

Licensing Regime for Trust or Company Service Providers (TCSPs)

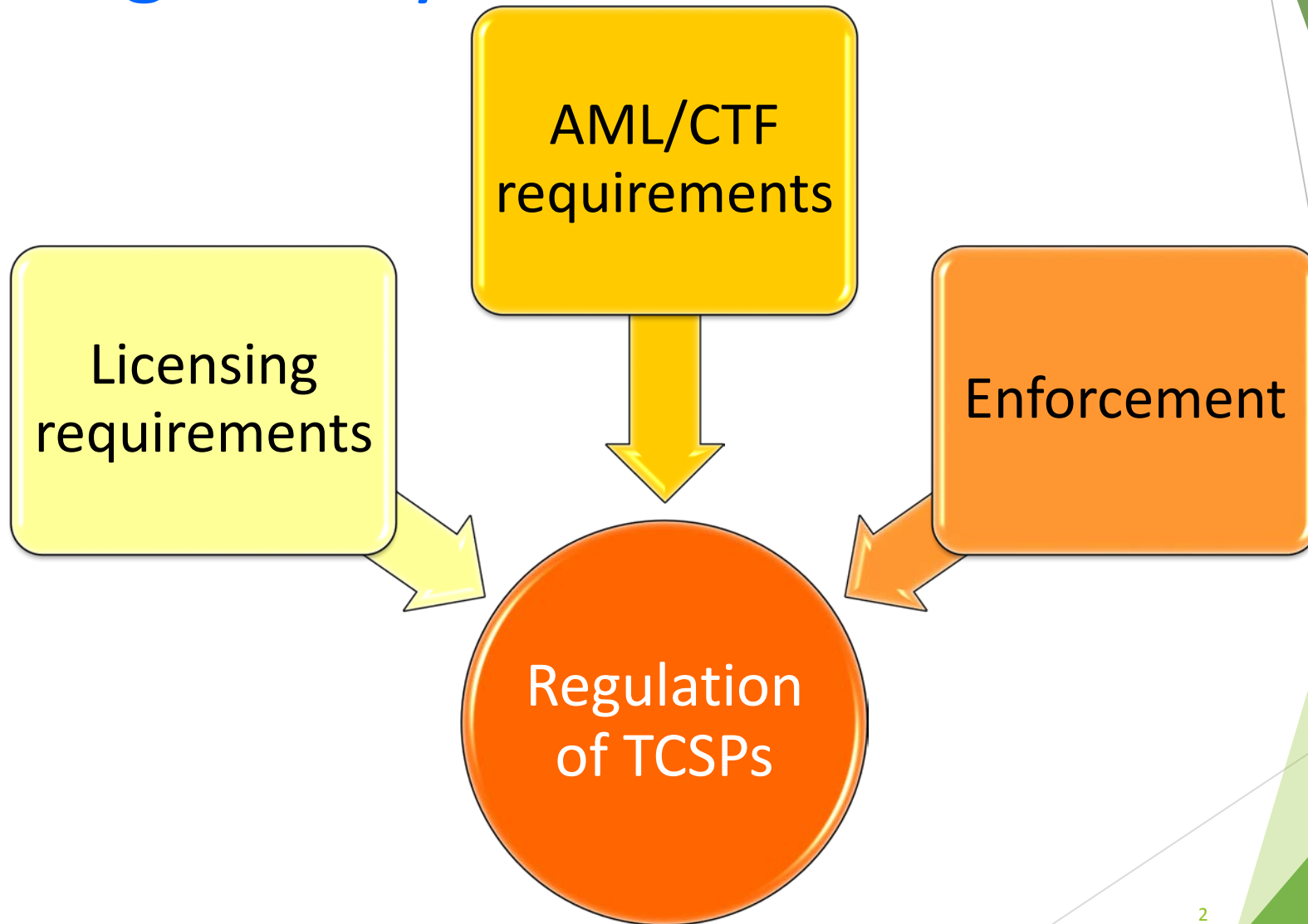


Miss Ida LEE

Deputy Registry Manager

7 May 2021

Regulatory Framework for TCSPs



Requirements for TCSPs (I)

Licensing Requirements

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

AML/CTF Requirements

- AMLO, section 5A & Schedule 2
- Guideline on Compliance of AML/CTF Requirements for TCSPs (“AML/CTF Guideline”)
- Conditions of TCSP licence
- Other legislation – requirements relating financial sanctions, terrorist financing, proliferation of weapons of mass destruction and reporting of suspicious transactions

Requirements for TCSPs (II)

Licensing Requirements

AML/CTF Requirements

AML/CTF Guideline

AMLO (Cap. 615)

Part 5A

S.5A &
Schedule 2

Conditions of Licence

AML/CTF
Requirements
under other
legislation

Licensing Requirements (I)

*Apply for a TCSP licence **BEFORE** carrying on trust or company service business in Hong Kong*

Carry on business **WITHOUT** a licence



Fine up to
HK\$100,000



Imprisonment up to
6 months



It is an offence under s.53F of the AMLO to carry on a trust or company service business without a licence

Licensing Requirements (II)

*I have just applied for a TCSP licence.
Can I carry on trust or company service now?*



NO.

You can only
carry on trust or
company service
AFTER you are
granted a
TCSP licence.



Licensing Requirements (III)

Some examples on who needs to apply for a licence

Providing Address

Our company provides registered office, business address and correspondence address for my clients

Required

I am a landlord and carry on a business of leasing office or business premises to my tenants

Not Required



These examples are not exhaustive and are for general information only. Please seek independent legal or professional advice as you see fit.

