



Our Reference: 45337/14

29 January 2016

The Directors
Kovacs Property Group Pty Ltd
C/Trevor Wolff and Associates
Unit 2, 17 Nirimba Street
Manly West QLD 4179

Dear Sir/Madam

Infringement Notice

I enclose by way of service an Infringement Notice issued in accordance with section 12GXA of the *Australian Securities and Investments Commission Act 2001* (ASIC Act).

The Infringement Notice (the notice) has been issued to you:

- because ASIC has reasonable grounds to believe that you have contravened an infringement notice provision of the ASIC Act; and
- as an alternative to commencing a proceedings (whether criminal or civil) against you for the alleged contravention.

Details of the alleged contravention and the amount payable under the notice are contained in the notice.

Enclosures:

- Infringement notice
- Invoice
- ASIC Information sheet – ASIC Act Infringement Notices: Your Rights, which sets out your rights in respect of the notice.

If you have any questions in relation to the notice please contact Paul Eastment on 07 3867 4804 or paul.eastment@asic.gov.au.

Yours sincerely

Peter Kell
Delegate



ASIC

Australian Securities & Investments Commission

Level 5, 100 Market Street, Sydney
GPO Box 9827 Sydney NSW 2001
DX 653 Sydney

Telephone: (02) 9911 2000

Facsimile: (02) 9911 2414



ASIC

Australian Securities & Investments Commission



B00711324

INFRINGEMENT NOTICE

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

Day of issue: 3 February 2016

Unique identification code: C378147

TO: Kovacs Property Group Pty Ltd
C/ Trevor Wolff & Associates
Unit 2, 17 Nirimba Street
Manly West QLD 4179

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

Between 6 August 2015 and 29 January 2016, Kovacs Property Group Pty Ltd contravened section 12DB(1)(a) 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 false or misleading representations (in the same form or substantially the same form as Annexure A – Extract from <http://www.positivefuture.com.au/ethical-investments/> ("the Advertisement") on the website registered by Kovacs Property Group Pty Ltd, www.positivefuture.com.au (website), that services have performance characteristics, uses or benefits.

Particulars

- a) The Advertisement contains a representation that:
"One of the main aspects that has not been emphasised enough is the **safety** of the investment for both *return of capital* and *sustainable quarterly returns* based on increased customer satisfaction and trust."
- b) This statement gives the impression that investors can be assured that the investment is safe in that their capital will be returned and quarterly rates of return will be paid.
- c) This is false or misleading because:
 - i. the investment is subject to risks, including: the loss of capital or a lower than advertised rate of return if the distressed credit card debts are not collected with the anticipated success rate; default on the loan arrangement whereby invested funds are provided on loan to Investment Samaritan Pty Ltd for investment; and risks associated with change in currency, market conditions or regulatory arrangements. These risks are not explained on www.positivefuture.com.au.
 - ii. That the Investment Samaritan Offer involves risks is only referenced generally on the website by way of a disclaimer in a footnote at the

bottom of the web page, which refers investors to the Product Disclosure Statement. The disclaimer is not sufficient to cure the false and misleading impression created by the statement.

- iii. In all the circumstances, the Advertisement would reasonably be expected to give investors the impression of a safe, secure investment with a high return. The general disclaimer does not provide a balanced disclosure of the material information investors need to make an informed decision.

Penalty under this notice

3. The penalty payable under this notice in relation to the alleged contravention is \$10,800.
This penalty is payable to ASIC on behalf of the Commonwealth.
This penalty can be paid using one of the methods detailed in the enclosed invoice.

Consequences of complying with this notice

4. If you pay the penalty stated in this notice within the time for payment mentioned below then (unless this notice is subsequently withdrawn and any penalty paid refunded):
 - (a) no proceedings (whether criminal or civil) will be brought against you by the Commonwealth or ASIC for the alleged contravention of the infringement notice provision or an offence constituted by the same conduct; and
 - (b) you will not be regarded as having contravened the infringement notice provision or having been convicted of an offence constituted by the same conduct.

