Jersey Financial Services Commission

Press release 18 November 2026

JFSC imposes a civil financial penalty on HSBC Bank plc, Jersey Branch for transaction monitoring contraventions of Jersey's regulatory framework

The Jersey Financial Services Commission (**JFSC**) has issued a civil financial penalty of £2,000,000 to HSBC Bank plc, Jersey Branch (**HSBCJ**) for negligent, significant and material contraventions of Jersey's regulatory framework. HSBCJ agreed to settle with the JFSC in this regard.

Between October 2019 and May 2023, HSBCJ failed to consistently implement effective ongoing monitoring systems and controls, resulting in significant deficiencies in its ability to recognise and scrutinise notable customer transactions for 15 individual customers.

Across the 15 customers reviewed by the JFSC, HSBCJ's automated transaction monitoring system in use during that period did not always alert transactions that presented increased financial crime risk, and where alerts were triggered for notable transactions, they were not always adequately scrutinised by HSBCJ. In addition, in instances where financial crime concerns were identified and reported, HSBCJ did not consistently implement enhanced measures to manage the ongoing financial crime risk.

HSBCJ's contraventions exposed it and Jersey over a sustained period to significant financial crime risk, posing a significant risk to the reputation and integrity of Jersey's financial services industry.

The JFSC has issued a public statement outlining the findings of its investigation.

Kerry Petulla, the JFSC's Executive Director of Enforcement, Intelligence and Registry commented:

Effective transaction monitoring is a fundamental part of countering financial crime. Firms supervised by the JFSC must ensure that their systems and controls operate effectively in practice, so that notable transactions are identified and appropriately scrutinised, taking account of the customer's business and risk profile. Where increased financial crime risk is identified, firms must respond appropriately and in a timely manner. Where firms fall materially below the standards required, the JFSC will take appropriate regulatory action.

Warwick Long, HSBCJ's Chief Executive Officer commented:

We take our financial crime obligations very seriously. Since the period of the JFSC's findings, we have significantly invested in and proactively implemented operational and technical enhancements to strengthen our control environment. We have a large and valued customer base and are focused on delivering an exceptional service to them. We are pleased to have resolved this matter with the JFSC and are grateful for their recognition of our full cooperation throughout their process.

Ends.