



Points to Note for Applicants / Holders of TCSP Licences

**Miss Bonnie LEUNG
Assistant Registry Manager
29 October 2024**



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")



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

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

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

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

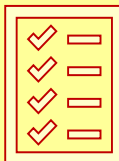
Application for a TCSP Licence



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)

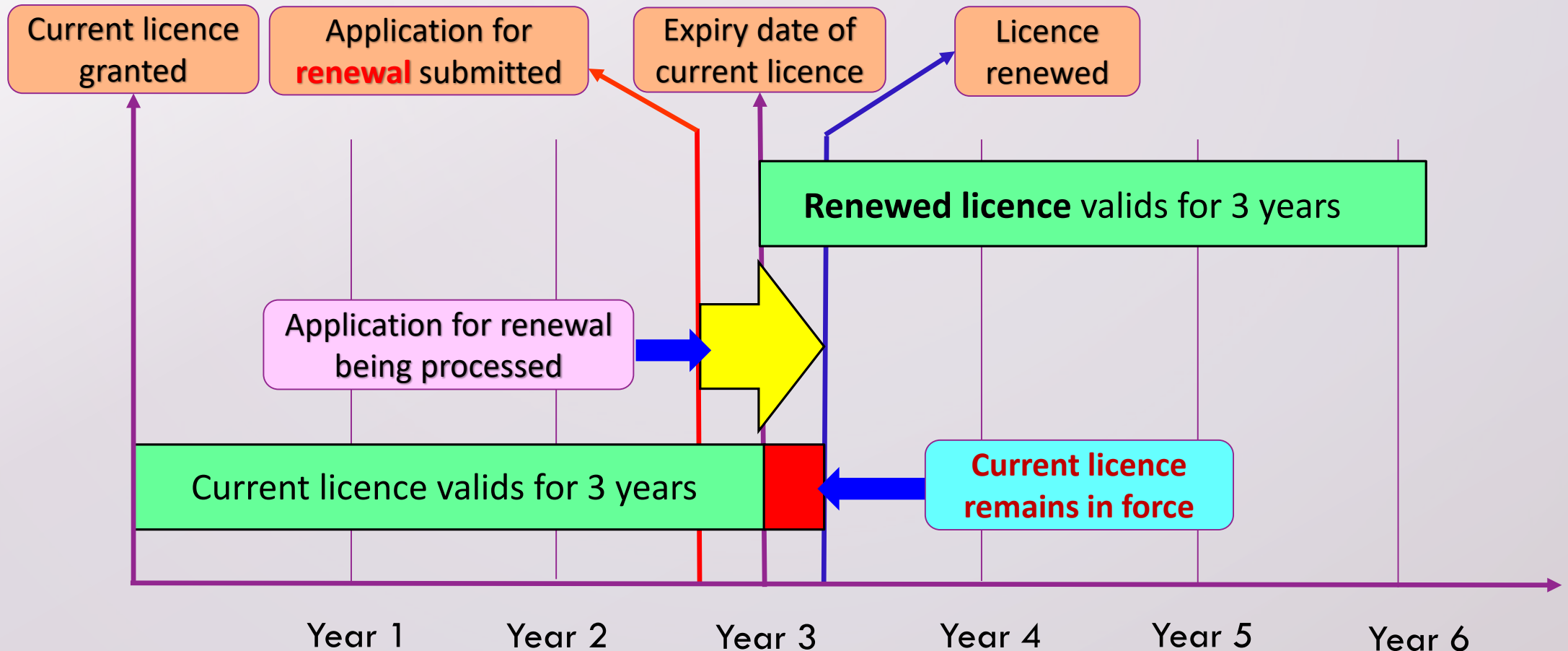


Points to note

- 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)*

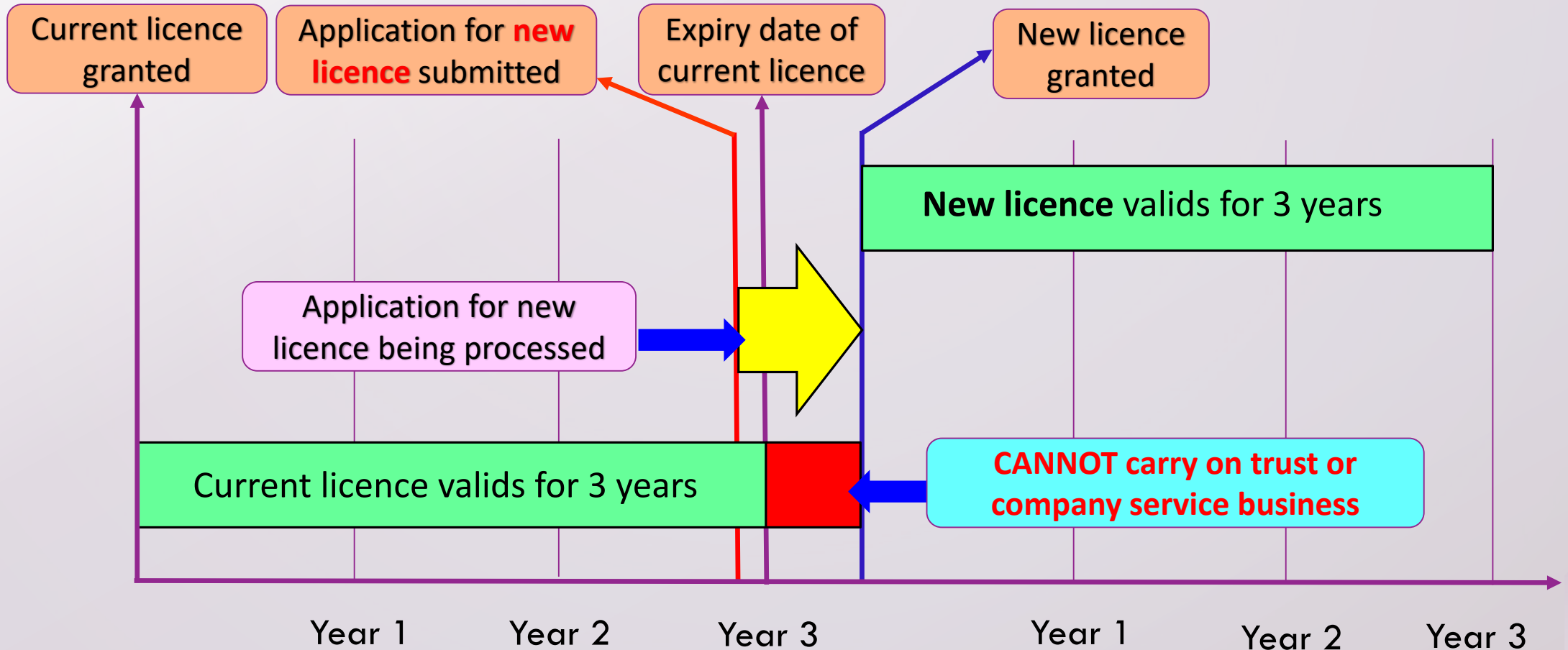
Application for Renewal of TCSP Licence (2)

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 pursuant to section 53J of the AMLO: -



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.

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.

T C

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

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):

年份 Year

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)
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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):	%

請勿填寫本欄 For Official Use

SIS2/2024

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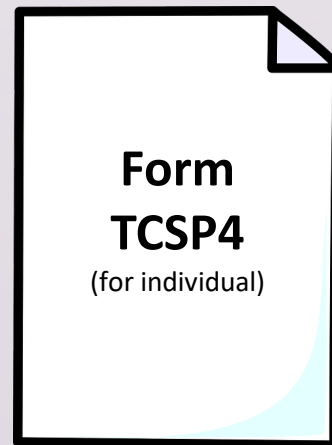
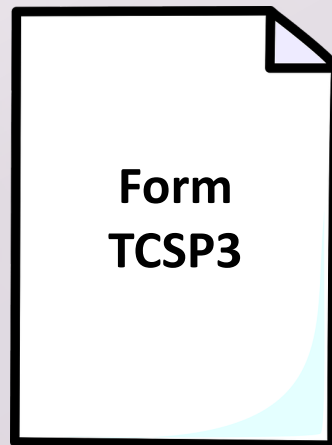
Application for approval to become an ultimate owner / a partner / a director of a TCSP Licensee (1)

When to apply?