Consequences of failing to comply with this notice

5. If you do not pay the penalty specified in this notice within the time for payment mentioned below, and the notice is not withdrawn, the Commonwealth or ASIC may bring proceedings under Subdivision G of Division 2 of Part 2 the consumer protection provisions of the ASIC Act (whether criminal or civil) against you for the alleged contravention of the infringement notice provision or offence constituted by the same conduct.
6. The maximum pecuniary penalty that a court may order you to pay for the alleged contravention is \$1,800,000.

Time for payment

7. The time for payment is:
 - (a) within 28 days after the day on which the notice is issued to you; or
 - (b) if ASIC extends, by notice in writing the compliance period for this notice, within that further period allowed.

Applying for more time to pay the penalty under this notice

8. ASIC may extend the compliance period for this infringement notice if ASIC is satisfied that it is appropriate to do so. The extension must not be for longer than 28 days.

9. If you wish to apply for an extension of time to pay the penalty specified in this notice, you should do so in writing within 28 days after the day the notice is issued to you (see paragraph 15).

Applying to have this notice withdrawn

10. Within 28 days after the day on which this notice is issued, you may apply to ASIC in writing to have this notice withdrawn.
11. Evidence or information that you or your representative gives to ASIC in the course of applying for this notice to be withdrawn is not admissible in evidence against you or your 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 you, withdraw this infringement notice if ASIC is satisfied that it is appropriate to do so, whether or not you have applied to have this notice withdrawn.
13. A withdrawal notice must be given to you within the time for payment of this infringement notice to be effective.
14. If the withdrawal notice is given after you have paid the penalty specified in this infringement notice, ASIC will refund to you 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 your reasons for making the application; and
 - (d) may be made by forwarding your application to ASIC at the address in paragraph 16.
16. You may contact ASIC in relation to this notice by contacting:
- Paul Eastment**
Australian Securities and Investments Commission
GPO Box 9827
Brisbane QLD 4000
Or by facsimile: 07 3867 4800
or by email: ACLInfringementNotices@asic.gov.au



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Peter Kell
Delegate

STEP 2: Important points about this investment opportunity for your consideration

We want to inspire investors to *think differently about their investment opportunities and challenge the status quo. There is a new wave of thinking on how people should be treated, no matter what the industry or circumstances. Their conclusion is; kindness does create a win-win outcome, financially, socially and emotionally.* Our investment channels directly into that Samaritan thinking.

This has never been done before, but the results are two-fold -

- 1. Increase the customers ability to repay and**
- 2. Increase their willingness to repay**

One of the main aspects that has not been emphasised enough is the **safety** of the investment for both *return of capital* and *sustainable quarterly returns* based on increased customer satisfaction and trust. This has been achieved through the past good execution:

- CFS 2 is the most awarded Company in the world in it's industry and has a track record of 20+ years of exceptional performance.
- The founder Bill Bartmann was nominated for the 2014 Noble Peace Prize.
- The CFS 2 business technology is on display in the Smithsonian Institute.
- \$50+million of Operational Technology in a constant improvement mode with patents.
- Harvard Business School did a CASE STUDY verifying the merits of CFS business results.
- Independent sources state Bartmann's company, Commercial Financial Services (CFS), was the largest and most successful debt buyer. CFS was acknowledged in 1997 by the Nilson Report, (the most authoritative source for information on credit cards), as the 'best and most highly trained collection agency in the world'

\$10,000 AUD is the minimum investment, Term is 3 years and fixed strong return* pa income is paid quarterly.....**Socially Responsible Investments.**

The Harvard business school undertook a study of the business model used in CSF 1 and found it to be the most profitable business in the industry with a USD1 billion turnover yielding a net profit of USD182 million, recognised and substantiated by the Harvard Business School.

