



HONG KONG MONETARY AUTHORITY
香港金融管理局

Our Ref.: G12/230C
B1/15C

27 April 2018

The Chief Executive
All Stored Value Facility Licensees and
System Operators or Settlement Institutions of Designated Systems

Dear Sir/Madam,

**Guideline on Exercising Power to Order a Pecuniary Penalty under
s 54(1E) of the Payment Systems and Stored Value Facilities Ordinance**

I am writing to inform you that, following consultation with the Hong Kong Association of Banks, stored value facility licensees and system operators or settlement institutions of the designated systems, the Hong Kong Monetary Authority (HKMA) issues today by notice in the Gazette the Guideline on Exercising Power to Order a Pecuniary Penalty under section 54(1E) of the Payment Systems and Stored Value Facilities Ordinance (PSSVFO) (Cap. 584).

The Guideline sets out the manner in which the Monetary Authority (MA) proposes to exercise the power to order a pecuniary penalty under section 33Q(2)(a) of the PSSVFO and will come into operation on 27 April 2018. The Guideline sets out factors that the MA will consider in exercising the power to order a regulated person to pay a pecuniary penalty if the MA is satisfied that the regulated person has contravened a provision of the PSSVFO, a requirement imposed under the PSSVFO or a condition attached to a licence, consent or any other instrument granted or given by the MA under the PSSVFO. The factors listed in the Guideline are not exhaustive. The MA will consider the factors listed in the Guideline and any other factors which are relevant to a particular case but are not listed. The Guideline includes the matters that the MA must have regard to under section 33Q(3) of the PSSVFO.

On-line access to the Guideline is available on the HKMA website (<http://www.info.gov.hk/hkma>) and regulatory reporting and information website (<http://www.rri.iclnet.hk>).

If you have any questions relating to this letter, please feel free to contact Ms Cinni Cheung at 2516-6198 or Ms Christine Wong at 2516-7152.

Yours faithfully,

Carmen Chu
Executive Director (Enforcement and AML)

c.c. The Chairperson, The Hong Kong Association of Banks
FSTB (Attn.: Ms Eureka Cheung)