

Dear Senators,

Please find attached my submission that relates to how my business was treated by Bankwest after it was acquired by The Commonwealth Bank of Australia during the GFC in late 2008.

Prior to Bankwest being acquired by the CBA we had a very good working relationship with them, we met frequently, shared business lunches and attended sporting and charity events with the Queensland director of hospitality lending. After CBA's acquisition of Bankwest the relationship wasn't as good.

When we realised our relationship with Bankwest wasn't going that well we arranged to refinance with Westpac. The refinancing was approved in March 2010, with the only condition that a right of entry agreement was reached between our landlords who were ING and our new bank (Westpac).

The right of entry agreement took months to be sorted out partially because ING's bankers had to approve it as well. ING's bankers were the CBA.

In July 2010 my business was placed into receivership by Bank West, even though we had never missed a payment and the business was trading well. At all times during the lengthy refinancing process we kept Bankwest fully informed personally and also via our solicitor, a partner in Hickey Lawyers on the Gold Coast. During this refinancing process we continued to make all payments that were due to the bank, paying all interest and making principal reductions.

On Friday 23rd July 2010 we received word from Westpac that the right of entry agreement was finalised and that the settlement day for our refinancing was the following Wednesday the 28th July 2010. Bankwest were also informed of this by Westpac on Friday 23rd July, **they appointed receivers Monday 26th July.**

My company, Allied Hospitality (QLD) PTY LTD owned The Exchanged hotel and the GPO nightclub both in Brisbane and The Drink and Ruby Tramp nightclubs in Surfers Paradise. The businesses had a combined valuation of approximately \$21,000,000 aud (twenty one million dollars) and our exposure to Bankwest was approximately \$7,000,000 aud (seven million dollars) or 33% of valuation. Our combined turnover was approximately \$300,000 aud per week or \$15,000,000 pa. At the time of the receivers being appointed we had approximately \$285,000 in the bank and about \$50,000 cash in various floats etc and about \$100,000 in stock.

As a result of the receivership and subsequent liquidation we lost our home on the gold coast (also mortgaged to Bankwest) and have returned to New Zealand to try and rebuild our lives from scratch.

I feel that Bankwest's actions were completely unjustified considering our good history with them and the fact that they were fully aware that refinancing had been approved by Westpac, in fact an ex Bankwest employee was the new business manager at Westpac and he kept his old colleagues at Bankwest fully informed. It would be highly unlikely that an ex Bankwest employee would have approved our refinancing with Westpac if he had thought we were "at risk" business.

My 16 year old profoundly deaf step daughter who was an A achieving student at her school on the Gold Coast is now struggling at her new school in Wellington New Zealand. Her life was turned

upside down, as were our own, when we had to pluck her from her school and all of her friends as we could no longer support ourselves on the Gold Coast

Yours faithfully

Ralph Binks

Sole director

Allied Hospitality (QLD) PTY LTD (In liquidation)