

## Infringement notice

section 12GXA of the *Australian Securities and Investments Commission Act 2001*

Day of issue: 30 October 2014

Unique identification code: B822927

TO: Equanimity Concepts Pty Ltd  
ACN 134 439 704  
Level 1, Ashmore Plaza  
160 Cotlew Street  
ASHMORE QLD 4214

1. ASIC issues this infringement notice under section 12GXA of the *Australian Securities and Investments Commission Act 2001* (the *ASIC Act*).
2. ASIC has reasonable grounds to believe that Equanimity Concepts Pty Ltd (**Equanimity**) has contravened an infringement notice provision as follows:

Between at least 1 December 2013 and 11 July 2014, Equanimity contravened section 12DB(1)(e) of the ASIC Act by, in trade or commerce, in connection with the supply or possible supply of financial services, or in connection with the promotion by any means of the supply or use of financial services, making a false or misleading representation (in the form of **Annexure A – Advertisement 2**) on a promotional video uploaded to youtube "<http://www.youtube.com/watch?v=INJDu4g54dM>" with respect to the characteristics, uses or benefits of Equanimity's services.

### Particulars

The representation in the promotional video that "*We can show you how you can pay off a 25 year home loan in less than 5 years without paying any more than what you are paying for right now. You can build a property portfolio and not have to pay for it. The cost for us to do this is one maybe two cups of coffee*" is false and misleading because it fails to provide a complete picture of the financial liabilities that a consumer will incur after their home loan is discharged.

Advertisement 2 suggests or implies that by purchasing an investment property, a borrower can pay off their home loan in 5 years instead of 25 years and substantially improve their financial position. However, the strategy behind Advertisement 1 requires a consumer to borrow money to purchase an investment property and defer immediate payments on the investment property loan via a line of credit (**the EC strategy**). There is no mention of this in Advertisement 2.

The EC strategy results in a borrower being left with a substantial amount of debt as a result of purchasing the investment property, of which no mention is made in Advertisement 2. This debt would be more than the "*one maybe two cups of coffee*" stated in Advertisement 2.

### **Applying to have this notice withdrawn**

10. Within 28 days beginning on the day after the day on which this notice is issued, Equanimity may apply to ASIC in writing to have this notice withdrawn.
11. Evidence or information that Equanimity or its representative gives to ASIC in the course of applying for this notice to be withdrawn is not admissible in evidence against Equanimity or its representative in any proceedings (other than proceedings for an offence based on the evidence or information being false or misleading).

### **Withdrawal of this notice**

12. ASIC may, by written notice given to Equanimity, withdraw this infringement notice if ASIC is satisfied that it is appropriate to do so, whether or not Equanimity has applied to have this notice withdrawn.
13. A withdrawal notice must be given to Equanimity within the time for payment of this infringement notice to be effective, that is, within 28 days beginning on the day after this infringement notice was issued.
14. If the withdrawal notice is given after Equanimity has paid the penalty specified in this infringement notice, ASIC will refund to Equanimity the amount paid under the infringement notice.

### **Requirements for applications**

15. An application to have this notice withdrawn, or for more time to pay the penalty under this notice:
  - (a) must be in writing; and
  - (b) must include the unique identification code set out at the top of this notice; and
  - (c) must include Equanimity's reasons for making the application; and
  - (d) may be made by forwarding Equanimity's application to ASIC at the address in paragraph 16.
16. You may contact ASIC in relation to this notice by contacting:

**contact:** **Philippa Kelly**

**by mail:** **Australian Securities and Investments Commission**  
**GPO Box 9827**  
**Melbourne VIC 3000**

**or by facsimile:** **03 9280 3444**

**or by email:** **ACLInfringementNotices@asic.gov.au**



*Signature of delegate issuing the notice*

Peter Kell  
 as a delegate of the Australian Securities and Investments Commission



<http://www.youtube.com/watch?v=INJDu4q54dM>

**"We can show you how you can pay off a 25 year home loan in 5 years without paying any more than what you are paying for right now. You can build a property portfolio and not have to pay for it...The cost for us to do this is one maybe two cups of coffee."**

