

Issued on : Friday 26 March 1999



ASIC

Australian Securities
Investments Commission

HEILBRONN APPEAL DISMISSED

The Queensland Court of Appeal today dismissed an appeal against the conviction, and the application for leave to appeal sentence, brought by Greig Ronald Heilbronn in relation to two Australian Securities and Investments Corporation (ASIC) charges.

The appeals relate to Mr Heilbronn's conviction on 11 February 1998 of two offences under the Corporations Law.

Mr. Heilbronn's first charge was for making improper use of his position as an officer of Vesofe Pty Ltd (Vesofe) to cause detriment to that company and with the intention of defrauding the creditors of Vesofe.

The second charge was for failing to deliver to the liquidator of Vesofe all the books in his possession belonging to the company.

On the first offence, he was sentenced by the Brisbane District Court to two years gaol to be released after serving nine months on entering an \$8000 three good behaviour bond.

On the second charge he was sentenced to a concurrent term of imprisonment for nine months which had already been served prior to the appeal hearing.

Mr. Heilbronn was a director of a wholesale computer company Vesofe trading as Dataquip Wholesale.

Vesofe failed in its responsibility to pay sales tax on computers and by February 1994 owed the Australian Taxation Office \$657,668.

In order to avoid this obligation, Mr Heilbronn transferred all valuable stock from Vesofe to a new wholesale computer company Prepine Pty Ltd of which he was also a director.

In today's judgement the Court of Appeal said: "In the use of the business name Dataquip to cover the activities and true identities of different corporate entities, an element of deliberation and calculation is plainly evident."

"It is one that strikes at the very foundation of effective trading and commercial relations, and it almost inevitably culminated in the fraud perpetrated in February 1994. His actions have caused, and are continuing to cause, a great deal of loss and expense to public funds...."

For further information, contact:
Barrie Adams
Regional Commissioner
ASC Regional Office, Queensland
Tel: (07) 3867 4704
Mobile: 0411 549 105
ASC 99/079

Issued by:
ASC Media Unit
Tel: (02) 9911 2683

MEDIA RELEASE