Acting as Company Secretary

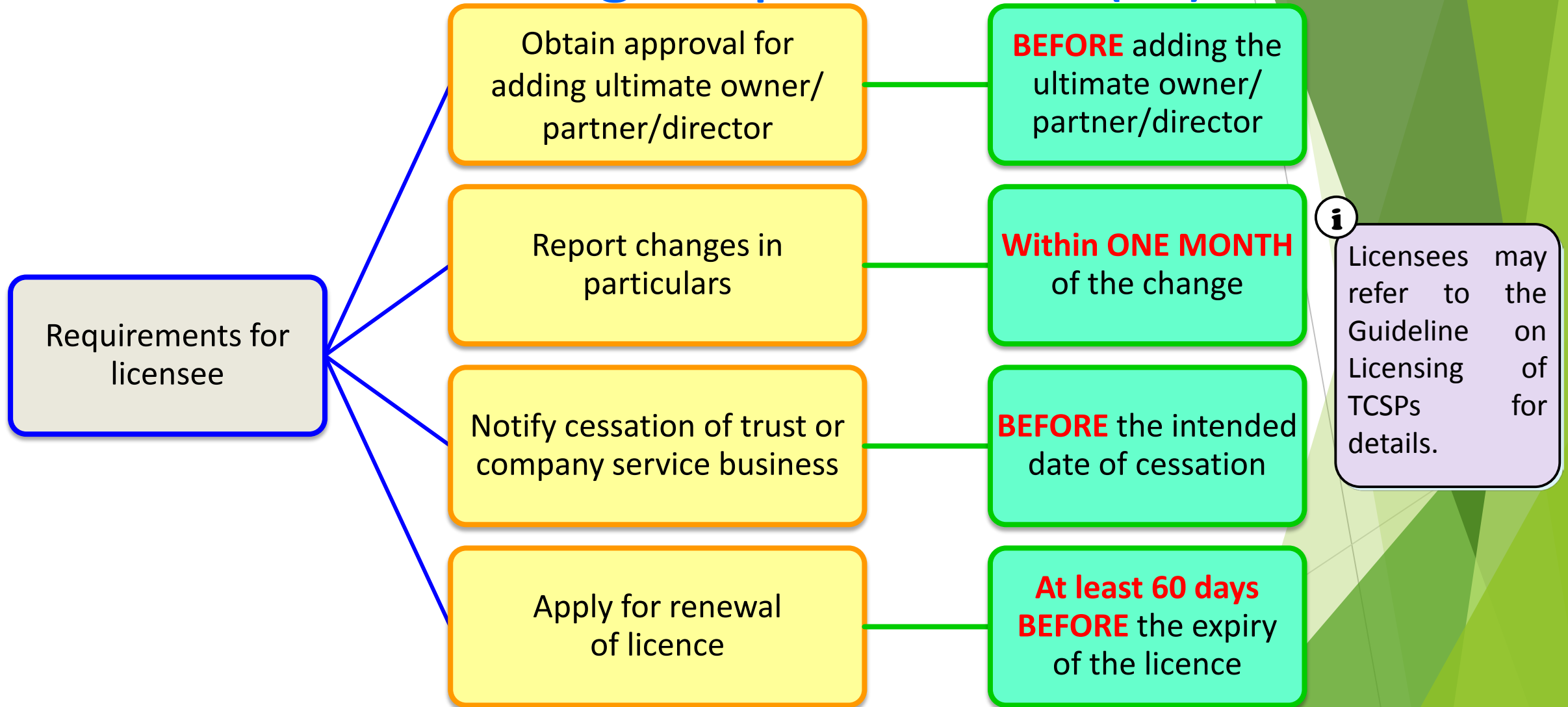
I am employed by a company and is appointed as the company secretary of the company

Not Required

I provide service to companies by acting as their company secretary

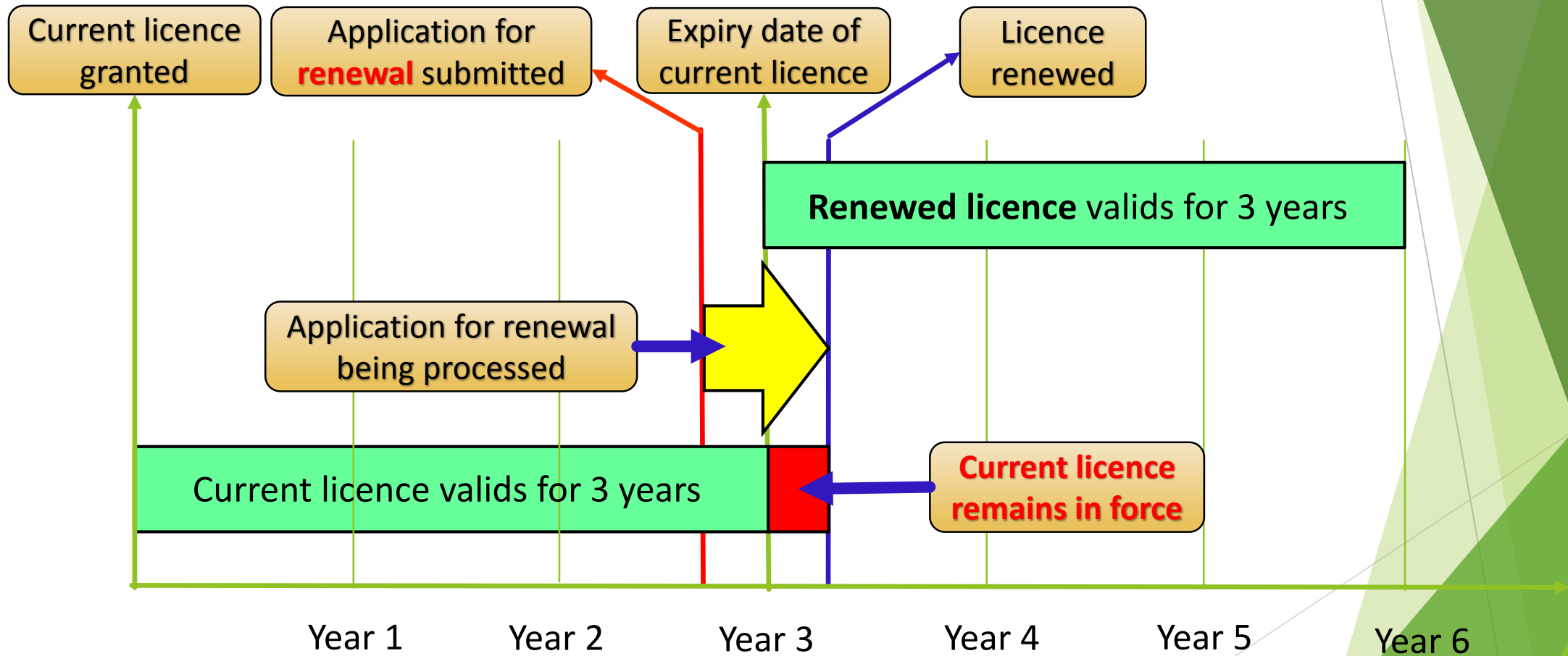
Required

Licensing Requirements (IV)