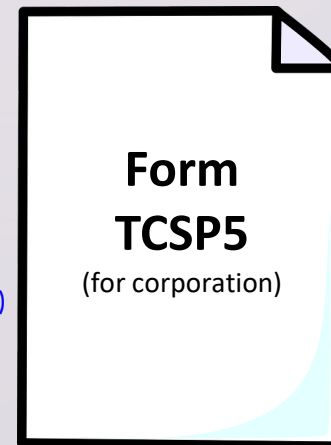
- **BEFORE** adding an ultimate owner / a partner / a director who is subject to the “fit-and-proper” test

How to apply?

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



AND/
OR
(where applicable)



Supporting Documents

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

Step 1: Submit a **Form TCSP3** to apply for approval for the proposed person to become a director



after approval is given

Step 2: Make arrangements for the approved person to become a director



after the appointment is made

Step 3: Submit a **Form ND2A** within 15 days and a **Form TCSP6** within one month

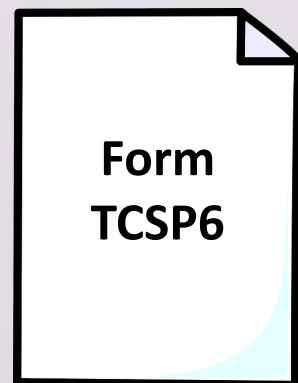
Notification of Changes in Particulars (1)

When to notify?

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

How to notify?

- 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

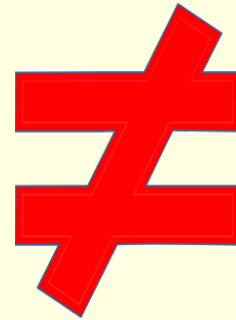
Changes in particulars of the licensee's ultimate owner / partner / director / CO / MLRO

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

Notification of Changes in Particulars (3)



**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)

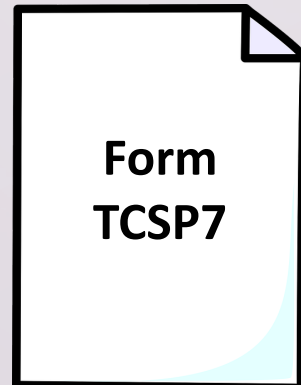
Notification of Cessation of TCSP business

When to notify?

