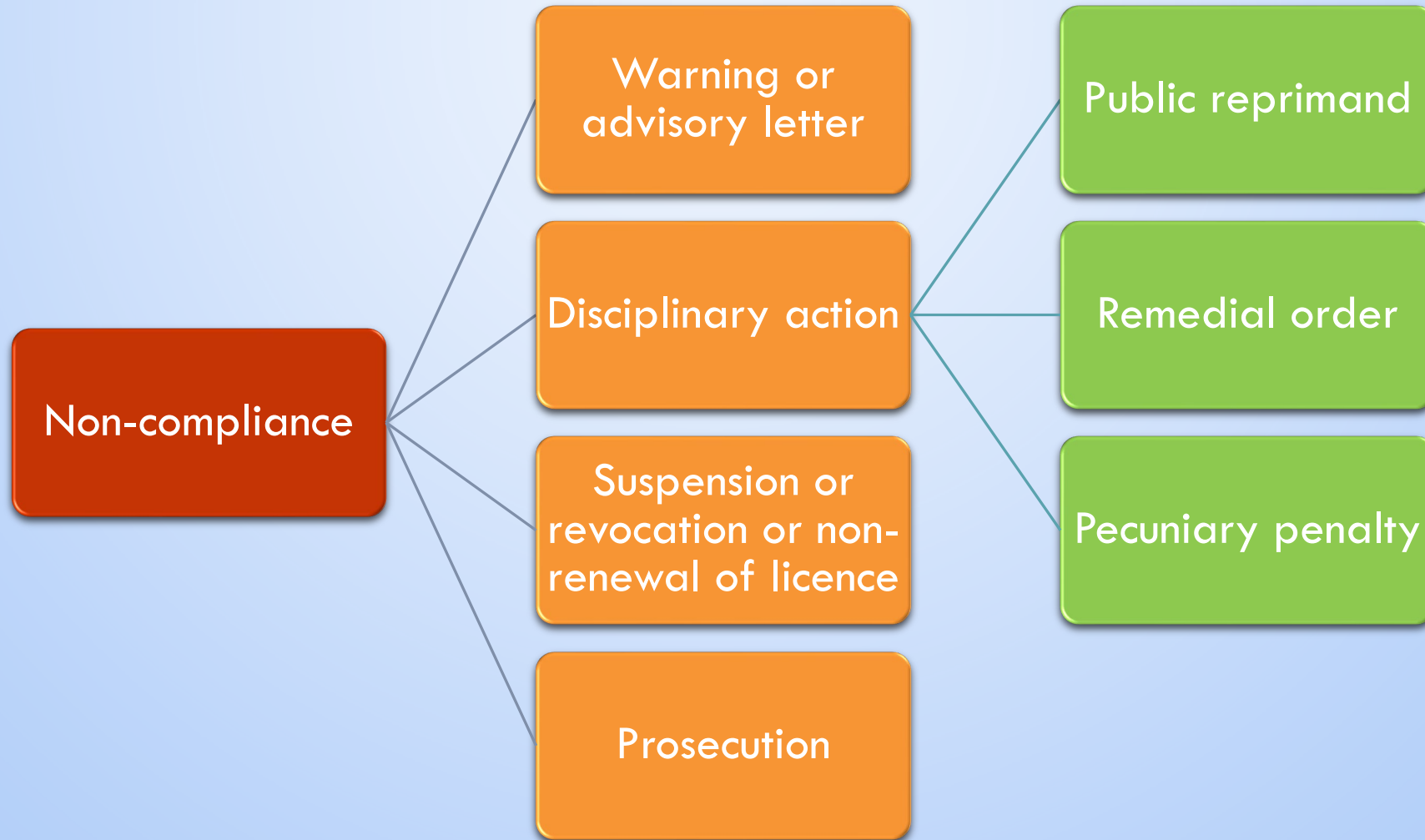
新客戶來源  
Sources of new customers

請在適用的空格內加上 ✓ 號 Please tick the relevant box(es)

來源 Sources	比重 Ratio	
<input type="checkbox"/> 介紹 / 轉介 Introduction / referral		%
<input type="checkbox"/> 街客 Walk-in		%
<input type="checkbox"/> 其他(請註明): Other (please specify):		%

第一頁 Page 1

## Enforcement of the Licensing Regime (2)





# Enforcement of the Licensing Regime (3)

The image displays two overlapping screenshots of the Companies Registry (CR) website, specifically the 'Highlights of Prosecution Cases' and 'Highlights of Disciplinary Cases' sections. The website header includes the CR logo, 'Companies Registry', and contact information. The navigation menu lists 'Home', 'Guidelines', 'Forms', 'Information Pamphlets', 'Enforcement', 'Anti-Money Laundering and Counter-Terrorist Financing', 'FAQs', and 'Publications'.