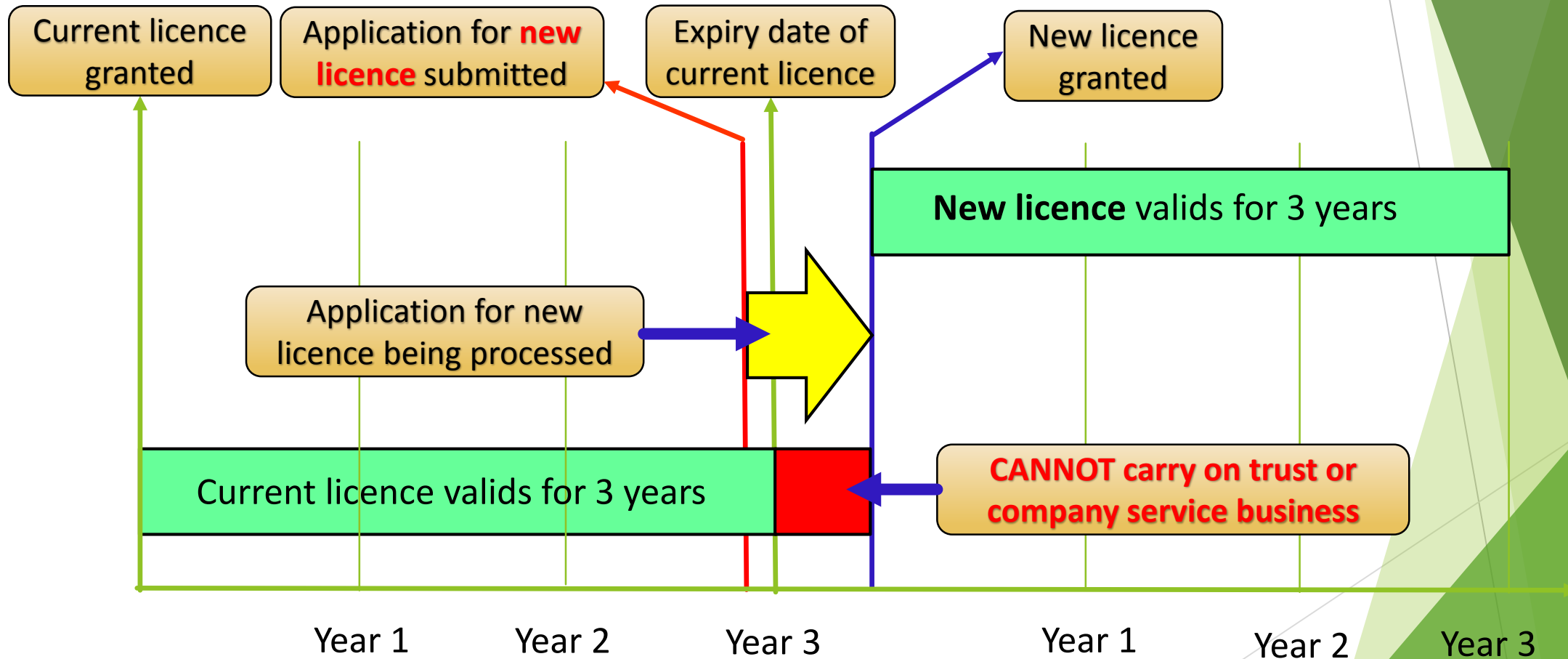
Renewal of TCSP Licence – Timeline (I)

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



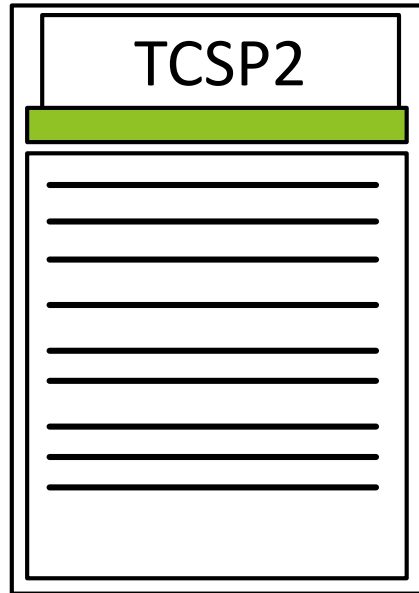
Renewal of TCSP Licence – Timeline (II)

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



Renewal of TCSP Licence - Application

Application



TCSP2

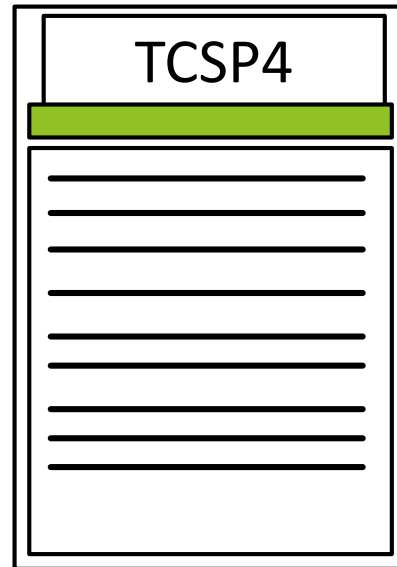
Form TCSP2 is a vertical rectangular form with a green header bar. Below the header, there are ten horizontal lines for text entry.

i Application fee: **HK\$2,910**

Form TCSP4 or Form TCSP5 for **EACH** person subject to the fit and proper test

Individual

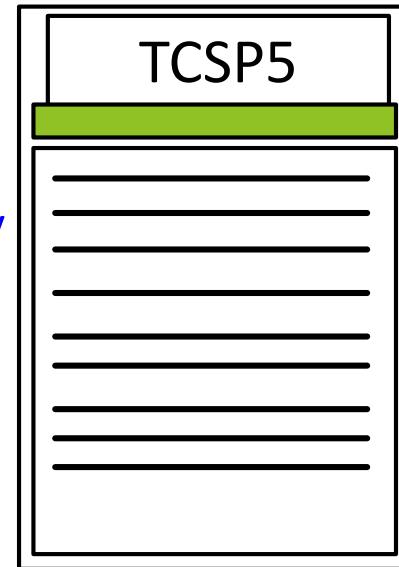
Corporation



TCSP4

Form TCSP4 is a vertical rectangular form with a green header bar. Below the header, there are ten horizontal lines for text entry.

