

Draft

ENFORCEABLE UNDERTAKING

AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION SECTION 93AA AUSTRALIAN SECURITIES & INVESTMENTS COMMISSION ACT

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

SHARE TREND SOFTWARE PTY LTD ACN 069 535 351

47 Nerang Street,
Nerang, QLD 4211

(hereinafter called "STS")

and

ROBERT SZATMARI

Unit 2, 3 Christina Court,
Mermaid Waters, QLD 4218

and

IAN ALBERT THOUR

Unit 2, 3 Christina Court,
Mermaid Waters, QLD 4218

1. BACKGROUND

1.1 STS is registered as an Australian company limited by shares and was incorporated in the State of Queensland on 23 May 1995. The company has, prior to the date of this undertaking, marketed and/or sold computer software programs, including those described as the "Stock Broker Penny Share System" and "Stock Market Navigator V3". The programs are represented to intending purchasers to be a tool which assists users to select shares listed on the Australian Stock Exchange for purchase or sale. The programs are further represented to provide such assistance by performing calculations and analysis and generating recommendations as to which shares to should be purchased or sold by the program's user.

1.2 On 21 July 1998 officers of ASIC made determinations pursuant to section 13 of the Australian Securities & Investments Act ("ASIC Act") to commence investigations into the affairs of STS in relation to suspected contraventions by the company of sections 781, 995 and/or 999 of the Corporations Law.

- 1.3 ASIC contends that STS, by marketing and distributing the subject programs, are engaged in an investment advice business as comprehended by section 77 of the Corporations Law and are therefore required to be licensed in accordance with section 781 of the Corporations Law. Furthermore, ASIC has formed the view that representations made in promotional material circulated by the company in relation to the subject programs, are misleading and deceptive in contravention of sections 995 and 999 of the Corporations Law.
- 1.4 ASIC has provided written notification to STS of its concerns that STS, in marketing and selling the subject programs, has acted in contravention of sections 781, 995 and 999 of the Corporations Law. ASIC has requested STS to cease marketing and selling the subject programs.
- 1.5 STS does not admit that it has engaged in the conduct alleged by ASIC but nevertheless agrees to cease marketing and sale of the subject programs and/or any other programs that perform a similar function or functions of generating recommendations or signals for users to buy or sell shares or securities. The company and its Directors, Robert Szatmari and Ian Albert Thour, have agreed to proffer to ASIC an undertaking within the terms set out hereunder.

2. UNDERTAKINGS

- 2.1 STS and Robert Szatmari and Ian Albert Thour hereby jointly and severally undertake that they will, upon the execution of this undertaking and thereafter, cease doing any act in the marketing and sale or other dissemination or distribution of the subject programs including the marketing and sale or other dissemination of any other programs that perform a similar function or functions of generating recommendations for users to buy or sell shares or other securities in breach of the Corporations Law.
- 2.2 STS and Robert Szatmari and Ian Albert Thour hereby jointly and severally undertake that they, upon the execution of this undertaking and thereafter, will refrain from holding out that they are carrying on an investment advice business without a licence in contravention of section 781 of the Corporations Law.
- 2.3 STS and Robert Szatmari and Ian Albert Thour hereby jointly and severally undertake that they, upon the execution of this undertaking and thereafter, will refrain from engaging in conduct which contravenes the provisions of sections 995 and 999 of Corporations Law.
- 2.4 STS agrees to appoint Robert Szatmari and Ian Albert Thour as the agents and representatives of the company with whom ASIC can consult in relation to issues of compliance with this undertaking and who hereby accept responsibility for monitoring the compliance obligations set out in clauses 2.1 to 2.3 hereof. Until notified otherwise by ASIC, John Reghenzani an officer in the employ of

the Queensland Regional Office of ASIC will be ASIC's representative in relation to issues of compliance under this instrument.

3. ACKNOWLEDGMENTS

3.1 ~~STS acknowledges that ASIC:~~

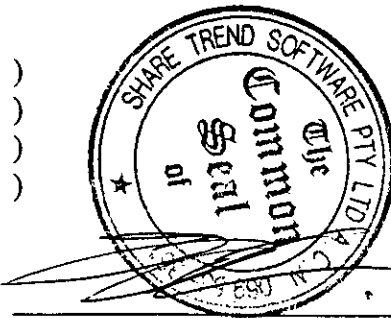
- (a) may issue a media release on execution of this undertaking referring to its terms and the concerns of ASIC which led to its execution;
- (b) may from time to time publicly refer to this undertaking; and
- (c) ~~will make this undertaking available for public inspection.~~

3.2 STS acknowledges that this undertaking in no way derogates from the rights and remedies available to any other person arising from any conduct described in this undertaking.

3.3 STS acknowledges that this undertaking has no operative force until accepted by ASIC.

3.4 If a clause of this Undertaking is invalid or unenforceable, then that clause to the extent of the invalidity or unenforceability must be ignored in the interpretation of this Undertaking. All the other clauses of this Undertaking remain in full force and effect.

The Common Seal of Share Trend Software Pty Ltd ACN 069 535 351 was affixed to this undertaking in the presence of:



[Handwritten signature]

Director

[Handwritten signature]

Director/ Secretary

Robert Szarnari

Name (Print)

IAN A. THOUK

Name (Print)

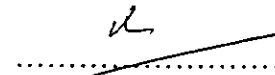
This 18th day of September 1998

SIGNED BY ROBERT SZATMARI
THIS 18th DAY OF September 1998



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In the presence of:



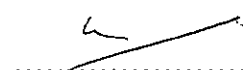
.....
Solicitor/Justice of the Peace

SIGNED BY IAN ALBERT THOUR
THIS 18th DAY OF September 1998



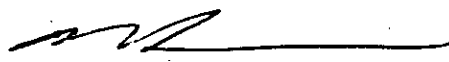
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In the presence of:



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Solicitor/Justice of the Peace

ACCEPTED BY THE AUSTRALIAN SECURITIES & INVESTMENTS
COMMISSION PURSUANT TO ASIC ACT S93AA BY ITS DULY
AUTHORISED DELEGATE:



A. E. STUMM 13/10/98

[Name]

[Position] *Council (Queensland)*

This . 18th day of September 1998