



ENFORCEABLE UNDERTAKING

Australian Securities and Investments Commission Act 2001

Section 93AA

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

Lifestyle Investor Services Pty Ltd
ACN 120 224 482
Suite 2, Level 11, 40 Marine Parade
SOUTHPORT QLD 421

and

Lifestyle Trader Pty Ltd
ACN 106 041 918
Suite 2, Level 11, 40 Marine Parade
SOUTHPORT QLD 4215

and

Robert Lloyd Wilson
(address known to ASIC)

DEFINITIONS

In addition to terms defined elsewhere in this undertaking, the following definitions are used:

Advertisement means the text at Annexure A of this enforceable undertaking;

AFSL means Australian financial services licence;

ASIC Act means the *Australian Securities and Investments Commission Act 2001* (Cth);

Assess means evaluate the ability or quality of the thing or person;

Assessment is the process of evaluating the ability or quality of the thing or person;

Authorised Representative means a person or company authorised in accordance with section 916A or 916B of the Corporations Act to provide a financial service or financial services on behalf of LIS;

Call Options give the holder the right, but not the obligation, to buy the underlying asset at the exercise price at or before a fixed expiry date;

Commencement Date means the date upon which this enforceable undertaking is accepted by ASIC;

Compliance Documentation means the "Australian Financial Services Licence Compliance Manual" maintained by LIS;

Compliance Program means the program of compliance instituted by LIS to implement the procedures contained in the Compliance Documentation;

Corporations Act means the *Corporations Act 2001* (Cth);

Corporations Regulations means the *Corporations Regulations 2001* (Cth);

Document includes:

- (a) any paper or other material on which there is writing;
- (b) any paper or other material on which there are marks, figures, symbols or perforations having a meaning for persons qualified to interpret them; and
- (c) any article or material from which sounds, images or writings are capable of being reproduced with or without the aid of any other article or device.

[section 25 *Acts Interpretation Act 1901* (Cth)];

Emergence means Emergence Consulting, Suite 2007, Level 20, 109 Pitt Street, Sydney NSW;

Financial Product has the meaning given in Division 3 of Part 7.1 of the Corporations Act;

Financial Services Laws has the meaning given in section 761A of the Corporations Act;

FOS means Financial Ombudsman Service Limited ACN 131 124 448;

Independent Expert means Emergence or an alternative compliance consultant acceptable to ASIC;

LIS means Lifestyle Investor Services Pty Ltd ACN 120 224 482;

Lifestyle Options - Share Rental Product means collectively the relevant trading software and associated education programs described in paragraph 2.4;

LT means Lifestyle Trader Pty Ltd ACN 106 041 918;

Statements mean the statements described in paragraph 2.5;

Websites mean the internet homepage which is maintained under the domain name www.lifestyletrader.com.au and the internet homepage of any other website or domain name maintained by LIS, LT and/or Wilson that refers to options trading;

Wilson means Robert Lloyd Wilson, born 7 March 1963 at Mannum SA.

BACKGROUND

1. ASIC's Role

- 1.1 Under s1 of the ASIC Act, ASIC is charged with a statutory responsibility to perform its functions and to exercise its powers so as to promote the confident and informed participation of investors in the financial system.

2. Details of Conduct

- 2.1 Effective 11 August 2008, LIS was granted AFSL number 325184 pursuant to Division 4 of Part 7.6 of the Corporations Act to:
 - 2.1.1 provide general financial product advice in derivatives, foreign exchange contracts and securities;
 - 2.1.2 deal in a financial product by arranging for another person to issue, apply for, acquire, vary or dispose of a financial product in respect of the following classes of financial products: derivatives, foreign exchange contracts and securities.
- 2.2 LIS appointed LT as its authorised representative pursuant to Division 5 of Part 7.6 of the Corporations Act, effective 10 September 2009. Under the terms of its appointment, LT is authorised to provide the same financial services as LIS.
- 2.3 Wilson is a director of:
 - 2.3.1 LIS, appointed 4 September 2006; and
 - 2.3.2 LT, appointed 4 August 2006.
- 2.4 Since about August 2008, LIS, LT and Wilson have carried on a business marketing and selling the Lifestyle Options - Share Rental Product comprising:
 - 2.4.1 trading software that generates information which provides a basis for decisions as to the course of action an investor should take in relation to buying or selling options; and
 - 2.4.2 education programs to provide instruction and practice in the use of the trading software.
- 2.5 In the course of marketing the Lifestyle Options - Share Rental Product, LIS, LT and/or Wilson have published, or caused to be published, statements to the following effect:

