

I am 68 years of age and work permanent part-time as a Teacher Aide.

I became involved with Storm (Cassamitis Securities) over 10 years ago. My son-in-law and his father, who live on a property, had invested with them through their neighbour's daughter who was a member of Storm staff.

They thought it may be a way for me to get ahead and have at least some security for my retirement as I had raised my 4 children on my own after their father was killed in a car accident. I also spent 7 years looking after my blind mother until she went into an Aged Care Home.

My first encounter with Storm was when I went to Townsville to a 2 to 3 hour seminar. This explained why shares were better than property investment. All very professional / very convincing. The next morning at 10am I spent an hour with Manny Cassamatis where he showed me graphs and explained that shares often go down but they always bounce up. He assured me that there was no way that I could lose my home – I would be invested at low risk and for that to happen all of the major banks, mining industries and top companies such as Coles, Woolworths, coke Cola etc would have to fall through the floor and that that would never happen.

After coming home and giving it some thought I decided I would give it a go. All of the paper work was prepared in Townsville and posted to me to sign. A valuer did come and value my 80 year old house and block of land – house for \$75,000 and land \$30,000. I realise now that this was probably the beginning of the end for me.

My portfolio gradually built up and in August 2007 I was advised by Storm to borrow another \$30,000 as my next step in building my portfolio. The documentation was sent to me to sign and return. On the day I posted it there was another set of papers in the mail advising me that these were the papers I needed to sign and to disregard the first set. The second set of papers were for \$35,000 not \$30,000.

I immediately rang Storm and advised the lady who had sent the papers that the first set were already in the mail and to return them to me when they arrived or destroy them. When I sent the second set of papers I attached a letter advising them to do this and submit the second set of papers.

A week later I phoned to see if my request had been carried out only to be told that amounts, \$30,000 and \$35,000 had been invested. I asked if the \$30,000 could be withdrawn. I was told no but it would be to the benefit of my portfolio.

Now I know that at this time Storm and the CBA must have known that everything was beginning to crumble. I feel they were desperate to get more invested for their sake as well as the CBA I also believe they were working as one.

On the 27<sup>th</sup> August 2007 the \$30,000 was invested and on the 31<sup>st</sup> August 2007 the \$35,000 was invested. Had I gone to the CBA at 67 years of age, working part-time as a teacher aide, ready to retire and with a \$5000 over-due Credit Card (with CBA) that I was having trouble paying, there is no way I would have been given that loan.

Another incident that made me wary was when Storm advised me, at the same time that these loans were going through, that the interest rate on my loan was due to be fixed and requested that I fix it at 9.03% for 1 year. I rang them and said that I would not fix it at that rate as I believed interest rates were about to go lower. They said they could probably get me 8.5% but I asked to be left at variable.

This concerned me and I began to feel that Storm and the CBA did not have my best interests at heart but their own.

I did phone Storm in September 2007 and asked where I stood if I was to sell and get out. They advised me that after all debts had been paid I would be \$95,000 in front and I advised them to sell. About an hour later I received a call from a Storm staffer in Sydney advising me that it would be to my benefit to stay with the shares as I would be able to draw \$1900 a month when I retired compared with between \$800 and \$900 with the pension.

As I did not fully understand how this all worked and had total faith in Storm as my financial adviser I reluctantly agreed to continue.

In my case with everything I owned tied up with the CBA and Storm I was not able to borrow against anything for house repairs, car repairs, holidays, dental work or anything for that matter that needed doing. Over the years my family have helped me out when they could and I accepted that help intending to pay them back when I exited from Storm.



I have always been an independent person who was willing to work hard to support my 4 children and myself. I only sought Social Security for one short period when there was no work available. Now one of the most frightening aspects of this whole situation is that I have found my personal strength being eroded. I always prided myself that no matter what happened in my life I was able to be strong.

I am still supporting myself. Now that I am in a position to consider retirement my health has deteriorated as a consequence of what has happened. At a time in my life when I should be looking forward to a well deserved rest I find myself struggling on despite overwhelming feelings of rejection and lack of support. It is as though a dark cloud has descended over my whole life.

Only those in a similar situation can understand what it is like to have the stability in your life threatened and destroyed and the very roof over your head put at risk.

I have endured 10 months of absolute hell, overwhelmed feelings of despair, and feelings of worthlessness.

Living alone, at times I have felt so desperate and in such despair that I have found myself almost suicidal and understanding why people do commit suicide. These thoughts have absolutely terrified me. With each day it is harder to function in the way I must, going to work and generally looking after myself. This whole situation affects you mentally, physically and emotionally and rocks the very foundations of your life.

My future judgements have been coloured by what has happened and it has made me realise just how fragile our banks are. I feel I will never regain that sense of security and trust I had for both the CBA and Storm again with either them or anyone else.

I really do feel that Storm and CBA have a lot to answer for.

Sincerely  
Lurline Gibb