

Australian Securities and Investments Commission

ENFORCEABLE UNDERTAKING

AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION ACT SECTION 93AA

The commitments in this Undertaking are offered to the Australian Securities & Investments Commission ("ASIC") by:

**Ivy Caroline Hilder
22 Undara Crescent
ULVERSTONE TAS 7315**

1 BACKGROUND

- 1.1 Tascom Holdings Pty Ltd ACN 080 051 887 ("Tascom") was registered as an exempt proprietary company on 11 September 1997. It carried on the business of computer manufacturing and reselling.
- 1.2 On 21 May 1998, ASIC made a determination pursuant to section 13 of the Australian Securities and Investments Commission Act ("ASIC Act") to investigate whether any person may have breached subsection 592(6) of the Corporations Law ("the Law") in relation to the ordering of computer goods from creditors of Tascom.
- 1.3 On 16 July 1998, Tascom was placed into liquidation by a motion of its creditors pursuant to section 439C of the Law. Unsecured creditors of Tascom totalled in excess of \$120,000 and are likely to receive no dividend.
- 1.4 Ivy Caroline Hilder ("Hilder") was a director of Tascom from the date of registration to the date of liquidation.
- 1.5 As a result of its investigation, ASIC has formed the view that between 11 September 1997 and 16 July 1998, Hilder breached subsection 232(4) of the Law in that she failed to exercise that degree of care and diligence that a reasonable person in a like position in a corporation would exercise by reason that:
 - (a) Hilder was aware that an employee of Tascom had attempted to engage in improper transactions in respect of

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one of the company's suppliers and she failed to take any reasonable steps to:

- (i) directly inform the other director of Tascom of those circumstances; and
 - (ii) ensure that the likelihood of such conduct being repeated in the future was minimised.
- (b) Hilder subsequently accepted numerous explanations from the same employee, later found to be false, in relation to several improper transactions involving several customers and suppliers of Tascom, without attempting to obtain independent confirmation in circumstances where such confirmation should have been sought.
- (c) Hilder took no reasonable steps to inform herself of the financial circumstances of the company and in particular of the purchase by Tascom of a business from a company called Aware Technologies Pty. Ltd. and Tascom's lack of financial capacity to fund such a purchase.

1.6 Hilder acknowledges that by the conduct set out in paragraph 1.5 above she has breached subsection 232(4) of the Law.

1.7 ASIC acknowledges that the conduct by Hilder set out in paragraph 1.5 above was not done knowingly, intentionally or recklessly.

2 UNDERTAKING

2.1 Hilder hereby undertakes not to be a director or promoter of, or in any way (whether directly or indirectly) be concerned in or take part in the management of a corporation for the period of five years after the date of the acceptance of this undertaking without the prior written approval of ASIC.

3 ACKNOWLEDGMENTS

3.1 Hilder acknowledges that ASIC:

- (a) may issue a media release on execution of this undertaking referring to its terms and the concerns of ASIC which led to its execution;
- (b) may from time to time publicly refer to this undertaking; and
- (c) will make this undertaking available for public inspection.