- 2.5.1 "the options trading strategy of writing covered calls is the same as 'Share Rental', 'renting out real estate property' and/or taking out an insurance policy where the 'insurer will pay you to take out the insurance policy';
- 2.5.2 "options trading is easy"; and/or
- 2.5.3 "returns of 5-10% per month and 60-120% per year can consistently be achieved through use of the Lifestyle Options - Share Rental Product".

3. ASIC's Investigation

- 3.1 On 2 December 2010, ASIC commenced an investigation pursuant to section 13(1) of the ASIC Act into suspected contraventions by LIS, LT, and their directors and officers of the *Corporations Act* and *ASIC Act (the Investigation)*.

4. ASIC's Concerns

- 4.1 As a result of the Investigation, ASIC is concerned that the Statements were made in this jurisdiction in relation to a financial product or a financial service and were misleading and deceptive, and that LIS, LT and/or Wilson have therefore contravened s1041H of the *Corporations Act*.

5. Acknowledgement of Concerns

- 5.1 LIS, LT and Wilson have each acknowledged ASIC's concerns and offered an enforceable undertaking in the terms set out below.

UNDERTAKINGS

- 6. Under s93AA of the ASIC Act, LIS, LT and Wilson have each offered, and ASIC has agreed to accept as an alternative to commencing civil proceedings or pursuing administrative action, undertakings as set out in paragraphs 8 to 12.
- 7. LIS undertakes that it will pay the costs of compliance with this enforceable undertaking, including the remuneration and costs associated with the engagement of the Independent Expert.

8. Cessation of Misleading Conduct

- 8.1 LIS, LT and Wilson will not use the following terms, or words to the effect of the following terms, in connection with any description of trading in Call Options:

"Share Rental"
 "Rent your shares"
 "Rent"
 "Easy"
 "Insurance".

9. Disclosure and Refund

- 9.1 LIS and/or LT undertake to notify potentially affected Investors of ASIC's concerns in the manner set out below and, where requested by the Investor, to refund the purchase price paid by an Investor who relied on any of the Statements when purchasing Lifestyle Options – Share Rental Product.

Corrective Notices - Internet

- 9.2 LIS, LT and/or Wilson will, within 14 days of the Commencement Date, publish a corrective advertisement on the internet (**Advertisement**), which will:
- 9.2.1 only contain the text at Annexure A of this undertaking;
- 9.2.2 be published for a period of at least 6 months on each of the Websites.
- 9.3 LIS, LT and/or Wilson will ensure the Advertisement can be accessed via the Websites in the following manner:
- 9.3.1 on the page of the Website that first comes into view when a person visits the Website, a box (**Information Box**) with the characteristics set out in paragraph 9.5 and containing the following text is to be displayed:

<p>Important Information</p> <p>We have agreed with the Australian Securities and Investments Commission (ASIC) to notify you of details relating to Lifestyle Options – Share Rental</p> <p>Click on this box for details</p>

- 9.3.2 if a person clicks at any place within the Information Box, the Advertisement will be displayed directly and immediately.