And/
or



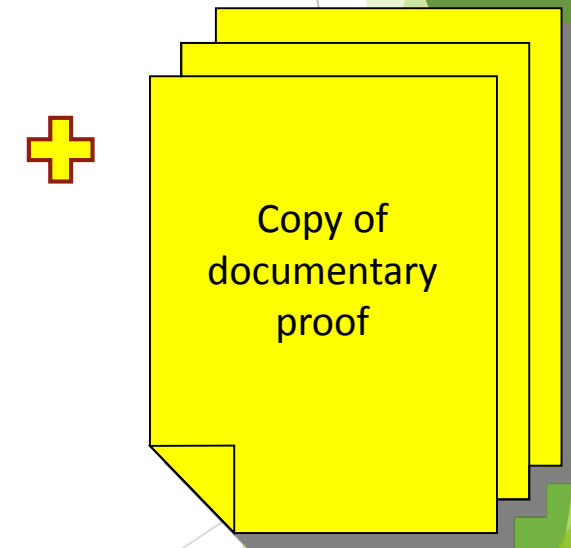
TCSP5

Form TCSP5 is a vertical rectangular form with a green header bar. Below the header, there are ten horizontal lines for text entry.

i Additional fee for **EACH** person: **HK\$975**

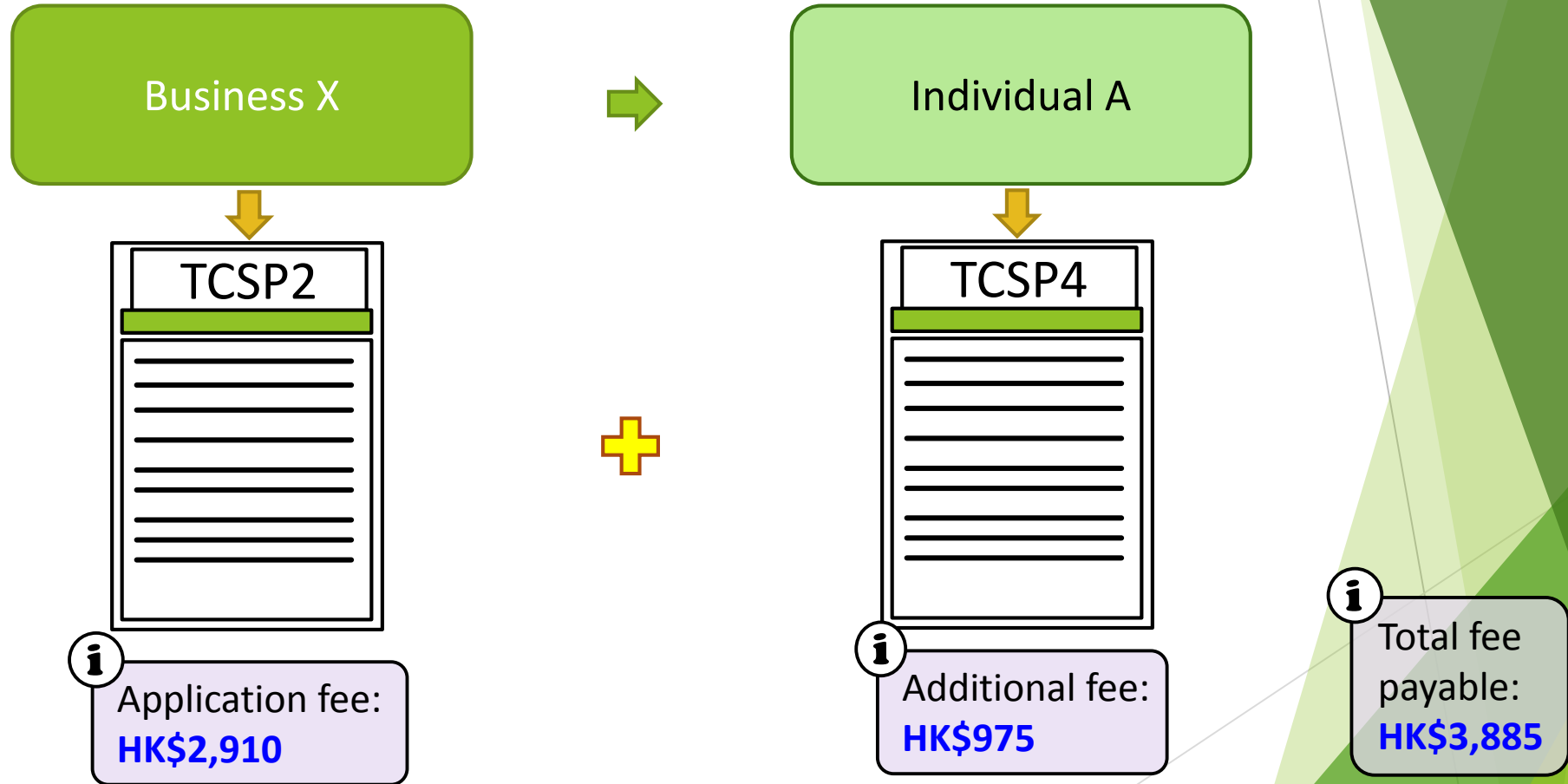


Exempted persons



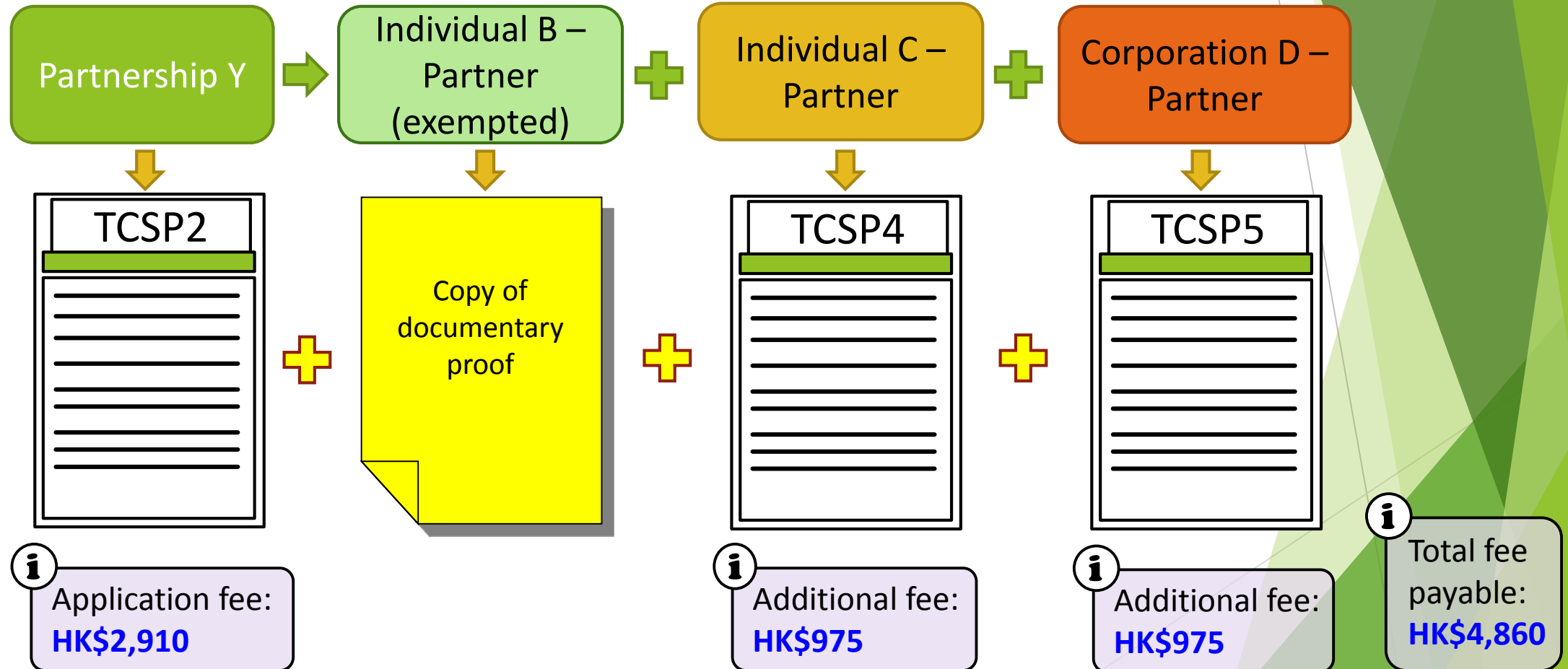
Renewal of TCSP Licence – Example 1

Applicant – sole proprietorship Business X operated by Individual A



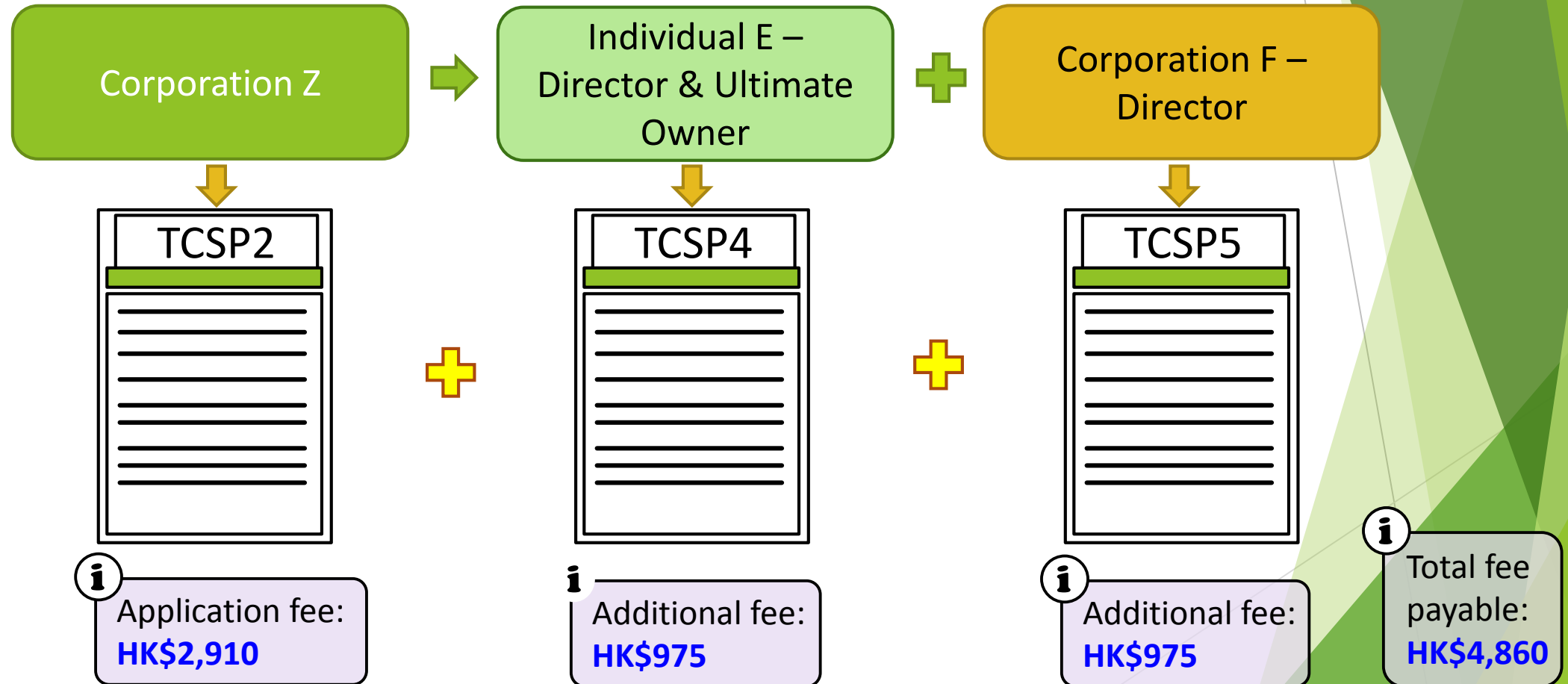