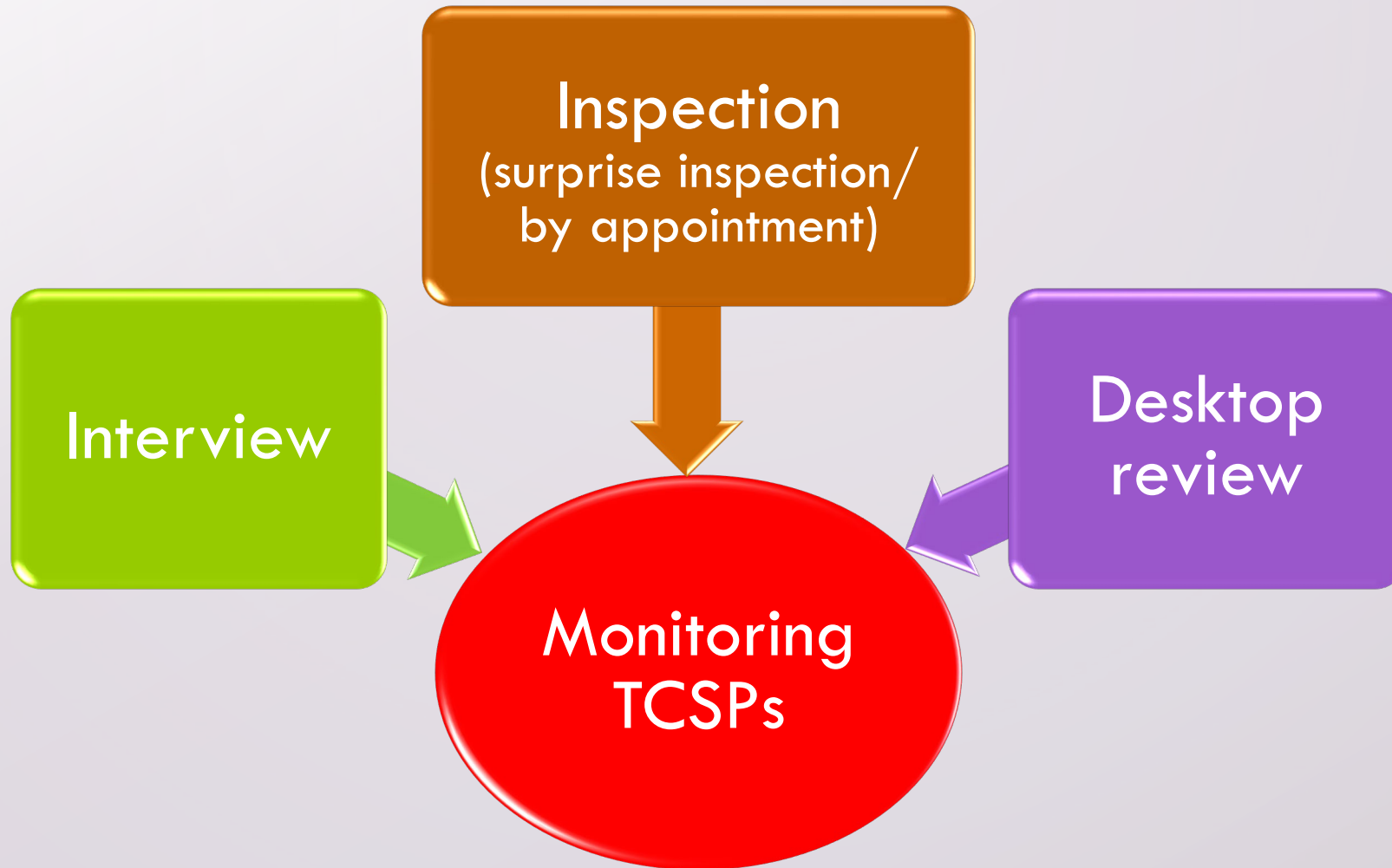
- **BEFORE** the intended date of cessation

How to notify?

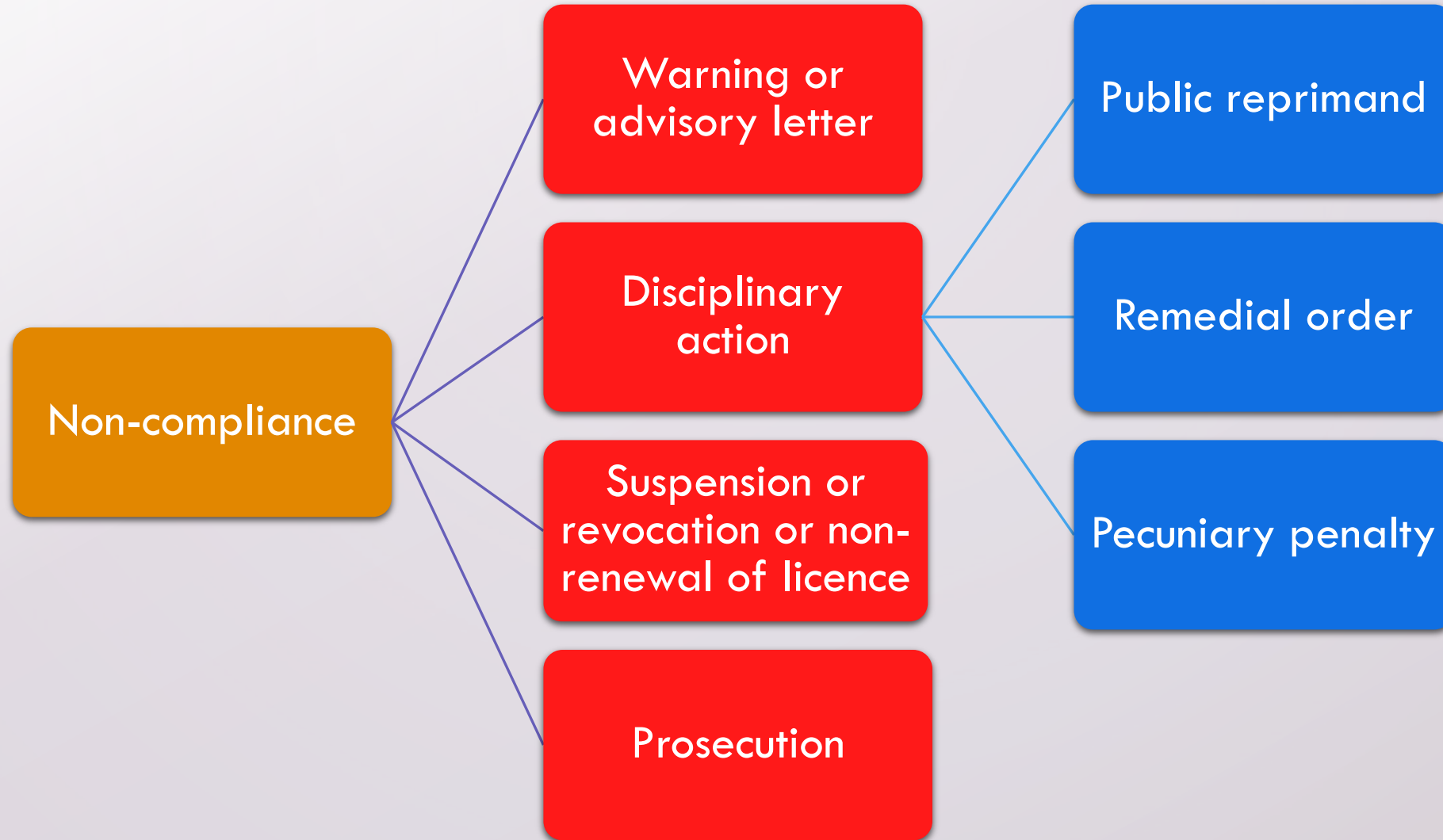
- Submit the following form and documents electronically, in person or by post to the TCSP Registry: -



