



**ASIC**

Australian Securities & Investments Commission

**ENFORCEABLE UNDERTAKING**

**AUSTRALIAN SECURITIES & INVESTMENTS COMMISSION**

**SECTION 93 AA**

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

Inderbir Singh ("Singh")  
4/34 Prairievale Road  
BANKSTOWN NSW 2200

**1. BACKGROUND**

- 1.1 Between 30 June 1996 and 30 June 1998, Singh was a director of Compass IT Pty Ltd (ACN 073 305 905) ("Compass"); and a director of Compass Viking Pty Ltd (ACN 078 624 030) ("Viking") within the meaning of a director contained in section 60(1)(a) of the Corporations Law (the Law).
- 1.2 The only current registered director of Viking is Simar Dhami the wife of Singh although Singh acknowledges being in control of the management of Viking.

**Conduct of Singh in relation to Compass**

- 1.3 Compass failed to advise ASIC of a change in address of the registered office from 16/247K Burwood Road, Burwood, as from 21 May 1997 in contravention of section 218(3) of the Law. Singh failed to take reasonable steps to ensure lodgement of the prescribed form.
- 1.4 Compass failed to advise ASIC of a change in address of the principal place of business from 16/247K Burwood Road, Burwood, as from 21 May 1997 in contravention of section 146 of the Law. Singh failed to take reasonable steps to ensure lodgement of the prescribed form.
- 1.5 Compass failed to advise ASIC of changes to the address of its Director and Secretary from 16/247K Burwood Road, Burwood, as from 21 May 1997 in contravention of section 242(8) of the Law. Singh failed to take reasonable steps to ensure lodgement of the prescribed form.

- 1.6 Compass failed to lodge the Annual Returns for 1996 and 1997. This failure amounts to an offence under sections 335 and 1311 of the Law. Singh failed to take reasonable steps to ensure lodgement of such annual returns.

### **Conduct of Singh in relation to Viking**

- 1.7 Viking failed to advise ASIC of changes to the address of its Director and Secretary from 1/349 Old Canterbury Road, Dulwich Hill, as from 30 June 1998 in contravention of 242(8) of the Law. Singh failed to take reasonable steps to ensure lodgement of the prescribed form.
- 1.8 Viking failed to advise ASIC of a change in address of the registered office from 1/349 Old Canterbury Road, Dulwich Hill, as from 30 June 1998 in contravention of section 218(3) of the Law. Singh failed to take reasonable steps to ensure lodgement of the prescribed form.
- 1.9 Viking failed to advise ASIC of a change in address of the principal place of business ifrom 1/349 Old Canterbury Road, Dulwich Hill, as from 30 June 1998 in contravention of section 146 of the Law. Singh failed to take reasonable steps to ensure lodgement of the prescribed form.

### **Investigation**

- 1.10 ASIC has conducted an investigation into the conduct of the directors of Compass and Viking in their management of the affairs of those two (2) companies.
- 1.11. On or about 12 August 1998 ASIC received a complaint from Mr Alfie Biady ("Biady") concerning difficulties he experienced in obtaining a refund for a computer he purchased from Viking in the sum of \$4,600.00 which was not delivered.
- 1.12 The monies have since been repaid by Singh to Biady.
- 1.13 On or about 15 June 1998 the business of Viking had vacated its premises at 42 Ramsay Rd Five Dock.
- 1.14 Based on the information available to ASIC, ASIC has formed the view that Viking was insolvent at the time it entered into sale of the computer to Biady pursuant to section 588G of the Corporations Law.
- 1.15 Due to the failure of Compass to lodge the 1996 and 1997 Annual Returns, ASIC commenced action to deregister Compass.

- 1.16 ASIC has received three applications from legal and mercantile firms to stay deregistration proceedings due to the firms taking debt recovery proceedings against Compass on behalf of clients.
- 1.17 Based on the information available to ASIC, ASIC has formed the view that Compass is insolvent due to its inability to pay its debts as they fall due pursuant to section 588G of the Law.
- 1.18 ASIC has formed the view that a "Phoenix Company" situation exists in relation to the formation of Viking which was registered on 21 May 1997.

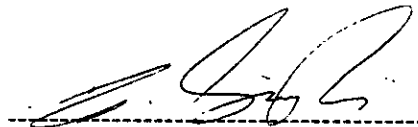
## 2. UNDERTAKINGS

- 2.1 Pursuant to section 93AA of the Australian Securities and Investments Commission Act( " ASIC Act" ) Singh undertakes;
  - (a) that, he will not manage a corporation ( as defined in s91A(2) ) for three years from the date ASIC accepts and signs this undertaking ( " the Date" ).
  - (b) that he will not apply to ASIC to be a director of any corporation for a period of three (3) years commencing from the Date.
  - (c) that he will not apply to ASIC to be a company secretary of any corporation for a period of three (3) years commencing from the Date.
  - (d) that prior to commencing the management of a corporation or making any application to ASIC to be a director or secretary of a corporation, he will provide certification to ASIC that he has satisfactorily completed a corporate management training course which has been pre-approved by ASIC as being a suitable course.
  - (e) within one month of the Date he will provide a plan to ASIC for the deregistration of Viking and Compass.
  - (f) that he will carry out the plan for the deregistration of Viking and Compass within a period of four (4) months from the Date.

**ACKNOWLEDGEMENTS**

- 3.1 Singh 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 Singh 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 Singh acknowledges that this Undertaking has no operative force until accepted by ASIC.

Signed by Inderbir Singh  
in the presence of:

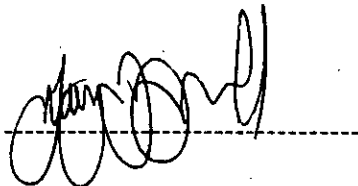


Jennifer Braw  
Signature

Jennifer Braw  
Name (Printed)

Level 10 ASIC  
Address 135 King St Sydney

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



This 22<sup>nd</sup> day of February 1999.