You can access the Product Disclosure Statement (PDS) called the Investment Samaritan Offer by filling out the form top right. Here you will be able to assess the program with all the necessary documentation. The Investment Samaritan Offer was prepared with regard to the particular criteria of the Australian Securities and Investment Commission in order to invite the public in Australia and New Zealand to participate.



ASIC

Australian Securities & Investments Commission

To: Kovacs Property Group Pty Ltd
ACN 101 616 362

Address: Kovacs Property Group Pty Ltd
C/- Trevor Wolff & Associates
Unit 2, 17 Nirimba Street
Manly West QLD 4179

Lvl 20, Commonwealth Bank Building,
240 Queen Street, Brisbane QLD 4000
GPO Box 9827, Brisbane QLD 4001
DX 322 Brisbane

Telephone: +61 7 3867 4700

Facsimile: +61 7 3867 4725

www.asic.gov.au

Infringement Notice C378147
Unique Identification
Code:
Account Number: 66101616362
Issue Date: 02/02/2016

INVOICE

Infringement Notice Penalty \$10,800.00

This invoice is issued for payment of the penalty under infringement notice C378147

To stop further action being taken in relation to the alleged offence/ civil penalty contravention described in the infringement notice, ensure payment of the penalty is made within 28 days of receipt of the infringement notice

For assistance, contact Paul Eastment on (07) 3867 4804

This notice may not include all monies owed to ASIC.
Not Subject to GST, (Treasurer's Determination Exempt Taxes, Fees and Charges).



Payment Slip

Recipient: Kovacs Property Group Pty Ltd

Account Number: 66101616362

Due this notice: \$10,800.00

PAYMENT OPTIONS



Billpay Code: 8929
Ref: 669101616362890

Australia Post,
Present this payment slip. Pay by cash, cheque or EFTPOS.

Phone
Call 13 18 16 to pay by MasterCard or Visa

Online
Go to postbillpay.com.au to pay by MasterCard or Visa

Electronic Funds Transfer

ASIC's account details are:
BANK: Reserve Bank of Australia
BSB: 093003
BANK ACCOUNT: 317118
ACCOUNT NAME: ASIC Collectors rec.Acc.
REFERENCE: 6691016163628



Billier Code: 17301
Ref: 6691016163628

Use these details for phone or internet banking. Call your financial institution to pay from your cheque, savings or credit card account. For info; www.bpay.com.au

Mail
Mail this payment slip and cheque (do not staple) to ASIC,
Locked Bag 5000, Gippsland Mail Centre VIC 3841

Aus Post Barcode: *814 129 0006691016163628 90



ASIC

Australian Securities & Investments Commission

INFORMATION SHEET 139

ASIC Act infringement notices: Your rights

This information sheet explains your options if you receive an ASIC Act infringement notice. It tells you:

- why and when we issue infringement notices
- how to pay the penalty in an infringement notice
- what happens when you pay the penalty
- what happens if you don't pay the penalty
- what to do if you need more time to pay the penalty, and
- how to apply to have the infringement notice withdrawn.

Why we issue infringement notices

ASIC administers the consumer protection provisions of the *Australian Securities and Investments Commission Act 2001* (ASIC Act). These provisions are in substantially the same terms as the Australian Consumer Law but apply to the supply of financial services including credit.

We may issue an infringement notice if we believe certain consumer protection provisions of the ASIC Act have been contravened. These include provisions dealing with:

- unconscionable conduct
- false or misleading representations
- 'bait' advertising
- harassment or coercion in connection with the supply of credit or financial services
- pyramid selling
- sending unsolicited credit or debit cards
- failure to respond to a substantiation notice, and
- giving false or misleading information in response to a substantiation notice.

We must issue the infringement notice within 12 months of the date of the alleged contravention. We may choose, but are not obliged, to issue an infringement notice as an alternative to taking civil penalty action.

Information sheets provide concise guidance on a specific process or compliance issue or an overview of detailed guidance.

What you will receive

If you are issued with an infringement notice, you will also receive a covering letter, an invoice for the penalty and this information sheet. The infringement notice will contain a unique identification code, found near the top of the first page of the notice.

