



CEU interim compliance report by ASIC

ASIC's interim report dated **21 September 2018** on compliance with the s93AA ASIC Act court enforceable undertaking given by **Angus William Napier Aitken (Mr Aitken) and Bell Potter Securities Limited (Bell Potter)** dated 22 December 2015.

Terms used in this report have the same meaning as in the 22 December 2015 court enforceable undertaking (CEU).

Undertakings	Report on compliance
Payment to Financial Literacy Australia Limited CEU subparagraph 4.1(a)	1. On 15 January 2016, Mr Aitken paid \$80,000 to Financial Literacy Australia Limited in accordance with the timeframe specified in the CEU.
Business Ethics Course CEU subparagraph 4.1(b)	2. On 29 June 2016, Mr Aitken completed a business ethics course in accordance with the timeframe specified in the CEU.
Compliance Training CEU subparagraph 4.1(c)	3. Mr Aitken completed 20 hours of annual compliance and related training in each of the calendar years 2016 and 2017 in accordance with the timeframe specified in the CEU.
Employment Status CEU subparagraph 4.1(d)	4. Mr Aitken left Bell Potter in May 2016. He has been employed by Aitken Murray Capital Partners Pty Ltd since October 2016, which in turn is a corporate authorised representative of Lanterne Fund Services Pty Ltd (Lanterne). Lanterne agreed to conduct the trade reviews and implement the monitoring arrangements referred to in subparagraphs 4.2(a) and 4.2(b) of the CEU from October 2016.
Trades Reviews CEU subparagraph 4.2(a)	5. Bell Potter reviewed samples of 20 trades executed by Mr Aitken, related order records and related communications with clients, at the end of each month until his departure in May 2016.

Undertakings	Report on compliance
	<p>6. Lanterne reviewed samples of 10 trades from each month executed by Mr Aitken, related Order Records and related communications with clients, at the end of each calendar quarter, between October 2016 to 31 December 2017.</p> <p>7. Bell Potter and Lanterne provided ASIC their respective reports, with each review confirming Mr Aitken's compliance with his obligations in respect of confidential information, within the timeframe specified in the EU.</p>
<p>Telecommunication Monitoring</p> <p>CEU subparagraph 4.2(b)</p>	<p>8. Bell Potter reported to ASIC that it maintained following arrangements until May 2016, as required by the EU:</p> <ul style="list-style-type: none"> • record telephone calls made to and from Mr Aitken's business landline phone; • restrict Mr Aitken from receiving or making calls on any mobile phone when present at the Sydney Institutional Equities Desk; and • electronically image text messages sent to and from Mr Aitken's business mobile phone for the purpose of the review referred to in paragraph 5 of this interim report.