

Issued on : Friday 29 October 1999



**ASIC**

Australian Securities &  
Investments Commission

## HIGH RISK INVESTMENT STOPPED BY ASIC

The Australian Securities and Investments Commission today stopped an overseas company and its director from promoting a unregistered high risk investment scheme to the public.

Papua New Guinean company U-Vistract Finance Corporation Ltd and its director, Noah Musingku, today entered into an enforceable undertaking with ASIC where they undertook to cease operating or promoting the scheme and further to return money to investors.

and undertook not to take any step in promoting the scheme or any other unregistered managed investment scheme.

ASIC alleged that between 1 June 1999 and 21 October 1999 U-Vistract and Mr. Musingku operated a scheme whereby they solicited funds from investors in Australia including from church groups in Kempsey and Brisbane

The Scheme promised a return to investors of 100% after 1 month and up to 1000% after 1 year.

More than 40 Australian investors invested approximately \$500,000 in the Scheme in the period between 1 June 1999 and 21 October 1999.

ASIC believed that the promised returns were unrealistic and unsustainable.

In August this year ASIC warned investors about this investment scheme which was then being offered in the Kempsey and Mt Gravatt areas.

U-Vistract and Mr Musingku have undertaken:

- Not to promote the scheme or any other unregistered managed investment scheme in Australia;
- Not request investors to deposit funds pursuant to the Scheme or any other managed investment scheme;
- Not accept funds sought to be deposited by investors pursuant to the Scheme or any other unregistered managed investment scheme;
- Wind up the Scheme and return monies invested in the Scheme to investors.

ASIC Regional Commissioner Barrie Adams said that investors who are told they can make returns of this magnitude should be suspicious.

“Investors who invest their money in these types of promotions may as well kiss there money good bye

“People who invest in these schemes in community based organisation should get professional advice and not be swept up in the enthusiasm of a meeting or presentation.

MEDIA RELEASE

The scheme offered no prospectus and little information was provided to investors as to where the money will be deposited or how it will be used to create such extraordinary returns. 

---

“This scheme is a good example of why investors need to ensure they are fully informed about any investment before parting with their money,” Mr Adams said.

“ASIC is happy to provide investors with information, including what questions to ask promoters who offer high

Investors looking for information on high yield schemes should contact ASIC’s Infoline on **1300 300 630**.

**For further information, contact:**  
**Barrie Adams**  
**Regional Commissioner**  
**ASC Regional Office, Queensland**  
**Tel: (07) 3867 4704**  
**Mobile: 0411 549 105**  
**ASC 99/396**

**Issued by:**  
**ASC Media Unit**  
**Tel: (02) 9911 2097**