Enforcement of the Licensing Regime (1)



Enforcement of the Licensing Regime (2)



Enforcement of the Licensing Regime (3)

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 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 was convicted on 1 August 2019. The defendant from [Company Name] provider licence [Company Name] Limited.

Highlights of Disciplinary Cases

Name of Licensee and Licence No.	Contravention	Disciplinary Action Taken
[Company Name] Limited (TCDD-...)	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
[Company Name] Limited (TCDD-...)	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:
 - 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
 - employee screening procedures
 - independent audit function

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 2024

26 April
To
20 June

- Consultation on the Proposed Revised AML/CTF Guideline for TCSPs

10 May

- All TCSP licensees were required to complete and return the Form SIS2 for 2023 to the TCSP Registry by email or by post by **11 June 2024**

6 December

- Gazettal of Revised AML/CTF Guideline for TCSPs (will come into effect in March 2025)

Website of TCSP Registry

The screenshot shows the homepage of the Companies Registry (CR) website. At the top left is the CR logo and the text '公司註冊處 Companies Registry'. To the right, it says 'Registry for Trust and Company Service Providers' and provides the address: 'Unit 1208, 12/F, One Kowloon, 1 Wang Yuen Street, Kowloon Bay, Kowloon, Hong Kong'. On the top right, there are links for 'What's New', 'Contact Us', and '繁 簡', along with 'Register' and 'Login' buttons. A blue navigation bar contains links for 'Home', 'Guidelines', 'Forms', 'Information Pamphlets', 'Enforcement', 'Anti-Money Laundering and Counter-Terrorist Financing', 'FAQs', and 'Publications & Presentations'. The main content area features a large green banner with the text 'Register of Trust or Company Service Provider Licensees' and a search box labeled 'Name of Licensee or Licence No.'. Below the banner, there are two columns: 'Online Services' with a list of services and a 'Register' button, and 'What's New' with a 'NEWS' icon and a list of recent updates, including a 'More What's New' link. At the bottom center, the website URL 'www.tcsp.cr.gov.hk' is displayed.

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 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.

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

NEWS What's New

20/09/2024
United Nations Security Council Sanctions in relation to Democratic Republic of the Congo
The United Nations Sanctions (Democratic Republic...

18/09/2024
United Nations Security Council Sanctions Against Democratic People's Republic of Korea
The list of individuals and entities published un...

More What's New

www.tcsp.cr.gov.hk

Thank you

