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## **Inquiry into the post-GFC Banking Sector**

To whom it may concern,

We would like to report how we and our piggery business were Rail Roaded into a receivership position by the NAB.

Following is a Very brief summary of a long list of events that if needed can be detailed in full if needed or interested.

In Oct 2010 we applied for an overdraft extension to increase productivity. The bank then required a viability assessment to be done prior. This had never needed to be done for them in our previous 18 years of business with them. The person that was appointed by the NAB to do the viability assessment used totally incorrect production figures. By these incorrect figures, the viability assessor made the conclusion that we were unviable. The Nab used this to appoint receivers etc.

The property and plant were not even marketed or advertised properly. We ourselves had the property listed for auction in February 2011. The receivers immediately withdrew this. They didn't even wait to see what it would make at an open auction.

The property sale was all done quietly and what we think as internally. The actual viability assessor then went on to purchase the piggery property to expand his already existing piggery holdings for only \$130,000 which was valued by a licensed valuer at \$1,780,000. This was also a way out of paying the correct stamp duty on the land transfer.

He also purchased the machinery and stock for \$460,000 which were also valued at well over \$1,500,000

Prior to this period we had our own viability assessment and business plan done by an independent forensic accountant. This showed that we were viable and would be viable as we had been for the past 18 plus years. The NAB refused and would not even look at this report.

We also had a business plan to exit (if required) on our terms of sale etc to obtain proper market values. We had started this slightly by listing the properties for sale. The NAB delayed the application process and took so long in making a decision (over 3 months) on our overdraft application that they made this direction no longer possible.

The NAB had restricted the current overdraft and ceased allowing us to make their loan payments. Once these loans were at 90 days overdue the NAB immediately (almost to the day) forwarded demand letters and appointed receivers.

This was all done while we were still waiting for an answer to the overdraft application. The NAB branch manager also was telling us to wait for the application answer and not use our own exit plan.

**The Nab then offered to have an agreement to write off any remaining debt after sale and not pursue me personally ie no bankruptcy.**

**As we had over \$1,000,000 in equity if sold at market value we were reluctant to do this. We did sign the agreement with the NAB as we had now been put into a position that the bank now said if we don't do the agreement they would then force us into bankruptcy, so there was no choice. So we were again Rail Roded. During this period I had the help of Dean Brown from Premier Special Advisor on Drought and John White from the Rural Financial Counselor Service**

**The Bank then went on to sell our house property. It was also valued at over \$1.700,000 .**

**The bank put it up for very quick auction period in a bad market timing period. It was sold for \$975,000 which was even under the banks reserve. The bank then again made me sign to lower the reserve to sell.**

**We had the property already listed for sale @ \$1,450,000**

**We could have sold it for above \$1,000,000 as we had had offers for this earlier.**

**Those buyers had since bought elsewhere.**

**The bank also left us with all the machinery and plant debts that were not within the Nab. We did receive the farm exit grant but unfortunately it was all swallowed up by the remaining debts as we had no source of any income left.**

**We now also have been walked over by the Bank and our Home and livelihood Stolen from us with no action to be taken against the NAB or receivers . They and other banks can obviously do as they please.**

**A very disappointed and Homeless**