



~~DRAFT WITHOUT PREJUDICE~~

ENFORCEABLE UNDERTAKING

AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION
AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION ACT

SECTION 93AA

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

I.C. Mutual (Australasia) Limited ARBN 094 102 360
C/- Imperial Consolidated (Australia) Pty Ltd
3rd Level, 99 Creek Street
Brisbane Qld 4000

1. BACKGROUND

- 1.1 I.C. Mutual (Australasia) Limited ARBN 094 102 360 ('the Company') is an unlisted public company incorporated in Grenada on 29 June 2000 and registered in Australia as a foreign company on 10 August 2000.
- 1.2 On 18 September 2000 the Company lodged with ASIC a Prospectus ('the Prospectus') pursuant to section 718 of the Corporations Law (the Law). The Prospectus sought to raise up to £12,500,000 (United Kingdom Pounds Sterling) by way of an offer of 12,500,000 redeemable shares in the Company to be issued in five separate classes of redeemable shares consisting of up to 2,500,000 shares per class.
- 1.3 The Prospectus disclosed the purpose of the offer was to utilise subscription funds in the purchase of financial or promissory notes and, principally though not necessarily exclusively, notes proposed to be issued by two British Virgin Island companies Financiers (Australasia) Ltd and ICPC (Australasia) Ltd. The Prospectus further disclosed that the latter companies would generally deal with funds received for the purpose of on-lending the proceeds on a secured basis to United Kingdom based businesses within the Imperial Consolidated group of companies.
- 1.4 In the course of a post-lodgement review of the Prospectus ASIC had formed the view that the offer of securities under the Prospectus might contravene section 728 of the Law in that the prospectus appeared to contain omissions of information required by sections 710 and 711 of the Law. On 2 October 2000 ASIC issued an interim stop order in relation to the Prospectus under s739(3) of the Law on grounds notified in writing to the company.

1.5

ASIC's concerns in relation to the Prospectus included:

- That the Prospectus did not make adequate disclosure in relation to current financial position, performance history and prospects of businesses within the Imperial Consolidated Group in which subscription funds would ultimately be deployed;
- That the Prospectus did not make adequate disclosure of the extent of the ability of "A" class shareholders in the company being able, in practical terms, to exert voting control over the conduct of the affairs of the company.

1.6

On 18 September 2000 the Company lodged a supplementary prospectus which, in ASIC's opinion, addressed some but not all of the concerns previously notified by ASIC.

1.7

On 31 October 2000 ASIC convened a hearing under 739(2) of the Law for the purpose of determining whether a final stop order should be made in relation to the Prospectus. Pending the conclusion of that hearing and without formally conceding each of ASIC's concerns in relation to the Prospectus, the Company has determined to withdraw use of the Prospectus.

1.8

The Company acknowledges ASIC's concerns set out in this undertaking and wishes to effect withdrawal of the Prospectus from further circulation and use on the basis of the following undertakings.

2.

UNDERTAKING

2.1

Pursuant to section 93AA of the Australian Securities and Investments Commission Act, the Company undertakes that it will:

- (a) not issue or otherwise circulate the Prospectus to any person;
- (b) within 14 days after the date of this undertaking, in the case where the Prospectus has been issued to any persons, provide to those persons a letter notifying them that:
 - (i) the Prospectus is subject to this undertaking;
 - (ii) the Company will not allot or issue any securities pursuant to the Prospectus;
 - (iii) no applications by persons for the subscription of securities will be accepted by the Company on the basis of the Prospectus;
- (c) not allot or issue or transfer any securities on the basis of the Prospectus;

- (d) within 14 days after the date of this undertaking, refund to persons who have applied for shares under the Prospectus, any subscription monies received by the Company under the Prospectus;
- (e) refund to all persons who apply in the future for subscription of shares or interests under the Prospectus their subscription monies within 14 days after the Company has received them;
- (f) within 14 days after the date of this undertaking, destroy all copies of the Prospectus in the custody, possession, or under the control, of the Company (except for file copies);
- (g) within 21 days after the date of this undertaking, provide to ASIC marked to the attention of Director Regulation, Queensland, a statutory declaration of one of the directors of the Company that the Company has complied with the undertakings referred to (a) to (f) above; and
- (h) at the written request of ASIC, provide access to ASIC officers to books which will allow ASIC to ascertain that the Company has complied with the undertakings referred to in (a) to (f) above.

3. ACKNOWLEDGMENTS

3.1 The Company 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 The Company further acknowledges:

- (a) 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;
- (b) 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; and

(c) that this undertaking has no operative force until accepted by ASIC.

Signed for and on behalf
~~The Common Seal of I.C. Mutual (Australasia)~~
Limited ARBN 094 102 360 ~~was duly~~ BY IAN CHARLES
FINLAYSON a director and authorized person
~~attested to this undertaking in the presence of~~

~~Director~~



~~Director~~

IAN CHARLES FINLAYSON

~~Name (Print)~~ *December*
This *12th* day of ~~November~~ 2000.

Name (Print)

ACCEPTED BY THE AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION
PURSUANT TO SECTION 93AA OF THE ASIC LAW BY ITS DULY AUTHORISED
DELEGATE:


Michael Burnett
ENFORCEMENT
Director Regulation
Queensland Regional Office
This *18* day of *December* November 2000