

To whom it may concern,

I support a Senate inquiry into ASIC, which I believe has failed to act on financial irregularity around Australia in the past decade.

My elderly parents were retired for almost five years and living on an old age pension in the heady days before the GFC with little or no assets other than their own modest home and less than \$150,000 from the sale of a business.

Yet my father, while on the pension of less than \$30,000 a year, and in my opinion losing his faculties, was granted a loan of \$300,000 to invest in the stock market.

My father had never invested in the stock market in his life and was financially illiterate.

I have since learnt the bank approved his loan after a mortgage broker fraudulently altered his application to say he was a businessman and a professional investor and was still working.

They even instructed him to get an ABN so the loan would be approved.

The bank approved the loan without verifying my father's income, his assets or his ability to repay it. Surely that is unprecedented.

I know when I have applied for loans in the past the bank has put me through the wringer, and yet my family has a combined income of \$200,000 a year.

I also learnt from Centrelink that that loan reduced my parents pension by \$10,000 a year. From around \$28,000 to \$18,000 - which meant they had to spend some of the borrowed money just to live and pay day-to-day expenses.

My father has spent the last five or so years paying the bank some \$2,000 or more a month in interest, his stocks have fallen in value so much they are almost worthless and now at the age of 75 he is broke, faces the prospects of losing his one and only asset and being homeless.

My father is extremely embarrassed about his predicament, but he should never have been approved a loan of \$300,000 at almost 70 years of age while living on the pension.

I have tried to help him by contacting ASIC, the bank and the mortgage broker but they all want to wash their hands and say it's not their problem.

The bank doesn't care as the loan of \$300,000 is secured against my parents home, which is valued at \$500,000 at best.

How can a man who has worked hard all his life, raised five children and paid his taxes be in a position where he stands to be kicked out of his home at 75?

My mother, who never wanted the loan approved, but reluctantly agreed to go along with it, is distraught. The final years of their lives have been marked by worry, severe financial hardship and stress - at a time when they should be enjoying the golden years.

This is a scandal and it should be exposed. You are to be congratulated for setting up this inquiry.

Yours Sincerely,
Graeme Powell