



**ASIC**

Australian Securities & Investments Commission

## EU interim compliance report by ASIC

ASIC's interim report dated **3 February 2017** on compliance with the s93AA ASIC Act enforceable undertaking given by **HSBC Bank Australia Limited** (ACN 006 434 162) dated **13 May 2016**

Terms used in this report have the same meaning as in the 13 May 2016 enforceable undertaking (EU).

<b>Undertakings</b>	<b>Report on compliance</b>
<b>Engagement of an Independent Expert</b>  EU paragraphs 3.2 – 3.5	<ul style="list-style-type: none"><li>• HSBC requested ASIC's approval for the appointment of Ernst &amp; Young (EY) as the Independent Expert within the time specified by the EU. ASIC has approved EY's appointment and draft terms of engagement. HSBC appointed EY within the time specified by the EU.</li></ul>
<b>HSBC Assessment Plan and HSBC Remediation Plan</b>  EU paragraph 3.9	<ul style="list-style-type: none"><li>• HSBC has developed and provided its Assessment and Remediation Plans (Plans) to ASIC within the time frame specified by the EU.</li></ul>
<b>EY's Assessment of HSBC's Plans</b>  EU paragraph 3.5.6	<ul style="list-style-type: none"><li>• EY has provided a report to HSBC and ASIC regarding HSBC's Assessment and Remediation Plans (Plans) within the time specified by the EU. EY's report indicates the Independent Expert's view that the design of HSBC's Plans , if implemented as described, would allow HSBC to:<ul style="list-style-type: none"><li>○ identify all Other Affected Clients in an efficient, honest and fair manner; and</li><li>○ Comply with the requirements of paragraph 3.11 of the EU.</li></ul></li></ul>