
ASX Compliance Enforcement Activity

Under the Corporations Act, as a licensed operator of financial markets, ASX is obliged to have adequate arrangements for monitoring and enforcing compliance with the operating rules of those markets. It is also obliged, as a licensed operator of clearing and settlement facilities, to have adequate arrangements for supervising those facilities and for enforcing compliance with their operating rules.

The purpose of this circular is to notify participants in those markets and facilities of some of the enforcement activities recently undertaken by ASX Compliance, so that they are aware of potential areas of concern for ASX and of ASX's enforcement activities in those areas.

This circular covers enforcement activities that were finalised during the period ending 30 September 2024. Investigations in relation to other enforcement matters are ongoing.

Enforcement Decision

HSBC Bank Australia Limited – Late Margin Payment

ASX Limited's Chief Compliance Officer imposed a penalty of \$50,000 (plus GST) on HSBC Bank Australia Limited ('HBAU') for contraventions of:

- (a) ASX Clear (Futures) Operating Rule ('ASX CFR') 45.1, being HBAU's obligation to settle an IntraDay Margin ('Overnight Margin') by the prescribed time of 4.30am AEST on 28 June 2022; and
- (b) ASX CFR 4.10, being the requirement on HBAU to at all times ensure that it satisfies its continuing requirements under ASX CFR 4.2(e), to have adequate resources and processes to comply with its obligations as a clearing participant under ASX CFR 45.1.

Further details in respect of this matter are set out in the following circular:

<https://www.asx.com.au/content/dam/asx/about/asx-compliance/disciplinary-notice/2024/disciplinary-notice-hsbc-bank-australia-limited.pdf>