**Highlights of Prosecution Cases**

Defendant(s)	Nature of Offence	Judgment
[Redacted] (as a director of [Redacted] Limited)	Carrying on a trust or company service business without a licence, contrary to section 53F(1) of the Anti-Money Laundering and Counter-Terrorist Financing Ordinance, Cap. 615 and section 101E of the Criminal Procedure Ordinance, Cap. 221.	The defendant was convicted on 1 August 2019. The defendant from his provider licence.
[Redacted] Limited	Carrying on a trust or company service business without a licence, contrary to section 53F(1) of the Anti-Money Laundering and Counter-Terrorist Financing Ordinance, Cap. 615.	The defendant on 25 July 2019. The defendant from his provider licence.
[Redacted] (as a director of [Redacted] Limited)	Carrying on a trust or company service business without a licence, contrary to section 53F(1) of the Anti-Money Laundering and Counter-Terrorist Financing Ordinance, Cap. 615 and section 101E of the Criminal Procedure Ordinance, Cap. 221.	The defendant on 25 July 2019. The defendant from his provider licence.
[Redacted] Limited	Carrying on a trust or company service business without a licence, contrary to section 53F(1) of the Anti-Money Laundering and Counter-Terrorist Financing Ordinance, Cap. 615.	The defendant on 25 July 2019. The defendant from his provider licence.
[Redacted] (as a director of [Redacted] Limited)	Carrying on a trust or company service business without a licence, contrary to section 53F(1) of the Anti-Money Laundering and Counter-Terrorist Financing Ordinance, Cap. 615.	The defendant on 25 July 2019. The defendant from his provider licence.

**Highlights of Disciplinary Cases**

Name of Licensee and Licence No.	Contravention	Disciplinary Action Taken
[Redacted] Limited (TC00-...)	The Licensee has contravened: 1. Condition 2 of the licence imposed by the Registrar of Companies pursuant to section 53J of the Anti-Money Laundering and Counter-Terrorist Financing Ordinance, Cap. 615 ("the AMLO"), namely, the Licensee has failed to put in place adequate and proper anti-money laundering and counter-terrorist financing policies, procedures and controls, as evidenced by policy statement(s) or other written documents. 2. section 19(3) of Schedule 2 to the AMLO, namely, the Licensee has failed to establish and maintain effective procedures not inconsistent with the AMLO for the purpose of carrying out the duties under sections 3, 4, 5, 9, 10 and 15 of Schedule 2. 3. section 23 of Schedule 2 to the AMLO, namely, the Licensee has failed to take all reasonable measures to ensure that proper safeguards exist to prevent a contravention of any requirement under Part 2 or 3 of Schedule 2, and to mitigate money laundering and terrorist financing risks.	Imposition of a pecuniary penalty of HK\$10,000 (Decision date: 19 October 2020) Statement of Disciplinary Action
[Redacted] Company Limited (TC00-...)	The Licensee has contravened: 1. section 53U(1) of Part 5A of the Anti-Money Laundering and Counter-Terrorist Financing Ordinance, Cap. 615 ("the AMLO"), namely, a person has become a director of the Licensee without prior written approval of the Registrar of Companies.	Imposition of a pecuniary penalty of HK\$20,000 (Decision date: 21 September 2020) Statement of Disciplinary Action

# Common deficiencies identified during interviews / inspections (1)

## Policy Statement

- has not established its own written policy statement(s)
- the following areas/details are omitted:
  - employee screening procedures
  - independent audit function
  - procedures and/or documents required for customer due diligence (“CDD”)
  - screening of customers against the lists of sanction designations and terrorists
  - screening of beneficial owners of customers on PEPs

# Common deficiencies identified during interviews / inspections (2)

## Risk Assessment

- unable to demonstrate that the licensee has conducted risk assessment on its customers
- no risk assessment records/results kept

## Customer Screening

- no screening on customers against the updated lists of sanction designations and terrorists
- not conducted as soon as practicable after the relevant lists are updated
- no screening on beneficial owners of customers on PEPs
- no screening records/results kept

## Customer not physically present for identification

- no other additional measures or EDD have been conducted against customers except online interviews with snapshot of his /her picture holding the identification document

## Ongoing Monitoring

- not aware of the changes in the particulars of customers and their beneficial owners
- unable to demonstrate that the information of customers are up-to-date and relevant

## Person purports to act on behalf of the customer

- no verification of authority of persons purport to act on behalf of the customers who are corporations
- no authorisation documents from the corporate customers

# Highlights on Key Updates in 2023

19 May

- All TCSP licensees were required to complete and return the Form SIS2 for 2022 to the TCSP Registry by email or by post by **19 June 2023**

1 June

- Anti-Money Laundering and Counter-Terrorist Financing (Amendment) Ordinance 2022 came into operation
- Revised AML/CTF Guideline came into effect


14 September

- Revised Form TCSP1-SIS2A came into effect

27 December

- Revised Forms TCSP1, TCSP2, TCSP3, TCSP5 and TCSP6 will be put in use

# Website of TCSP Registry


**公司註冊處**  
**Companies Registry**


Registry for Trust and Company Service Providers  
Unit 1208, 12/F, One Kowloon, 1 Wang Yuen Street, Kowloon Bay,  
Kowloon, Hong Kong


What's New   Contact Us   繁   簡


Register   Login

Home   Guidelines   Forms   Information Pamphlets   Enforcement   Anti-Money Laundering and Counter-Terrorist Financing   FAQs   Publications & Presentations

**Register of Trust or Company Service Provider Licensees**


 Name of Licensee or Licence No.


  
THIRTY YEARS OF PEER  
WE CHART A NEW CHAPTER


**Online Services**

- Apply for a Trust or Company Service Provider Licence
- Apply for Renewal of a Trust or Company Service Provider Licence
- Apply for approval to become an ultimate owner/a partner/a director of a TCSP licensee
- Report changes in particulars
- Report Cessation of Trust or Company Service Business

**More Online Service** ▾

 Register

 Login

**What's New**

29/09/2023  
Revision of Specified Forms and Administrative Form for Implementation of Phase 2 of Unique Business Identifier  
The Companies Registry undertakes to implement Un...

29/09/2023  
United Nations Security Council Sanctions in relation to South Sudan  
The United Nations Sanctions (South Sudan) Regula...

**More What's New** ▶



# Thank you

