

HSBC Laundered Money For U.S. Senators and Silicon Valley Payola

HSBC fights to stop money-laundering report going public

Bank fined £1.32bn in 2012 argues that legal attempt to release government report would help criminals bypass safeguards



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13.49 EST 14.16 EST

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HSBC is trying to prevent publication of a report on how it complies with money-laundering rules imposed on it by the US authorities in 2012, [when it was fined a record \\$1.9bn \(£1.32bn\)](#).

The bank is arguing in US courts that it could be left vulnerable to money laundering if the report is published.

Under the terms of a deferred prosecution agreement with US authorities, made when it was fined for aiding money laundering by Mexican drug cartels, [HSBC](#) must be subjected to regular audits about its

internal capacity to seek out potentially suspect activity by customers.

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A private individual, Hubert Dean Moore, who used to have a mortgage with HSBC, is suing to have the monitor's first annual report unsealed by the court. He is being resisted not only by the bank but also by the US Department of Justice.

In letters to Judge John Gleeson filed in the eastern district court of New York, both HSBC and the DoJ have argued that the monitor's report should not be made public.

HSBC told the judge that Moore had not identified a public interest case for publishing the report that would outweigh the negative consequences.

The bank referred to arguments made in June when the DoJ set out reasons not to make the 1,000-page report public.

Citing that submission, which was backed by regulators in four different countries, HSBC said publishing the monitor's report would "undermine the very purpose of the monitoring by compromising the ability of the monitor and the government to assess HSBC's progress in improving its anti-money laundering and sanctions compliance programme".

Publication would "negatively affect the ability of HSBC's financial regulators to fully discharge their supervisory responsibilities over HSBC", and would "provide criminals seeking to engage in activities such as money laundering or terrorist financing a road map for exploiting current weakness in the anti-money laundering and sanctions programme at HSBC and potentially other financial institutions".

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According to documents filed with the court, Moore had a mortgage with HSBC Mortgage Services, which has since been sold to another firm.

The monitor covers more than 60 global affiliates. In its court filing, HSBC said that the deferred prosecution agreement it originally signed had stipulated that the monitor's report would remain private.

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