- 9.4 LIS, LT and/or Wilson will do all things reasonably necessary to ensure the Advertisement is able to be accessed as soon as practicable by a person who visits any of the Websites during the period in which the Company is required to do so by this undertaking and will refrain from doing any thing which would unreasonably impede such access.
- 9.5 LIS, LT and/or Wilson will ensure that the Information Box:
- 9.5.1 is displayed in a prominent position on the Websites;
 - 9.5.2 only contains text with the following characteristics:
 - 9.5.2.1 the heading 'Important Information' is to be in Times New Roman font of 20 points or greater size; and
 - 9.5.2.2 the remainder of text is to be in Times New Roman font of 12 points or greater size;
 - 9.5.3 only has a white or pastel background; and
 - 9.5.4 only has text in black.
- 9.6 LIS, LT and/or Wilson will ensure that the Information Box and the Advertisement are both displayed in a manner such that any surrounding detail on the webpage does not detract from their prominence.

Corrective Notices - Post

- 9.7 Within 14 days of the Commencement Date, LIS and LT must:
- 9.7.1 use their best endeavours to identify all of the Investors and their addresses from the records of LIS and/or LT records; and
 - 9.7.2 send to each of the Investors by pre-paid ordinary post a copy of the Advertisement.
- 9.8 If an Investor's address cannot be obtained from LIS' or LT's records or the letter is returned unclaimed, LIS or LT must follow the procedure in Annexure B.

Certifying Compliance with the Requirements for Publication of the Corrective Notices

- 9.9 Within 28 days of the Commencement Date, LIS will provide ASIC with a statutory declaration signed by a director of LIS who has personal knowledge of LIS' and/or LT's compliance with paragraphs 9.1 to 9.8, which:

- 9.9.1 states whether LIS and/or LT has complied with the provisions of paragraphs 9.1 to 9.8 of this enforceable undertaking;
- 9.9.2 states the reasons for any non compliance; and
- 9.9.3 annexes:
 - 9.9.3.1 a copy of the Information Box printed from each of page of each of the Websites on which it is displayed together with information that allows ASIC to identify the relevant webpage;
 - 9.9.3.2 a copy of the Advertisement printed from each page of each of the Websites on which it is displayed together with information that allows ASIC to identify the relevant webpage; and
 - 9.9.3.3 a list of the names and addresses of the Investors to which the Advertisement has been posted.

Process for Payment of Refund to Investors

- 9.10 Within 5 days of LIS or LT receiving a claim in writing from an Investor for a refund of monies paid (**Refund Request**), the recipient must send a letter to the Investor acknowledging receipt of the Refund Request and advising the Investor of the time frame in which the Request will be processed by the recipient.
- 9.11 LIS or LT must:
 - 9.11.1 assess any Refund Request received by it within 28 days of receipt thereof; and
 - 9.11.2 make all reasonable endeavours to resolve the Refund Request within 14 days of assessment.
- 9.12 LIS or LT will be excused from paying a refund to an Investor where it determines, after careful and fair consideration of the Refund Request, that none of the Statements were made to the Investor prior to the Investor acquiring Lifestyle Options – Share Rental Product.
- 9.13 If LIS or LT is unable to resolve a Refund Request within 45 days of receipt of the Refund Request, or the Refund Request is rejected by LIS or LT, then LIS or LT respectively must:
 - 9.13.1 provide a substantive written response to the Investor giving reasons why the Refund Request cannot be resolved or has been rejected; and
 - 9.13.2 provide information to the Investor regarding the process for referring the matter to FOS.

