

ENFORCEABLE UNDERTAKING

AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION

SECTION 93AA ASIC ACT

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

Kaye Christine Blackburne
Unit 4, 71 South Perth Esplanade
South Perth, WA 6151 ("Mrs Blackburne")

1. BACKGROUND

- 1.1 Blackburne & Dixon Pty Ltd ("B&D") carried on business as a finance broker licensed under the Finance Brokers Control Act 1975 (WA).
- 1.2 Mrs Blackburne is the sole director of B&D. At all material times Mrs Blackburne has been in control of B&D.
- 1.3 In the course of its finance broking business, B&D arranged Mortgage Investments.
- 1.4 ASIC has formed the view that Mortgage Investments are regulated as securities under the Corporations Law ("CL"), as they are:
 - (a) prescribed interests as defined in s.9 CL prior to 1 July 1998;
 - (b) interests in a managed investments scheme or schemes as defined in s.9 CL; or
 - (c) debentures as defined in s.9 CL.
- 1.5 As a result of its enquiries, ASIC has formed the view that from about 1994, B&D in a number of instances:
 - (a) engaged in conduct which was liable to mislead investors; or
 - (b) paid out investor monies to persons or for purposes contrary to the investor's authorisation.
- 1.6 On 15 November 1999 ASIC accepted an enforceable undertaking from B&D and from Mrs Blackburne pursuant to ASIC Act s93AA, providing, inter alia, that B&D would not offer, arrange or manage any new Mortgage Investments (as defined) in addition to the Mortgage Investments as at 21 October 1999, and imposing other obligations on B&D and on Mrs Blackburne in respect of the operation of B&D's business.

- 1.7 By a Notice of Hearing dated 9 February 2000, ASIC's delegate gave notice to Mrs Blackburne of the commencement of banning proceedings pursuant to Corporations Law s829 in respect of Mrs Blackburne.
- 1.8 ASIC has accepted these undertakings in lieu of holding a banning hearing in respect of Mrs Blackburne.

2. DEFINITIONS

In this undertaking the following terms have the following meanings unless the context otherwise requires:

"Loan Investment" means:

- (a) a loan investment that is a "managed investment scheme" as that term is defined in the Corporations Law from time to time; or
- (b) a loan investment that is a "debenture of a body" as that term is defined in the Corporations Law from time to time.

"person" includes a body corporate as well as a natural person.

The terms **"securities business"**, **"investment advice business"**, **"representative"**, **"deal"**, **"dealer"** and **"investment adviser"** have the same meanings as in the Corporations Law.

3. UNDERTAKINGS

- 3.1 Subject to paragraph 3.3 Mrs Blackburne undertakes to refrain from:
- (a) carrying on a securities business, or being in any way (whether directly or indirectly) concerned in the management of such a business;
 - (b) acting as a representative of a dealer;
 - (c) carrying on an investment advice business, or being in any way (whether directly or indirectly) concerned in the management of such a business;
 - (d) acting as a representative of an investment adviser; or
 - (e) making application to a dealer or investment adviser to become a representative of that dealer or investment adviser.
- 3.2 Without limiting the generality of paragraph 3.1 and subject to paragraph 3.3, Mrs Blackburne undertakes to refrain from:
- (a) carrying on a business that deals in or advises on Loan Investments, or being in any way (whether directly or indirectly) concerned in the management of such a business;

- (b) acting as a representative of a business that deals in or advises on Loan Investments.

3.3 Mrs Blackburne may continue to act as a director of B&D and to manage B&D for the following purposes:

- (a) complying with the enforceable undertaking given to ASIC on 15 November 1999; and
- (b) assisting B&D investors to finalise their Loan Investments.

4. ACKNOWLEDGMENTS

4.1 Mrs Blackburne acknowledges that ASIC:

- (a) may issue a media release upon 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.

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

4.3 Mrs Blackburne acknowledges that this undertaking has no operative force until accepted by ASIC.

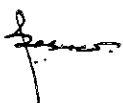
4.4 Mrs Blackburne acknowledges that ASIC's acceptance of this undertaking does not affect ASIC's power to investigate a contravention arising from past or future conduct, or pursue a criminal prosecution, or its power to lay charges or seek a pecuniary civil order, or commence civil proceedings against B&D or any other person.

4.5 The entering into this undertaking is without prejudice to Mrs Blackburne's rights to make an application pursuant to ASIC Act s93AA to vary the terms hereof in the event that she wishes to do or carry on any of the matters referred to in paragraphs 3.1 or 3.2 hereof, or to defend any action taken by ASIC or investors or any other party howsoever arising in respect of any of the matters referred to herein.

SIGNED by the said
KAYE CHRISTINE BLACKBURNE
in the presence of:

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)


Kaye Christine Blackburne



Signature of Witness


SERGE DESVFAUX
Name of Witness (please print)

Suite 5, 73 South Perth Esplanade
SOUTH PERTH WA 6151
Address

CHARTERED ACCOUNTANT
Occupation

This 6th day of April 2000

ACCEPTED BY THE AUSTRALIAN SECURITIES AND INVESTMENTS
COMMISSION PURSUANT TO ASIC ACT s93AA BY ITS DULY AUTHORISED
DELEGATE:



Jamie Ogilvie
Regional Commissioner WA

This 7th day of April 2000