

## ENFORCEABLE UNDERTAKING

### AUSTRALIAN SECURITIES & INVESTMENTS COMMISSION ACT - SECTION 93AA

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

**Martin Leigh Davies-Roundhill**  
2 Coolah Street  
KILBURN SA 5084

#### 1. BACKGROUND

- 1.1 In about July 1999, Mr Martin Leigh Davies-Roundhill ("Mr Davies-Roundhill") posted to several internet newsgroup sites, including aus.aviation, a message inviting persons to invest in a new internet company to be formed by him to raise capital by issuing shares ("invitation"). The invitation was sent to approximately 25,000 email addresses.
- 1.2 Mr Davies-Roundhill's invitation included an invitation to persons to "buy units now for \$100 each".
- 1.3 Potential purchasers of units were asked to deposit AUD\$100 into Mr Davies-Roundhill's bank account with the Commonwealth Bank of Australia account number 5008 1004 5703 ("the Bank Account").
- 1.4 ASIC became aware of the invitation posted by Mr Davies-Roundhill and ASIC investigators spoke with him on 20 July 1999. Mr Davies-Roundhill acknowledged that no company had been incorporated by him, that there was no registered prospectus and that he had not complied with the fundraising provisions of the Corporations Law ("the Law").

#### 2. UNDERTAKING

- 2.1 Mr Davies-Roundhill hereby undertakes to ASIC that he will forthwith cease offering for subscription, or issuing any invitations to subscribe for any security in any company or in any company yet to be formed until such time as the relevant offer or invitation fully complies with the requirements of the Law.
- 2.2 Mr Davies-Roundhill hereby undertakes to ASIC that he will forthwith post to aus.aviation on the internet and all other internet sites on which he previously published the invitation, a prominent statement containing words to the effect that:
  - (a) his previous invitation to purchase units in the new internet company he was forming did not comply with the Law and that the invitation is withdrawn;

*Martin Leigh Davies-Roundhill*  
SP 10042  
247199

*K. J. Agard*

- (b) he will not act upon any acceptances which he has received to the invitation;
  - (c) no further offer or invitation will be made until such time as such an offer for subscription or invitation to subscribe complies fully with the Corporations Law; and
  - (d) that he will immediately return any monies paid into his Commonwealth Bank Savings Account 5008 1004 5703 for or on account of persons accepting the invitation.
- 2.3 Mr Davies-Roundhill hereby undertakes to ASIC that he will not act upon any acceptances which he has received to the invitation.
- 2.4 Mr Davies-Roundhill hereby undertakes to ASIC that he will forthwith repay all monies deposited in the Bank Account for or on account of persons accepting the invitation, whether deposited before or after the date of this Undertaking.
- 2.4 Mr Davies-Roundhill hereby undertakes to ASIC that he will, within 14 days, confirm by notice in writing to ASIC that he has complied with paragraph 2.2 and that he will advise ASIC of all internet addresses to which he has posted the statement.
- 2.5 Mr Davies-Roundhill hereby undertakes to ASIC that he will advise ASIC in writing, within 24 hours of receipt, of all money deposited in the Bank Account pursuant to the invitation and confirm that he has repaid the money in accordance with paragraph 2.3 above.

### 3. ACKNOWLEDGMENTS

- 3.1 Mr Davies-Roundhill acknowledges that in posting the message on the internet he has contravened sections 1018, 1019, 1020 and 1025 of the Corporations Law.
- 3.2 Mr Davies-Roundhill acknowledges that ASIC:
- (a) may issue a media release on execution of this undertaking referring to its terms and to 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.
- 3.3 Mr Davies-Roundhill acknowledges that this undertaking in no way derogates from the rights and remedies available to ASIC or any other person or entity arising from any conduct described in this undertaking.
- 3.4 Mr Davies-Roundhill acknowledges that ASIC's acceptance of an enforceable undertaking does not affect ASIC's power to investigate a contravention arising from future conduct, or to pursue a criminal prosecution, or its power to lay charges or seek a pecuniary civil order.


*W. J. M. ...*  
J.P. 16042  
22/7/99

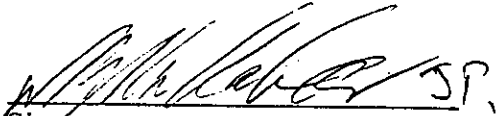
*K. J. ...*

*[Signature]*

3.5 Mr Davies-Roundhill acknowledges that this undertaking has no operative force until accepted by the Commission.

Signed by Martin Leigh Davies-Roundhill )  
in the presence of: )



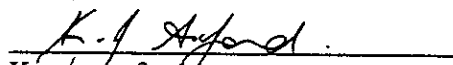
  
Signature

NEIL GEORGE SHILLABEER  
A Justice of the Peace in and for  
Name (Printed) the State of South Australia  
16042

1156 BRAND PROSPECT 5062  
Address

Dated this 22nd day of July 1999

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

  
Karen Axford  
Regional Commissioner

Dated this <sup>22nd</sup> day of July 1999