How to pay the penalty

You have 28 days from the day after we issue you the infringement notice to pay the penalty. To make payment, follow the instructions in the invoice received with the infringement notice.

What happens when you pay the penalty

If you pay the penalty in full and on time, we may not commence a prosecution or take civil proceedings against you for the alleged breach. Paying the penalty is not an admission of guilt on your part, nor is it a finding of guilt against you.

However, your payment of the infringement notice will not prevent a consumer from taking civil action against you for the alleged breach. Also, we may still apply to the court on behalf of a plaintiff for a compensation order under the ASIC Act for loss or damage arising from the alleged breach.

We will issue a statement about your compliance with the notice as described below; and publish a copy of the notice.

What happens if you don't pay the penalty

You are not obliged by law to pay the penalty in the infringement notice, and failure to pay the penalty does not create a debt that we can enforce. You may choose not to pay the penalty. However, if you do not pay and we commence a prosecution or a civil penalty proceeding for the alleged breach, the court may impose a higher penalty than that specified in the infringement notice.

What to do if you need more time to pay the penalty

If you need more time to pay the penalty, you may request an extension of time in which to pay. Your request should be received in writing within 28 days of receiving the notice. We may only extend the period of time for payment a further 28 days. If we decide to extend the period of time to pay the penalty, you must pay it within the extended time period.

Your request should:

- specify the infringement notice's identification code, and
- set out your reasons for requesting the extension of time.

Withdrawal of an infringement notice

We may withdraw an infringement notice of our own accord. You may also apply to have an infringement notice withdrawn. We will consider applications for withdrawal of an infringement notice on their merits.

If the infringement notice has already been paid and we withdraw it, either of our own accord or on application, we will refund the amount of the penalty to you.

Applications for the withdrawal of an infringement notice must be made in writing within 28 days of receiving the notice. Your application must:

- specify the infringement notice's identification code, and
- set out your reasons for requesting the withdrawal.

You can mail, fax or email your application to us at:

Australian Securities and Investments Commission
GPO Box 9827
In your capital city
Fax: 03 9280 3444
Email: ACLInfringementnotices@asic.gov.au

Our decision on your application

We have the discretion to grant or refuse an application for withdrawal of an infringement notice.

Our decision is not reviewable by the Administrative Appeals Tribunal.

Publication of notices by ASIC

If an infringement notice is complied with we will issue a public statement (whether written or oral) about your compliance with the infringement notice. The statement will be limited to an accurate summary of the infringement notice including:

- your name
- the amount of the penalty payable
- the conduct specified in the notice for which the infringement notice was issued
- a statement that you have complied with the infringement notice
- a statement that compliance with the notice is not an admission of guilt or liability, and
- a statement that you are not regarded as having breached the provision specified in the notice.

ASIC will also publish a copy of the notice complied with and the date of compliance.

Publication of commencement of proceedings

If we begin proceedings against you following withdrawal of, or failure to comply with, an infringement notice we will publish the fact of commencement of the proceedings and details of the outcome of the proceedings in a media release.

Where can I get more information?

- Go to www.comlaw.gov.au for the general legislative provisions dealing with the infringement notice regime, which are set out in Subdivision GC of Division 2 of Part 2 of the ASIC Act.

- Go to www.comlaw.gov.au for more information about the statutory obligations imposed on credit and financial services industry participants in the ASIC Act.
- For more information about your rights when you are unhappy with a decision made by ASIC, see Information Sheet 9 [ASIC decisions—your rights](#) (INFO 9) available at www.asic.gov.au/infosheets.
- ASIC: 1300 300 630.
- Online enquiry: www.asic.gov.au/question.

Important notice

Please note that this information sheet is intended to give basic information about cooperating with ASIC. It does not cover all the relevant law in relation to cooperating with ASIC and it is not a substitute for professional advice. No section of this information sheet is intended to be all exhaustive or inclusive, and your particular circumstances must be taken into account when determining how the law applies to you.