- 9.14 In the event that an Investor refers a Refund Request which has previously been considered by LIS or LT to FOS, LIS or LT respectively will consent to the determination of the Refund Request by FOS and will give all reasonable assistance to any person involved in the assessment of the matter by FOS to ensure the referral is considered expeditiously.
- 9.15 Nothing in paragraphs 9.1 – 9.14 limits or affects an Investor's right to seek compensation, damages or other remedy from LIS or LT, and a refusal by LIS or LT to pay a refund in response to a Refund Request is not to be considered final and determinative of the question of whether the Statements were made to the Investor.
- 9.16 Within 90 days of sending the Advertisement to Investors in accordance with paragraph 9.7.2, LIS and LT must each provide a report (**Refund Report**) to ASIC containing the following information:
- 9.16.1 the number of Refund Requests that have been received;
 - 9.16.2 the number of Refund Requests that have been paid;
 - 9.16.3 the number of Refund Requests that have been rejected and the reasons for the rejection of each such request;
 - 9.16.4 the number of unresolved Refund Requests and the reasons each such request remains unresolved; and
 - 9.16.5 the number of Refund Requests which LIS or LT respectively is aware have been referred to FOS for determination.
- 9.17 If there are Refund Requests that are under assessment by LIS, LT or FOS as at the date of the Refund Report, LIS and/or LT where applicable must provide a further Refund Report setting out the matters referred to in paragraph 9.16 within 60 days of the Refund Report.

10. Revision of LIS Compliance Program

- 10.1 Within 14 days of the Commencement Date, LIS will revise relevant sections of the Compliance Documentation and implement those revisions to the Compliance Program so as to ensure that:
- 10.1.1 for a period of 12 months from the Commencement Date, any advertising material published by or on behalf of LIS or its Authorised Representatives in connection with the Lifestyle Options - Share Rental Product and/or any other options trading product marketed or distributed by LIS and/or its Authorised Representatives is, prior to publication, assessed by a lawyer for compliance with applicable laws, having particular regard for misleading and deceptive statements, the need for disclosure of risk, compliance with Financial Services laws, and the accuracy of representations regarding the characteristics or performance of a Financial Product;

10.1.2 the lawyer shall advise LIS of any potential non-compliance with applicable laws and shall make recommendations to ensure compliance therewith; and

10.1.3 any changes recommended by the lawyer to be made to the proposed or existing content of advertising material are implemented prior to the material being released to the public.

10.2 LIS must ensure that all relevant company officers, employees and Authorised Representatives are trained in the revised operations, practices and procedures referred to in paragraph 10.1. Training is to be commenced within 21 days of the Commencement Date and is to be completed no later than 42 days after the Commencement Date.

11. Assessment by Independent Expert

11.1 Within 30 days of the Commencement Date LIS must appoint an Independent Expert to complete the terms of engagement in accordance with this undertaking.

11.2 The Independent Expert's terms of engagement must be approved by ASIC before the Independent Expert is engaged. LIS must advise ASIC of the expertise and prior association of the proposed Independent Expert with LIS and its related bodies corporate and officers at the time approval is sought by ASIC. The terms of engagement may only be varied with the agreement of ASIC.

11.3 LIS must:

11.3.1 permit the Independent Expert, to the extent that is reasonable having regard to the requirements of this undertaking, to have access to its books, to interview any employee and to consult with ASIC and disclose to ASIC any information obtained by Emergence in the course of carrying out the terms of its engagement;

11.3.2 give the Independent Expert any information or explanation reasonably requested by the Independent Expert of any matter in any way connected with the reports required to be prepared by the Independent Expert under this undertaking (Expert Reports);

11.3.3 otherwise reasonably assist the Independent Expert in carrying out the terms of its engagement and producing the Expert Reports.

11.4 LIS will ensure that the terms of engagement of the Independent Expert will include a requirement that the Expert Reports will:

11.4.1 set out the steps that the Independent Expert has taken to fulfil its task, including but not limited to:

- 11.4.1.1 the people that have assisted the Independent Expert and in what way;
- 11.4.1.2 the personnel that have been interviewed; and
- 11.4.1.3 the documents that have been assessed.
- 11.4.2 set out any limitations or qualifications to the Expert Report;
- 11.4.3 list those documents or extracts of documents most relevant (in the view of the Independent Expert) in producing the Expert Report;
- 11.4.4 otherwise comply (to the extent applicable) with those paragraphs of the Federal Court of Australia Practice Direction 'Guidelines for Expert Witnesses in proceedings in the Federal Court of Australia', that fall under the sub-heading 'The form of the expert evidence' (see Annexure C);
- 11.5 LIS must provide reasonable access and assistance and take all reasonable steps to allow the Independent Expert to be able to fulfil the terms of their appointment.

