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**ASIC**

Australian Securities &  
Investments Commission

## **CHEF COOKS UP THREE MONTHS GAOL**

Chef and failed catering entrepreneur Frederick John Hallagan, of Blacktown, was today sentenced to three months gaol on Australian Securities and Investments Commission (ASIC) charges.

Mr Hallagan was convicted of managing Cuspinban Investments Pty Ltd while he was a prohibited person. Mr Hallagan is a prohibited person as a result of a previous fraud conviction.

Cuspinban Investments Pty Ltd traded as Cheftech, The Incredible Party Machine and Downunder Paper and Boarders. It operated in the Sydney West area and its principal activity was that of catering.

Cuspinban Investments Pty Ltd has ceased trading, owing \$180,000 to creditors including many of the company's employees and suppliers. Mr Hallagan failed to pay the wages and superannuation entitlements of the bulk of his employees and often provided them with cheques which later bounced.

Mr Hallagan has appealed against the severity of his sentence and has been granted conditional bail.

ASIC NSW Regional Commissioner Jane Diplock said prosecuting directors who continue to manage companies whilst prohibited, either through bankruptcy or criminal conviction, is an important part of ASIC's Small Business Program.

"This sentence sends a strong message that the Courts and ASIC will not tolerate such behaviour especially when it is to the detriment of employees who have been left high and dry by their employer's gross mismanagement and criminal conduct".

The matter was prosecuted by the Commonwealth Director of Public Prosecutions.

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