Renewal of TCSP Licence – Example 2

Applicant – Partnership Y

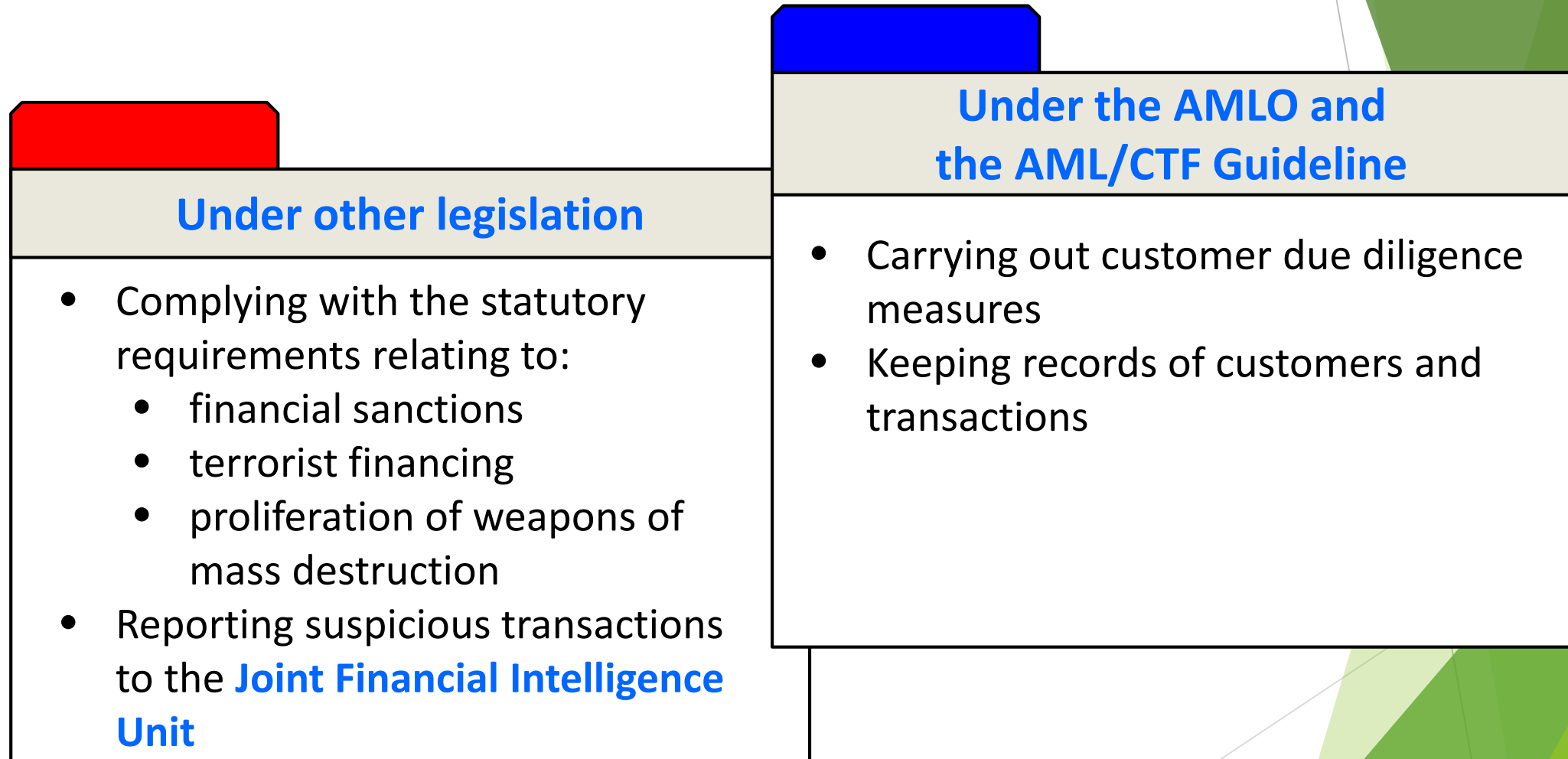


Renewal of TCSP Licence – Example 3

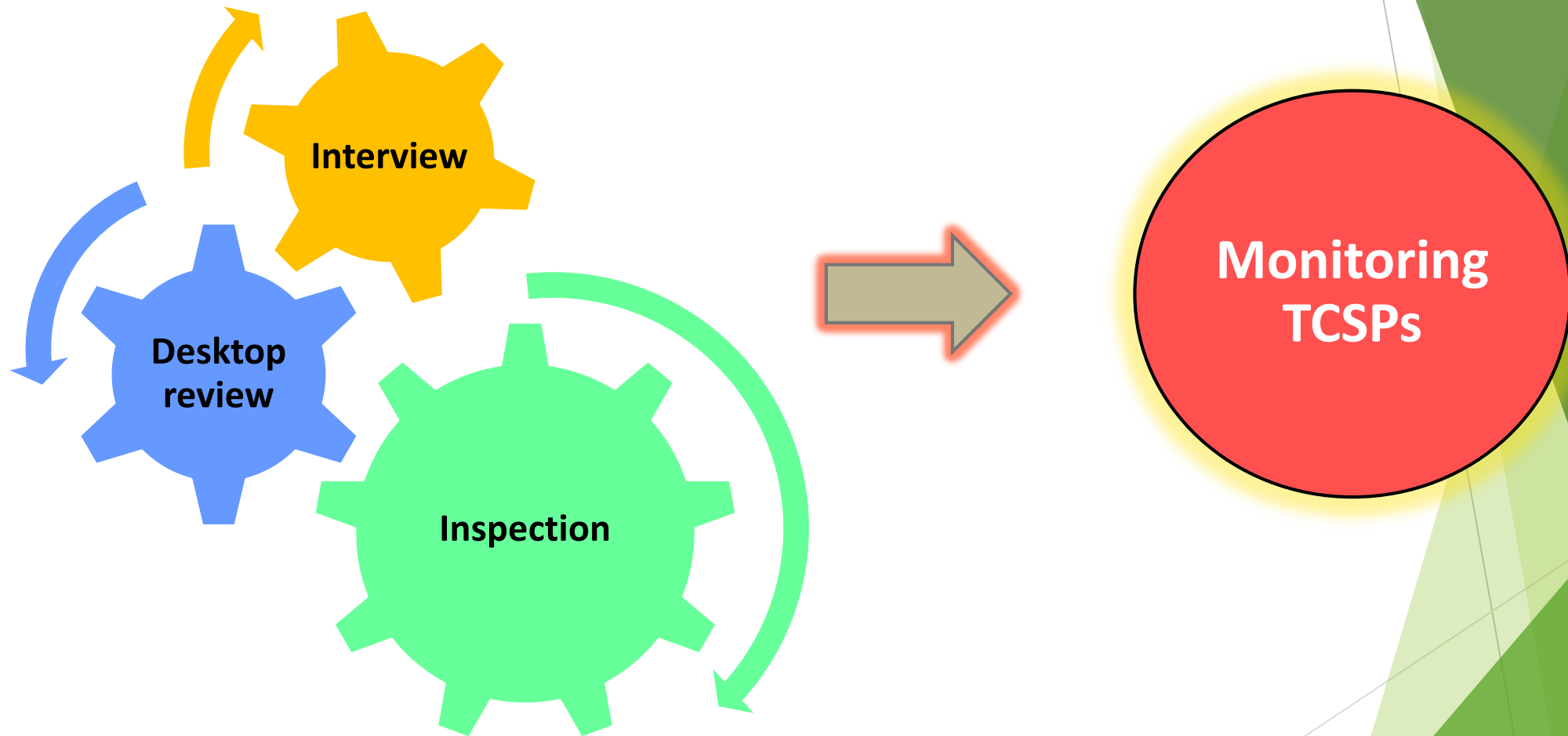
Applicant – Corporation Z



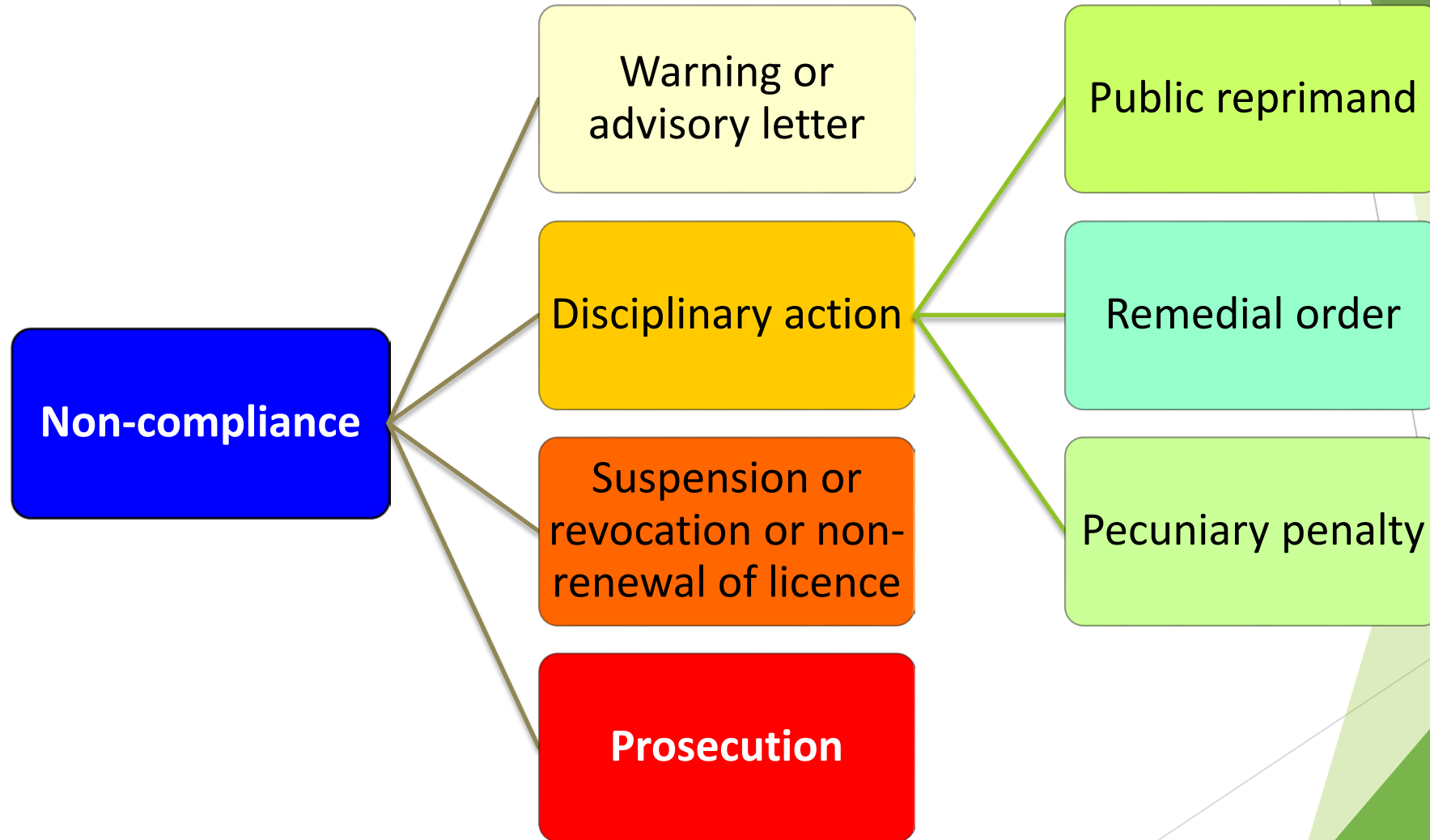
AML/CTF Requirements for TCSPs



Enforcement of the Licensing Regime (I)



Enforcement of the Licensing Regime (II)



Enforcement of the Licensing Regime (III)

The image displays two overlapping screenshots of the Companies Registry website, specifically the 'Highlights of Prosecution Cases' and 'Highlights of Disciplinary Cases' sections.

Left Screenshot: Highlights of Prosecution Cases

Defendant(s)	Nature of Offence	Judgment
[Company Name] (as a director of [Company Name] 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 [Company Name] provider licence [Company Name] Limited.
[Company Name] 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 [Company Name] provider licence [Company Name] Limited.
[Company Name] (as a director of [Company Name] 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 [Company Name] provider licence [Company Name] Limited.
[Company Name] 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 [Company Name] provider licence [Company Name] Limited.
[Company Name] (as a director of [Company Name] 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 [Company Name] provider licence [Company Name] Limited.