First Expert Report

- 11.6 Within 12 weeks of the Commencement Date, the Independent Expert must:
 - 11.6.1 conduct an assessment of the revisions made by LIS to its Compliance Documentation and Compliance Program as required by paragraph 10.1;
 - 11.6.2 conduct an assessment of LIS' compliance with procedures, processes and systems implemented in accordance with paragraph 10.1;
 - 11.6.3 assess whether all relevant company employees, officers and authorised representatives are trained in respect of any new processes, procedures and systems implemented in accordance with paragraph 10.2;
 - 11.6.4 identify any deficiencies in LIS' compliance with the requirements of paragraph 10;
 - 11.6.5 Provide a written report to LIS and ASIC (**First Expert Report**) that sets out:
 - 11.6.5.1 details of its findings in respect of the matters referred to in paragraphs 11.6.1 to 11.6.4;
 - 11.6.5.2 any amendments that were made by LIS to the Compliance Documentation and the Compliance Program during the course of the Independent Expert's assessment

of the Compliance Program and Compliance Documentation, and the reason for those amendments;

11.6.5.3 recommendations on how to rectify any deficiencies identified at paragraph 11.6.4 and a reasonable timeframe within which such deficiencies should be rectified.

11.6.6 The First Expert Report is to be provided to LIS and ASIC within four months of the Commencement Date.

Remedial Action Plan

11.7 If the First Expert Report identifies deficiencies in the assessments referred to at paragraphs 11.6.1 to 11.6.3, LIS must consider the recommendations made by the Independent Expert to rectify those deficiencies and then provide to ASIC a plan (**Remedial Action Plan**) setting out the action it proposes to take to rectify those deficiencies and specifying the reasonable time in which this action will be taken.

11.8 LIS must provide the Remedial Action Plan to ASIC within one month of the date that the First Expert Report was received by ASIC.

11.9 If ASIC requires any reasonable modifications to the Remedial Action Plan, LIS must implement the Remedial Action Plan as modified and within the time specified.

Second Expert Report

11.10 Within six months of the Commencement Date the Independent Expert must:

11.10.1 conduct an assessment of any revisions made by LIS to its Compliance Documentation and Compliance Program as required by the Remedial Action Plan;

11.10.2 conduct an assessment of LIS' compliance with procedures, processes and systems implemented in accordance with paragraph 10.1 and the Remedial Action Plan;

11.10.3 assess whether all relevant company employees, officers and authorised representatives are trained in respect of any new processes, procedures and systems implemented in accordance with paragraph 10.2 and the terms of the Remedial Action Plan;

11.10.4 identify any deficiencies in LIS' compliance with the requirements of paragraph 10 and/or the Remedial Action Plan;

11.10.5 Provide a written report to LIS and ASIC (**Second Expert Report**) that sets out:

- 11.10.5.1 details of its findings in respect of the matters referred to in paragraphs 11.10.1 to 11.10.4;
- 11.10.5.2 any amendments that were made by LIS to the Compliance Documentation and the Compliance Program during the course of the Independent Expert's assessment of the Compliance Program and Compliance Documentation, and the reason for those amendments;
- 11.10.5.3 recommendations on how to rectify any deficiencies identified at paragraph 11.10.4 and a reasonable timeframe within which such deficiencies should be rectified.

11.10.6 The Second Expert Report is to be provided to LIS and ASIC within seven months of the Commencement Date.

Second Remedial Action Plan

- 11.11 If the Second Expert Report identifies deficiencies described in paragraph 11.10.4, LIS must consider the recommendations made by the Independent Expert to remedy those deficiencies and then provide to ASIC a plan (**Second Remedial Action Plan**) setting out the action it proposes to take to rectify those deficiencies and specifying the reasonable time in which this action will be taken.
- 11.12 LIS must provide this plan to ASIC within one month of the date that the Second Expert Report was received by ASIC.
- 11.13 If ASIC requires any reasonable modifications to the Second Remedial Action Plan, LIS must implement the Second Remedial Action Plan as modified and within the time specified.

