

Guidelines: Good Practice (Disclosure & Communication - Website)

On 18 June 2009 the Australian Securities and Investment Commission (ASIC) released its *Regulatory Guide 198 Unlisted disclosing entities: Continuous disclosure obligations (RG 198)*. Whilst RG198 is designed for unlisted disclosing entities, RG 198 sets out "good practice" guidelines which all companies should consider using to effectively disclose relevant information in a timely manner through its website.

It is the recommendation of the Australian Small Scale Offerings Board (ASSOB) that every public unlisted company has a "Corporate", "Shareholder" or "Investor Relations" page on its website. The purpose of this webpage is to provide a convenient forum for shareholder communications, to detail the company's past, present and future objectives, to post announcements about company operations, to notify persons interested in the company's growth and/or success and as a useful tool to direct interested parties to the ASSOB website for detailed information about the company's current activities.

This page should outline the company's recent developments and planned growth. Information to be published includes:

- a) the company history;
- b) the development, activities, strategy of the company;
- c) future information evenings;
- d) if the company has previously raised capital which has been fully subscribed, information on the amount of fundraising and how those funds were applied; and
- e) biographies on officers or key personnel of the company.

For examples of unlisted public company "Corporate" webpages, refer: http://www.iselect.com.au/about-iselect/company_information/company_structure.jsp or <http://www.aafli.com.au/corporate.history.php>.

Since *s708* of the *Corporations Act 2001 (Cth)* (the **Act**) **does not** entitle a company to freely advertise its offer to issue or sell securities and the Class Order prohibits the company from making any representations that is reasonably likely to induce a prospective investor to apply for the offer, any company currently undertaking capital raising must refrain from publishing any information in relation to:

- a) the fact that the company is capital raising or offering to sell securities;
- b) the details of the offer;
- c) the use of funds from the offer or how funds will be applied to the company;
- d) statements designed to induce or be likely to induce investors to subscribe for an offer;
- e) the fact that the company will be listed or proposes to be listed on the Australian Small Scale Offerings Board[®]; and
- f) details of the services that ASSOB provides to the Company.

Any statements or representations contained in the website must be kept factual and avoid any overselling or making any misleading statements.

Please note that in regard to points e) and f) ASSOB has generated a substantial amount of goodwill and reputation associated with its name. ASSOB owns the intellectual property rights to the Australian Small Scale Offerings Board® name and logo and understands in detail about how its own business operations work and comply with legislation. Any attempts by third parties (including Sponsors and Issuers) to refer to the mechanics of the Australian Small Scale Offerings Board are usually sub-par and for that reason, ASSOB does not allow third parties to issue statements about the company, other than the authorised statement as outlined in this document.

Common Mistakes

Many companies make a common mistake of attempting to promote an offer of securities on its own website through “Investment Opportunity” or “Expression of Interest” statements on the Investor Relations webpage.

A recent December 2008 investigation by ASIC into *Energetique Pty Limited*, a company which posted statements on its website in relation to:

- a. *We invite you to contact us about investment opportunities* (on the home page and in large letters); and
- b. *Energetique invites investors to contact us about investment opportunities. Feel free to contact us by phone or email* (under the tab on the home page “Investor Information”);

was determined by ASIC to be making offers to issue securities without a disclosure statement being lodged with ASIC in contravention of s727(1).

Many companies also make a mistake of attempting to contravene s727 by expressing that the offer is available to sophisticated or professional investors only, but not providing a form of qualification to ensure that those investors are in fact sophisticated or professional investors prior to providing details of the offer.

The following is an example of a non-compliant website – you can see that the content is designed to induce investors and provides information about the offer and its pricing structure in direct contravention of the Act.

IMPORTANT NOTICE: These guidelines have been prepared by the Australian Small Scale Offerings Board for use by authorised Sponsors only and are not for wider distribution. The information contained in these guidelines is of a general nature and not intended to be nor should it be relied on as a substitute for independent legal advice. The Australian Small Scale Offerings Board warrants only that the information in these guidelines is accurate as at 1 July 2009.

The screenshot shows a web browser window displaying the CoaX Helicopters website. The browser's address bar shows the URL: http://www.coaxhelicopters.com/details.php?p_id=187&seo=How_To_Invest. The website has a dark red header with the text "BY WIELAND HELICOPTER TECHNOLOGIES" and a navigation menu with links for "Home", "About CoaX Helicopters", "Coaxial Technology", "How To Invest", and "Contact Us". A helicopter image is visible in the background of the header. Below the navigation menu, there is a breadcrumb trail: "HOME » How To Invest » Investor Program". The main content area is titled "Investor Program" and contains several paragraphs of text. The text discusses the company's capital raising strategy, its recognition of the need for early development, and its focus on gaining support from new investors. It also mentions a "New Investors Forum" and provides information on how to contact the company for more details. The browser's taskbar at the bottom shows several open applications, including Gmail, Limited investment..., CoaX Helicopters, Promotion of Issuer..., and Document1 - Micro... The system clock shows 11:14 AM.

BY WIELAND HELICOPTER TECHNOLOGIES

Home About CoaX Helicopters Coaxial Technology How To Invest Contact Us

Please roll the mouse over one of the options above

HOME » How To Invest » Investor Program

Investor Program

The capital raising strategy adopted by WHT is proving to be robust and attractive to investors. By ensuring the capital raise has benefits for the earliest investors, WHT is building the capital requirements with the business development path.

WHT recognize that getting the first stages of development completed will ensure the future development of the helicopter and the business.

We have received fantastic support from a group of committed investors, who have been able to secure shares at the lower offer prices. WHT will now focus attention on gaining more support from new investors.

WHT is in the process of scheduling a "New Investors Forum", particularly for new investors. The forum will be held at a suitable location in Sydney. We will be holding a similar event in Perth and potentially in Melbourne. All existing investors will be invited to attend. We hope to have significant support from the Australian investment community, for this unique capital development opportunity.

Any sophisticated investors and existing investors may obtain the updated business plans and supplement to the Small Scale Offer Document, by [contacting us](#) through this website.

You will then be contacted by an independant 3rd party (**Mr. Richard Ireland**) from **Business Growth Strategies (BGS)** who will forward the relevent documentation to comply with ASIC rules and regulations.

Sophisticated investors are invited to subscribe. The minimum share parcel for the remainder of Round 2 is \$10,000. Once Round 2 is fully subscribed we will move immediatly to Round 3.

The capitalisation strategy can be obtained by current investors and potential sophisticated investors by contacting Richard Ireland at BGS. By filling in your contact details you will be able to go directly to BGS site where you can apply for the Offer Document.

[For more information click here to contact us](#)

Even words on a company's website that are as simple as the following example may be deemed by ASIC to contravene s727(1) of the Corporations Act:



IMPORTANT NOTICE: These guidelines have been prepared by the Australian Small Scale Offerings Board for use by authorised Sponsors only and are not for wider distribution. The information contained in these guidelines is of a general nature and not intended to be nor should it be relied on as a substitute for independent legal advice. The Australian Small Scale Offerings Board warrants only that the information in these guidelines is accurate as at 1 July 2009.