Right Screenshot: Highlights of Disciplinary Cases

Name of Licensee and Licence No.	Contravention	Disciplinary Action Taken
[Company Name] 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 AML/O"), 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 AML/O, namely, the Licensee has failed to establish and maintain effective procedures not inconsistent with the AML/O 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 AML/O, 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
[Company Name] 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 AML/O"), 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

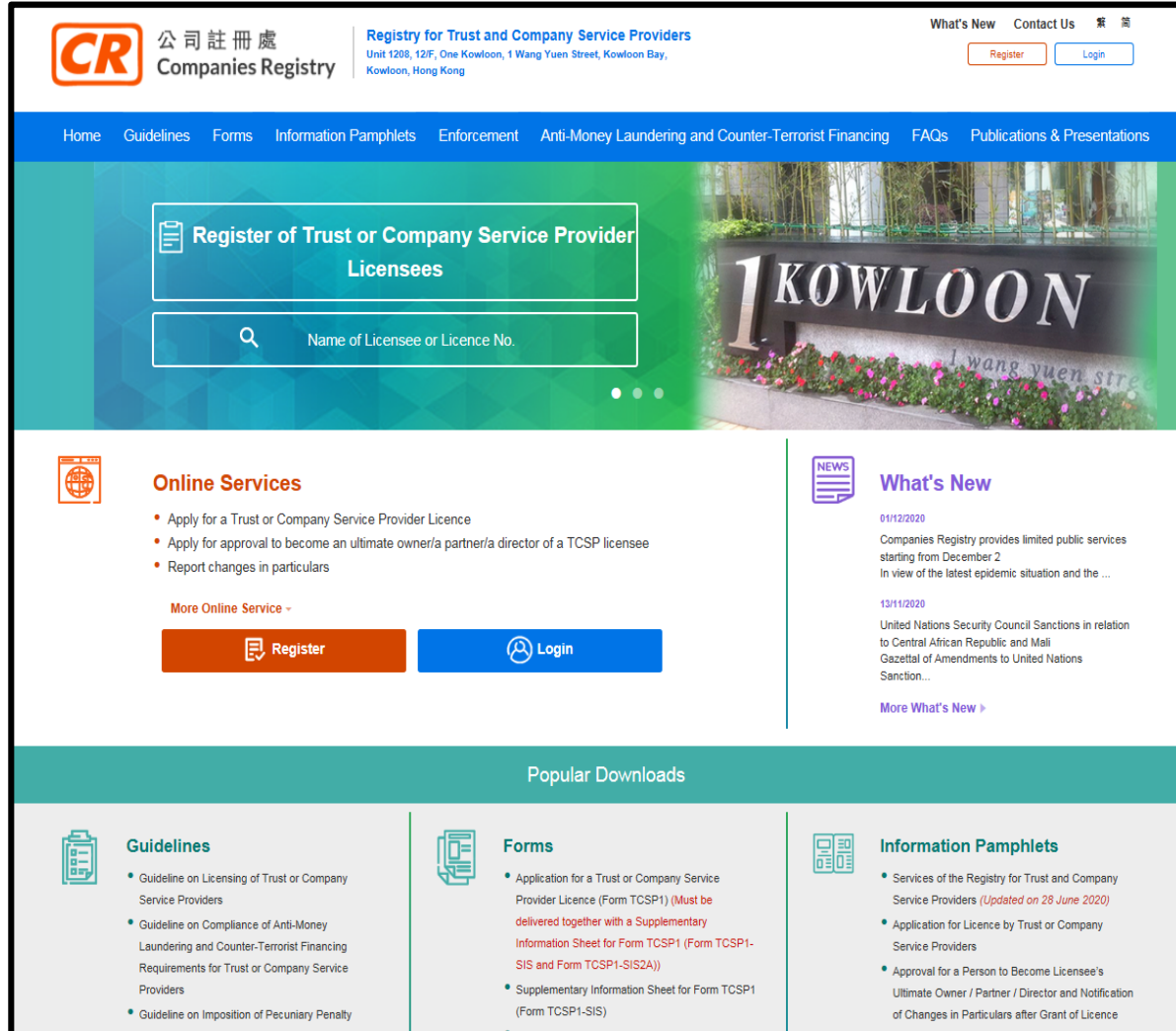
Statistics as at 31 March 2021

SANCTION **917** warning / advisory letters issued
1,512 summonses issued

MONITORING **3,293** inspections conducted
2,100 interviews conducted

LICENSING **8,347** applications received
7,565 licences granted
693 applications rejected or withdrawn

Website of TCSP Registry



The screenshot displays the official website of the Companies Registry for Trust and Company Service Providers (TCSP Registry). The header features the CR logo, the name of the registry in both Chinese and English, and the physical address in Kowloon, Hong Kong. Navigation links for 'What's New', 'Contact Us', and a menu icon are present on the right. A secondary navigation bar lists various sections: Home, Guidelines, Forms, Information Pamphlets, Enforcement, Anti-Money Laundering and Counter-Terrorist Financing, FAQs, and Publications & Presentations. The main content area is divided into several sections. On the left, there is a prominent box for 'Register of Trust or Company Service Provider Licensees' with a search bar. Below this, the 'Online Services' section lists key functions like applying for a licence, approval for ultimate owners, and reporting changes, accompanied by 'Register' and 'Login' buttons. To the right, the 'What's New' section provides updates on public services and UN sanctions. A 'Popular Downloads' section at the bottom categorizes resources into Guidelines, Forms, and Information Pamphlets, each with a list of available documents.

CR 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 繁體

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.

Online Services

- Apply for 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

More Online Service ▾

Register Login

What's New

01/12/2020
Companies Registry provides limited public services starting from December 2
In view of the latest epidemic situation and the ...

13/11/2020
United Nations Security Council Sanctions in relation to Central African Republic and Mali
Gazetted of Amendments to United Nations Sanction...

More What's New ▶

Popular Downloads

Guidelines

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

Forms

- Application for a Trust or Company Service Provider Licence (Form TCSP1) (Must be delivered together with a Supplementary Information Sheet for Form TCSP1 (Form TCSP1-SIS and Form TCSP1-SIS2A))
- Supplementary Information Sheet for Form TCSP1 (Form TCSP1-SIS)

Information Pamphlets

- Services of the Registry for Trust and Company Service Providers (Updated on 28 June 2020)
- Application for Licence by Trust or Company Service Providers
- Approval for a Person to Become Licensee's Ultimate Owner / Partner / Director and Notification of Changes in Particulars after Grant of Licence



The End