Final Expert Report

- 11.14 If the Second Expert Report identifies deficiencies described in paragraph 11.10.4, within 12 months of the Commencement Date LIS must engage the Independent Expert to:
 - 11.14.1 assess the implementation and effectiveness of the Compliance Program and Compliance Documentation having regard to the matters referred in paragraphs 10 and 11;
 - 11.14.2 assess the implementation and effectiveness of the Second Remedial Action Plan and
 - 11.14.3 prepare and provide a written report to LIS and ASIC (**Final Report**) within one month from the start date of the Independent

Expert's assessment that addresses the matters set out in paragraphs 11.14.1 and 11.14.2.

12. LIS, LT and Wilson to Act in Good Faith in Relation to the Enforceable Undertaking

12.1 LIS, LT and Wilson, will do all acts reasonably necessary to ensure compliance with this undertaking and refrain from doing any acts which are inconsistent with the terms and objectives of this undertaking.

12.2 LIS and LT will each take all practicable steps to ensure that its subsidiaries, associates, related parties, contractors, employees, servants and agents or any other persons acting on the instructions of LIS do all acts reasonably necessary to ensure LIS' and LT's compliance with this undertaking and refrain from doing any acts which are inconsistent with the terms and objectives of this undertaking.

12.3 Without limiting the generality of the previous paragraph, a reference to acts which are inconsistent with the terms and objectives of this undertaking includes publishing or making any statement which is derogatory of, denigrates or trivializes the terms, objectives or any other aspect of this undertaking.

13. Provision of Documents to ASIC

13.1 The address for providing ASIC with any document, including but not limited to any plan or report, which this Enforceable Undertaking requires to be provided to ASIC is:

Senior Manager
Deterrence - Financial Services
Australian Securities & Investments Commission
GPO Box 9827
ADELAIDE SA 5001

14. Acknowledgements

14.1 LIS, LT and Wilson acknowledge that ASIC:

14.1.1 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;

14.1.2 may from time to time publicly refer to this undertaking; and

14.1.3 will make this undertaking available for public inspection.

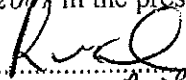
14.2 Further, LIS, LT and Wilson acknowledge that:

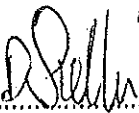
14.2.1 ASIC's acceptance of this undertaking does not affect ASIC's power to investigate, conduct surveillance or pursue a criminal prosecution or its power to lay charges or seek a pecuniary civil order in relation to any contravention not the subject of ASIC's concerns in this enforceable undertaking or arising from future conduct;

14.2.2 this undertaking in no way derogates from the rights and remedies available to any other person or entity arising from any conduct described in this undertaking or arising from future conduct.

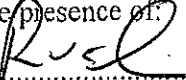
14.3 LIS, LT and Wilson acknowledge that this undertaking has no operative force until accepted by ASIC, and LIS, LT and Wilson acknowledge that the date of the enforceable undertaking is the date on which it is accepted by ASIC.


THE COMMON SEAL of LIFESTYLE)
INVESTOR SERVICES Pty LTD was)
affixed in accordance with the Corporations)
Act 2001 in the presence of:

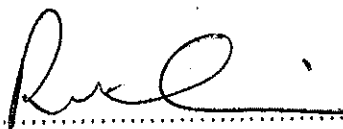
 28/7/2011 Director
.....
ROB WILSON

 27/7/2011 Director/Company Secretary
.....
DAVID SIDHU

THE COMMON SEAL of LIFESTYLE)
TRADER PTY LTD was affixed in)
accordance with the Corporations Act 2001)
in the presence of:

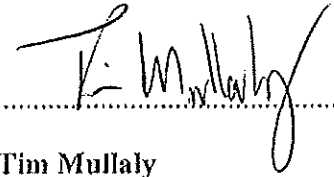
 28/7/2011 Director
.....
ROB WILSON

 27/7/2011 Director/Company Secretary
.....
DAVID SIDHU


.....
ROBERT LLOYD WILSON

Dated: 28/7/2011.....

