

ENFORCEABLE UNDERTAKING

AUSTRALIAN SECURITIES & INVESTMENTS COMMISSION SECTION s93AA ASIC ACT

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

John Barron
99 San Javier Circle
Secret Harbour WA 6173

1. BACKGROUND

- 1.1 During 1996 and 1997, Paulownia Tree Plantations ("PTP") promoted a scheme for the sale and growing of Paulownia trees.
- 1.2 Following a review of the promotional documents, ASIC formed the view that the scheme was one regulated by the Corporations Law ("CL") and that people purchasing trees in relation to the scheme were entitled to have the benefit of the investor protection provisions in the CL.
- 1.3 After raising its concern with PTP, PTP gave ASIC an undertaking to stop promoting the scheme.
- 1.4 PTP subsequently changed the terms of the scheme and continued to promote it.
- 1.5 ASIC formed the view that the revised scheme was also one that should have been regulated by the CL.
- 1.6 In August last year, ASIC banned Mr Barron, who was the manager of PTP, from acting as a securities dealer or an investment adviser for 2 years.
- 1.7 Mr Barron disputed ASIC's finding and appealed the banning decision to the Administrative Appeals Tribunal ("AAT").
- 1.8 Mr Barron has agreed to provide, and ASIC has accepted, the undertaking set out in this document. Having done so, ASIC has consented to the AAT setting aside ASIC's initial decision.

2. UNDERTAKING

2.1 Mr Barron undertakes that for a period of 2 years commencing 19 August 1998 he will not:

- (a) carry on any business of dealing in securities or giving investment advice;
- (b) act as a representative of any licensed securities dealer or investment adviser;
- (c) apply to any licensed securities dealer or investment adviser to act as their representative; or
- (d) apply to ASIC for a dealer's licence or an investment adviser's licence or any similar kind of licence which might supersede these types of licences in whole or in part.

3. ACKNOWLEDGMENTS

3.1 Mr Barron 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 Save in relation to AAT Action No. W98371, Mr Barron acknowledges that this undertaking in no way derogates from the rights and remedies available to ASIC or any other person arising from any conduct described in this undertaking.

3.3 Mr Barron acknowledges that ASIC's acceptance of an enforceable undertaking does not affect ASIC's power to investigate a contravention arising from future conduct, or pursue a criminal prosecution, or its power to lay charges or seek a pecuniary civil order.

Signed by John Barron)
in the presence of:)

John Barron

Michelle Ponkhurst
Signature

Michelle Ponkhurst
Name (printed)

145 Melville Parade, Camo 6152
Address

This 23 day of ~~July~~ ^{September} 1999.

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

Michael Gething

Michael Gething
Counsel

This *30th* *September*
day of ~~July~~ 1999.