

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 (ASIC) by:

Dean Scott Hartmann
Toowoomba, Queensland

DEFINITIONS

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

Acceptance Date means the date of acceptance by ASIC of this enforceable undertaking.

AFS Licence means Australian Financial Services Licence.

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

Authorised Representative has the meaning given by section 916A of the Corporations Act.

Client means retail client and has the meaning given by sections 761G and 761GA of the Corporations Act.

Company means Hart Ensole Pty Ltd ACN 157 732 379.

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

Financial Product has the meaning given by Division 3 of Part 7.1 of the Corporations Act.

Financial Product Advice has the meaning given by section 766B of the Corporations Act.

Financial Services has the meaning given by Division 4 of Part 7.1 of the Corporations Act.

Financial Services Business has the meaning given by Division 2 of Part 7.1 of the Corporations Act.

Financial Services Law has the meaning given by Division 2 of Part 7.1 of the Corporations Act.

Financial Services Licensee has the meaning given by Division 2 of Part 7.1 of the Corporations Act.

Mr Hartmann means Dean Scott Hartmann, Authorised Representative (AR No. 250360) of the Company from 1 August 2012 to 30 June 2017.

Relevant Period means the period from 1 January 2014 to 12 October 2016.

Representative has the meaning given by section 910A of the Corporations Act.

ASIC'S ROLE

1. Under section 1 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 and consumers in the financial system.

DETAILS OF MR HARTMANN

2. Since 16 July 2012, the Company has held an AFS Licence (No: 422555) authorising it to carry on a Financial Services Business to provide Financial Product Advice and to deal in Financial Products. the Company has appointed certain persons (including Mr Hartmann) as Authorised Representatives to provide Financial Product Advice on its behalf.
3. Mr Hartmann was appointed as an Authorised Representative of the Company on 1 August 2012. Under the authorisation mentioned above, Mr Hartmann was authorised to provide Financial Product Advice. As an Authorised Representative of the Company, Mr Hartmann operated out of offices located in Toowoomba, Queensland. Mr Hartmann ceased to be an Authorised Representative of the Company on 30 June 2017. During the Relevant Period, Mr Hartmann was acting in his capacity as an Authorised Representative of the Company.

ASIC's surveillance

4. ASIC carried out a surveillance into the conduct of Mr Hartmann during the Relevant Period and in particular, into whether he contravened provisions of Chapter 7 of the Corporations Act with respect to Financial Services provided by him as an Authorised Representative of the Company.

DETAILS OF CONDUCT

5. Through its surveillance, ASIC conducted a review of material provided by the Company in relation to Mr Hartmann's clients and identified concerns in relation to the Financial Product Advice provided to Clients. Based on the material reviewed in ASIC's view Mr Hartmann:
 - (a) failed to act in the best interests of Clients when recommending a switch from an existing insurance arrangement into alternative products;
 - (b) failed to make reasonable inquiries into Clients' relevant objectives, financial situation and needs;
 - (c) failed to conduct reasonable investigation in to Clients' insurance requirements or insurance products that could satisfy Clients' objectives;
 - (d) advised Clients to switch insurance arrangements and superannuation funds when it was not appropriate to do so;
 - (e) cannot in the future be relied upon to discharge the duties and obligations imposed by the Corporations Act on a provider of Financial Services.

ASIC'S VIEWS CONCERNING THE CONDUCT

6. As a result of the surveillance referred to in paragraph 4, ASIC is concerned that Mr Hartman in his capacity as an Authorised Representative of the Company:
- (a) may have failed to:
 - (i) act in the best interests of Clients in relation to the Financial Product Advice provided (in contravention of section 961B of the Corporations Act);
 - (ii) provide Financial Product Advice appropriate to Clients (in contravention of section 961G of the Corporations Act);
 - (b) is likely to contravene a Financial Services Law in the future.

ACKNOWLEDGMENT OF ASIC'S VIEWS

7. Mr Hartmann acknowledges that the views expressed by ASIC in relation to his conduct are reasonably held and has offered an enforceable undertaking in the terms of paragraphs 9 to 15 below.