Accepted by the Australian Securities and Investments Commission under s93A of the *ASIC Act* by its duly authorised delegate:


.....

Tim Mullaly

Delegate of Australian Securities and Investments Commission

Dated: 8/8/2011.....

ANNEXURE A

Advertisement

Notice to Investors who have purchased Lifestyle Options – Share Rental

Lifestyle Trader Pty Ltd ("LT") is an authorised representative of Lifestyle Investor Services Pty Ltd, Australian financial services licence 325184 ("LIS").

Since about August 2008, LIS, LT and Wilson have carried on a business marketing and selling options trading software and an education program to provide instruction and practice in the use of the options trading software ("Lifestyle Options – Share Rental").

From 1 February 2010 to 12 July 2010, LIS and Lifestyle Trader have run a promotional campaign for Lifestyle Options – Share Rental. As part of this promotional campaign, LIS and Lifestyle Trader have placed advertisements and published materials that stated, in part, words to the effect that:

"The options trading strategy of writing covered calls is the same as "Share Rental", "renting out real estate property" and/or taking out an insurance policy "where the insurer will pay you to take out the insurance policy."

"Options trading is easy"

"Returns of 5-10% per month and 60-120% per year can consistently be achieved through use of Lifestyle Options – Share Rental ".

The Australian Securities and Investments Commission has raised concerns with LIS and Lifestyle Trader that these statements or statements to this effect are misleading or deceptive.

LIS and Lifestyle Trader acknowledges ASIC's concerns and has provided ASIC with a court – enforceable undertaking to address the issues. Full details of the undertaking can be found on the Public Register on ASIC's website at www.asic.gov.au.

Lifestyle Trader has today announced that it will offer a full refund to any investor who relied on the above statements or statements to the above effect in deciding to purchase Lifestyle Options – Share Rental and consider that they have been misled as to the nature and/or performance characteristics of Lifestyle Options – Share Rental. The refund will include the purchase price paid by the investor to LIS or Lifestyle Trader for the options trading software as well as fees paid for attendance at related workshops and training courses.

Claims for refunds must be made in writing by 31 January 2012 to:

Deborah Williamson

deborah@lifestyletrader.com.au

Ph. 1800 113 124

This notice has been published under the terms of an EU offered by LIS and accepted by ASIC on [DATE].

ANNEXURE B

Procedure for Contacting Investors

1. In accordance with paragraph 19 of this undertaking, LIS or LT must send the Advertisement at Annexure A by ordinary pre-paid post to the most recent address LIS or LT has recorded for each relevant Investor.
2. If the letter is returned, LIS or LT must attempt to ascertain a current address for those persons by using the 'Change of Address' database provided by Australia Post. If Australia Post's 'Change of Address' database reveals a different address for any such persons, LIS or LT will send the letter by ordinary pre-paid post to that different address.
3. If Australia Post notifies LIS or LT that a person has changed address but has not given their consent to Australia Post to release their new details, LIS or LT will use the 'Re-Connect' service provided by Australia Post to seek to obtain that new address.
4. Note: Australia Post's 'Re-Connect' service is a service whereby Australia Post writes to relevant persons advising them that LIS or LT is trying to contact them, and asking for their consent to the release of their new address.
 - 4.1. Before using Australia Post's 'Re-Connect' service, LIS or LT will consult with ASIC and Australia Post on the content of any correspondence to be sent to persons using the 'Re-Connect' service.
 - 4.2. When using the 'Re-Connect' service, LIS or LT must ask Australia Post to notify the person that the proposed communication relates to 'Corrective notice and possible claim for compensation arising from an enforceable undertaking made to the Australian Securities and Investments Commission'.
 - 4.3. If the person:
 - 4.3.1. consents to the release of their new address to LIS or LT, LIS or LT will send the Advertisement at Annexure A by ordinary pre-paid post to that different address; or
 - 4.3.2. does not consent to the release of their new address to LIS or LT, LIS or LT must follow the procedure in paragraph 4 - 6.
5. LIS or LT will carry out an an Internet search of the Telstra White Pages On-Line at www.whitepages.com.au if:
 - 5.1. Australia Post's 'Change of Address' database and 'Re-Connect' service reveal no different addresses for those persons whose letter is returned; or

