

**AUSTRALIAN SECURITIES AND  
INVESTMENTS COMMISSION ACT 2001**



**UNDERTAKING TO THE AUSTRALIAN SECURITIES AND INVESTMENTS  
COMMISSION GIVEN FOR THE PURPOSES OF SECTION 93AA**

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

Tourism Advisory Group World Services Ltd ARBN 093 909 276  
2A Cotton Place  
19 Ferry Street  
Nerang QLD 4211

AND

Brian L Wates  
4/5 Shilling Street  
Lavenham, Suffolk CO10 9RH  
United Kingdom



Gertrude Mary Wates  
4/5 Shilling Street  
Lavenham, Suffolk CO10 9RH  
United Kingdom



**1. Background**

- 1.1 Tourism Advisory Group World Services Ltd ARBN 093 909 276 ("TAG") is a public company incorporated in England.
- 1.2 TAG is a Registered Foreign Company in Australia and its business includes dealing in secondary timeshare intervals. TAG's business is conducted, inter alia, on a website of Internet domain name www.tag-group.com, ("the Website").
- 1.3 Brian L Wates and Gertrude Mary Wates ("the Directors") are the Directors of TAG.
- 1.4 TAG does not hold and has never held an Australian financial services licence (or equivalent).
- 1.5 In March 2000 ASIC received an assurance from TAG that it would lodge an application for a securities licence to permit it to deal in timeshare intervals in Australia, however an application for a securities licence was never received by ASIC from TAG.
- 1.6 TAG is currently offering through the Website for sale approximately 400 timeshare intervals owned by Australian residents
- 1.7 TAG has informed ASIC that it has not accepted any new listings of timeshare intervals for sale by Australian residents since March 2000.

**2. ASIC Investigation**

2.1 ASIC has investigated whether or not TAG in its actions may have breached the Act. As a result of its investigations, ASIC is concerned that TAG has breached or is likely to breach section 911A(1) of the Act through dealing in a financial product while not holding an appropriate Australian financial services licence.

**3. Acknowledgements**

3.1 TAG and the Directors acknowledge the following:

- (a) The Company and the Directors acknowledge that they have had the opportunity to obtain legal advice in relation to the content and effect of this enforceable undertaking;
- (b) ASIC may seek orders pursuant to section 1324 of the Act restraining TAG and the Directors from contravening the Act, and requiring TAG to repay to clients any fees it received from clients from intending timeshare interval sellers when it was required to be licensed but was not licensed;
- (c) ASIC may take enforcement action against TAG in relation to the above matters, which action may include subject to a hearing, making a banning order against TAG preventing it from holding a licence either permanently or for a specified time or imposing conditions on a licence;
- (d) TAG and its directors acknowledge ASIC's concerns set out in this undertaking;
- (e) TAG and its Directors have agreed to offer to ASIC the commitments in this enforceable undertaking;
- (f) ASIC has agreed to accept the commitments in this enforceable undertaking as an alternative to the exercise of the powers referred to in paragraphs 3.1(b) and (c) above.

3.2 TAG and its directors acknowledges that ASIC:

- (a) may from time to time publicly refer to this Undertaking;
- (b) may issue a media release on the execution of this Undertaking referring to the terms of the Undertaking and the concerns of ASIC which led to its execution; and
- (c) will make a copy of the executed Undertaking available on a public register.

3.3 Further, TAG and its directors acknowledges that:

- (a) this Undertaking in no way derogates from the rights and remedies available to any other person arising from any conduct described in this Undertaking;

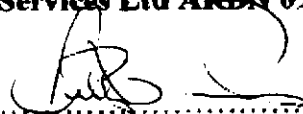
- (b) ASIC's acceptance of this Undertaking does not affect ASIC's powers to investigate a contravention arising from past or future conduct, or to pursue a criminal prosecution or its powers to lay charges or seek a pecuniary civil order or to pursue civil remedies including injunctive relief) or to pursue administrative remedies including licensing or banning orders in relation to past or future conduct (including the conduct described in this undertaking); and
- (c) the Undertaking has no operative force until accepted by ASIC.

**4. Undertakings by TAG and the Directors**

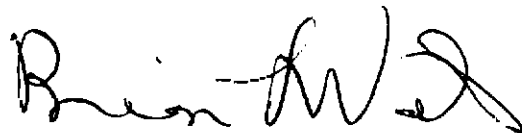
4.1 TAG and the Directors, jointly and severally give the following enforceable undertakings to ASIC pursuant to section 93AA of the ASIC Act:

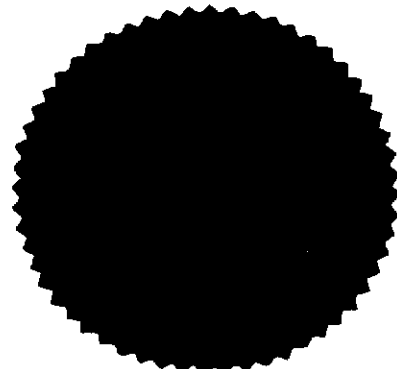
- (a) TAG will within one business day of the acceptance of this enforceable undertaking, provide to Classic Property Management Pty Limited, ("CPM") details of Australian resident clients who have previously listed timeshare intervals for sale with TAG;
- (b) That at any time whilst TAG is not the holder of an Australian financial services licence (or equivalent), if it carries on the Website, information in respect of timeshare intervals for sale by Australian residents, it will display on the Website adjacent to the aforesaid information a banner or notice (terms to be agreed and approved by ASIC) to the following effect:
  - (i) That the information contained on the Website in respect of timeshare intervals located in Australia is for information purposes only;
  - (ii) that TAG is not licensed to deal in timeshare intervals owned by Australian residents; and
  - (iii) persons interested in dealing in timeshare intervals owned by Australian residents are referred to CPM, which is appropriately licensed.
- (c) That in the event of the sale by CPM of a timeshare interval owned by an Australian resident and listed on the Website, neither TAG nor its Directors will become entitled to or accept from CPM any payment by way of commission or otherwise from CPM in respect of the sale.

**SIGNED** under Company Seal of  
**Tourism Advisory Group World  
Services Ltd ARBN 093 909 276**

  
.....  
Witness

Dated 03/08/09.





SIGNED by Brian L Wates

*KELLY BOYD*  
.....

Witness

Dated 09/08/02.

*Brian L Wates*  
.....  
Brian L Wates

SIGNED by Gertrude Mary Wates

*Gertrude M. Wates*  
.....

Witness

Dated 9/8/02

*Gertrude M. Wates*  
.....  
Gertrude Mary Wates

ACCEPTED by the AUSTRALIAN )  
SECURITIES AND INVESTMENTS )  
COMMISSION pursuant to Section 93AA )  
of the Australian Securities and Investments )  
Commission Act 2001 by its duly authorised )  
Delegate )

*Michael Burnett*  
.....  
Michael Burnett  
General Counsel, Enforcement

Dated 27 AUGUST 2002