



## EU final compliance report by ASIC

ASIC's final report dated **17 January 2018** on compliance with the s93AA ASIC Act enforceable undertaking given by **CMH Financial Group Pty Ltd** (ACN 131 729 425) (**CMH Financial Group**) and **Daniel White** dated **23 March 2016**.

Terms used in this report have the same meaning as in the 23 March 2016 enforceable undertaking (EU).

Undertakings	Report on compliance
<b>Engagement of the Independent Expert</b>  EU paragraphs 6.2 – 6.4	<ul style="list-style-type: none"><li>• CMH Financial Group requested ASIC to approve the engagement of an Independent Expert and the draft terms of engagement for that expert. The nominee was not approved by ASIC. CMH nominated a second Independent Expert who was approved by ASIC together with draft terms of engagement. ASIC granted a 7 day extension of time to the one month period during which CMH had to request ASIC to approve an expert, as a result of the process described above.</li><li>• Following ASIC's approval of the Independent Expert, CMH Financial Group engaged the Independent Expert within the time specified by the EU.</li></ul>
<b>Terms of engagement</b>  EU paragraph 6.6	<ul style="list-style-type: none"><li>• CMH Financial Group has ensured the terms of the Independent Expert engagement satisfied the requirements specified by the EU.</li></ul>
<b>Role of the Independent Expert</b>  EU paragraph 6.7  Annexures 1 and 2	<ul style="list-style-type: none"><li>• CMH Financial Group engaged the Independent Expert to conduct the First and Second Review and provide the First and Second Reports. The Independent Expert delivered the First Report to ASIC 7 days late. The Second Report was provided to ASIC within the time specified in the Expert's retainer.</li><li>• The First and Second Reports addressed the matters required by Annexures 1 and 2 of the EU with the exception of the pre-vetting of the first 10 SMSF Advice files.</li></ul>

Undertakings	Report on compliance
<p><b>Remedial Actions</b></p> <p>EU paragraphs 6.8 – 6.14</p>	<ul style="list-style-type: none"> <li>• CMH Financial Group provided ASIC and the Independent Expert with the Remedial Action Plan within the time frame specified by the EU.</li> <li>• CMH Financial Group was not required to make any changes to the Remedial Action Plan.</li> <li>• CMH Financial Group has taken action to implement the Remedial Action Plan within the time frame specified by the EU.</li> <li>• CMH Financial Group has provided written notification to ASIC and the Independent Expert that the Remedial Action Plan has been fully implemented within the time frame specified by the EU. No rectification program was required.</li> </ul>
<p><b>Pre-vetting of first 10 SMSF Advice files following appointment of the Independent Expert</b></p> <p>EU paragraphs 6.15 – 6.16</p> <p>Annexures 1 and 2</p>	<ul style="list-style-type: none"> <li>• CMH Financial Group arranged for the Independent Expert to pre-vet 10 SMSF Advice files as specified by the EU. CMH undertook to implement the pre-vetting recommendations of the Independent Expert before it provided the SMSF advice to the clients.</li> </ul>
<p><b>Training of Representatives</b></p> <p>EU paragraphs 6.17 – 6.18</p>	<ul style="list-style-type: none"> <li>• CMH Financial Group has provided written notification to confirm existing representatives (where applicable) have enrolled in and completed a SMSF specialist training course. This notification was provided slightly outside the time frame specified by the EU. The delay was reasonable in the circumstances. CMH have also provided written notification that no SMSF advice was provided until after the course was completed.</li> <li>• CMH Financial Group has advised ASIC that new representatives hired to provide SMSF advice since the date of the undertaking have already undertaken the relevant course.</li> </ul>