UNDERTAKINGS

8. Under section 93AA of the ASIC Act, Mr Hartmann has offered, and ASIC has agreed to accept, the undertakings as set out in paragraphs 9 to 15 (inclusive), as an alternative to ASIC exercising its power under section 920A of the Corporations Act to make a banning order against Mr Hartmann.

Cease to provide financial services for a period of 5 years

9. Mr Hartmann undertakes, from the Acceptance Date, that he will:
- (a) not act or engage in any conduct as an Authorised Representative of a Financial Services Licensee;
 - (b) not provide Financial Services, whether on his own behalf or on behalf of another person who carries on a Financial Services Business, whether as an employee of that person or otherwise;
 - (c) not act in a managerial capacity in relation to the Company;
for a period of 5 years.

Upon re-entering the Financial Services industry

10. Mr Hartmann undertakes, from the Acceptance Date, that:
- if, after the 5 year period referred to in paragraph 9 above has elapsed, should Mr Hartmann choose to re-enter the financial services industry, he will notify ASIC of his intention to do so and provide the details of the Financial Services

Licensee he will be authorised or employed by, at least 28 days prior to him being authorised.

11. Mr Hartmann undertakes that should he re-enter the financial services industry, he will, for a period of 6 months from the date he first provides Financial Product Advice:
 - (a) have each piece of advice he provides to Clients audited by his Financial Services Licensee;
 - (b) record, in writing, any changes that his Financial Services Licensee, required; and
 - (c) implement any changes to the advice or the advice documents required by the Financial Services Licensee;prior to providing the advice to the Clients.
12. Mr Hartmann further undertakes that should he leave his Financial Services Licensee prior to the cessation of the 6 month period, the terms of the undertaking referred to in paragraph 11, will recommence with his appointment to any subsequent Financial Services Licensee or Licensees, so that Mr Hartmann will comply with the requirements in paragraphs 10 and 11 for a period of at least 6 months with a Financial Services Licensee.

Costs

13. Mr Hartmann undertakes that he will pay all costs of compliance with this enforceable undertaking.
14. Mr Hartmann undertakes that he will not seek reimbursement of, contribution towards or otherwise directly or indirectly pass on his cost of compliance with this enforceable undertaking to any third party (including to Clients).

Requests for documents by ASIC

15. Mr Hartmann undertakes to provide all documents and information requested by ASIC from time to time, for the purposes of assessing Mr Hartmann's compliance with the terms of this enforceable undertaking, within 10 days after receiving a request from ASIC (or such longer period as may be agreed to in writing by ASIC).

ACKNOWLEDGMENTS

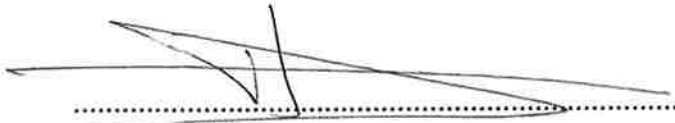
16. Mr Hartmann acknowledges that ASIC:
 - (a) may issue a media release on execution of this enforceable undertaking referring to its terms and to the views of ASIC which led to its execution;
 - (b) may from time to time publicly refer to this enforceable undertaking; and
 - (c) will make this enforceable undertaking available for public inspection.
17. Further, Mr Hartmann acknowledges that:
 - (a) ASIC's acceptance of this enforceable undertaking:

- (i) 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;
- (b) this enforceable undertaking in no way derogates from the rights and remedies available to any other person or entity arising from any conduct described in this enforceable undertaking or arising from future conduct;
- (c) this enforceable undertaking has no operative force until accepted by ASIC; and
- (d) the date of commencement of this enforceable undertaking is the Acceptance Date.

PROVISION OF DOCUMENTS

18. The address for providing ASIC with any notice or document which this enforceable undertaking requires to be provided to ASIC is:

Australian Securities and Investments Commission
Level 20, 240 Queen Street
Brisbane QLD 4001
Attention: Senior Manager – Financial Advisers



Dean Scott Hartmann

Date: 2 . 11 . 17

Accepted by the Australian Securities and Investments Commission under s 93AA of the ASIC Act by its duly authorised delegate:


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Louise Macaulay

Delegate of Australian Securities and Investments Commission

Date accepted by ASIC: 9/4/17