- 5.2. A letter has been sent to an address revealed by the 'Change of Address' or 'Re-connect' service and has again been returned.
6. If:
 - 6.1. An entry which includes an address is found and that entry appears on reasonable grounds to correspond with the person sought, LIS or LT must send the letter by ordinary pre-paid post to that address; or
 - 6.2. no entry which includes an address is found which appears on reasonable grounds to correspond with the person sought, LIS or LT is not required to send the letter to that person, subject to paragraph 6.
7. LIS or LT must send the letter by ordinary pre-paid post to the person if at any time within 18 months from the date of ASIC's acceptance of the undertaking:
 - 7.1. A person for whom no address has been found contacts LIS or LT; or
 - 7.2. LIS or LT otherwise becomes aware of an address which it has reasonable grounds to suspect is the current address of the person.

ANNEXURE C

The form of the expert evidence note

■ This is an extract from the Federal Court of Australia Practice Note CM 7 'Guidelines for Expert Witnesses in Proceedings in the Federal Court of Australia.'

Note: See also rule 35.10 Civil Procedure Rules (UK) and Practice Direction 35—Experts and Assessors (UK); *HG v the Queen* (1999) 197 CLR 414 per Gleeson CJ at [39]–[43]; *Ocean Marine Mutual Insurance Association (Europe) OV v Jetopay Pty Ltd* [2000] FCA 1463 (FC) at [17]–[23].

1. An expert's written report must give details of the expert's qualifications, and of the literature or other material used in making the report.
2. All assumptions of fact made by the expert should be clearly and fully stated.
3. The report should identify who carried out any tests or experiments upon which the expert relied in compiling the report, and state the qualifications of the person who carried out any such test or experiment.
4. Where several opinions are provided in the report, the expert should summarise them.
5. The expert should give reasons for each opinion.
6. At the end of the report the expert should declare that '[the expert] has made all the inquiries which [the expert] believes are desirable and appropriate and that no matters of significance which [the expert] regards as relevant have, to [the expert's] knowledge, been withheld from the Court.'
7. There should be included in or attached to the report:
 - (i) a statement of the questions or issues that the expert was asked to address;
 - (ii) the factual premises upon which the report proceeds; and
 - (iii) the documents and other materials which the expert has been instructed to consider.
8. If, after exchange of reports or at any other stage, an expert witness changes a material opinion, having read another expert's report or for any other reason, the change should be communicated in a timely manner (through legal

representatives) to each party to whom the expert witness's report has been provided and, when appropriate, to the Court¹.

9. If an expert's opinion is not fully researched because the expert considers that insufficient data are available, or for any other reason, this must be stated with an indication that the opinion is no more than a provisional one. Where an expert witness who has prepared a report believes that it may be incomplete or inaccurate without some qualification, that qualification must be stated in the court¹.
10. The expert should make it clear when a particular question or issue falls outside the relevant field of expertise.
11. Where an expert's report refers to photographs, plans, calculations, analyses, measurements, survey reports or other extrinsic matter, these must be provided to the opposite party at the same time as the exchange of reports².

¹ The "Ikarian Reefer" [1993] 20 FSR 563 at 565

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² The "Ikarian Reefer" [1993] 20 FSR 563 at 565-566; and Omrod 'Scientific Evidence in Court' [1968] Crim LR 240.

