

To whom it may concern

I was shopping at Parramatta Westfield during back to school times in January 2005 I had my 4 children with me when a Powerloans rep approached me and got me to fill out questionnaire about my home loan and finances. The rep told me briefly how Powerloan has been able to help its clients reduce their debt without having to make any extra payments. She took down my contact details and said someone will give me a call to see if they can help. A week later I had an appointment in their office in Parramatta. My husband and I had been looking for a bigger home to live in than our 2 bedroom one. I had checked out all the big banks for a home loan and good rates, so I was interested in finding the best deal. The rep explained to me how he can get us a home loan to buy a new home and keep the one we had already as an investment. I didn't think that was possible as my husband's income was considered low at least that was what other banks had said. Anyway the rep said we should meet again, with the equity loan he was going to get us he wanted to see how else he could help us reduce our debt from 25 years to 15 years. Another rep came to our house a week later. He filled in a 3 page LAF with our details and called the bank to see how much we could be approved for. After an hour, maybe less he said we could borrow \$500,000 with the \$300,000 equity in our current home and my husband's ABN number. We don't need any income tax papers or pay slips therefore we don't need to sell, we keep it for investment and when we find a home we could take out that loan. He also mentioned that if we had money left after the home purchase then there was this great investment opportunity we can be part of which will get us great return (Westpoint). A couple of weeks later we found a home and put a deposit on it. My husband wasn't happy with Powerloans idea to take out such a large loan as his business was 18 months old and not established yet, he was the only income provider and we had 4 children. So I spoke to Powerloan and asked them for a \$520,000 loan to purchase our new home and we were putting the other one on the market so we could payback half after the sale. The rep came and persuaded my husband that their strategy was better and he would guide us to make sure this property growth worked and then maybe in 3 years when he had reduced our debt by a quarter we could buy another house. Financial planners have been helping property buyers wealth from hundreds of years the rep stated. The week after this the rep arranged a phone call with another rep (Barry Collins MacBride) to set up and see if we could get another loan for the Westpoint investment. Barry said he could get us a \$250,000 loan to put into Westpoint, he said it was ASIC approved and 100% capital guaranteed and that we could have the money back in a year. I thought this was a great opportunity as my husband needed a business loan to get his equipment to work with. I persuaded my husband as the rep had his money in the investment and getting good returns that it would be good for us too. My husband didn't like the whole idea so he went back to another broker who was helping us and started with the paper work there. Powerloan rep called again and I told him we were going elsewhere. He came to our house that night and spoke to us for 2 hours about how the big banks are thieves and want us to pay bank interest and charges without helping pay off our loan faster to save us money, whereas Powerloan were dedicated to helping us gain property wealth and pay off our home in 15 years without having to make extra payments. I thought he seemed so sure of what he was saying. He went on and on and wouldn't leave until My husband and I said we would give Powerloans a chance. So we got a loan with Powerloan for \$500,000. Then a month later the Powerloan rep said he was able to get us another loan for \$120,000 to put into Westpoint, Powerloans idea was we pay 7% interest on the \$120,000 then get 12% back from Westpoint. The broker only got us to sign and see a couple of pages in regards to our loan documents. I was very surprised to see our loan documents with an income stated. When the

mess with westpoint happened and I spoke to ASIC about powerloans how they harassed us and promised us a so much and lied about westpoint being capital guaranteed and said we could take out a \$120,000 loan after they had said we couldn't get a loan more than \$500,000 to buy our home. I told ASIC that Powerloans had also stated our income after we had signed and signed an income statement without our knowledge. ASIC found powerloans guilty of misconduct as they didn't have a licence and ordered them to pay back \$10 million back to client. I was unable to get a cent of that money and ASIC referred me to COSL who closed to of my cases saying that Barry Collins Macbride was not working under the powerloan umbrella when he gave me advice about Westpoint. However when I told COSL to speak to ASIC to confirm that he was working for powerloan because Barry was in WA and I am in Sydney and the powerloans rep said he was working for powerloans and when I called to speak to him after the westpoint collapse I phoned him at the head office in WA. ASIC officer then wouldn't contact COSL to support my case as "they do not interfere with other government body cases or investigations". I asked Powerloans for my LAF to see how and why I was even given a second loan without doing any paperwork. Powerloans first said it was in archives and then after 2 years that it was destroyed as there Parramatta store had closed. When I finally got my LAF and loan documents I could see and tell they had been tampered with and if I had seen the original they would not be the same. I told ASIC and they said they have completed there investigation and that there is nothing they can to help. Although they had got an order for powerloan director Steve Macardle and Barry Collins Macbride to pay us back our \$120,000 loss they could do nothing to get them to pay it. So now I ask you this, what was the point in ASIC going to court if National Finance is still operating and its former director and employee were found guilty and they have not paid us our money for their misconduct? A lawyer wants \$10,000 in advance to take on this case with no guarantees as to what and how this company that ASIC found guilty is worth. Lawyers all over Sydney have said ASIC should have done more if they have found this people guilty. Like close their company and give back client money that has been lost due to their negligence. I have spoken to ASIC about my hardships since the collapse of Westpoint, I was pregnant at the time and as a result of our money struggles I became a single mother. I have 6 children and as a result of westpoint and ASIC closing it down to late I am in constant fear of losing my home. I only got 4 payments from Westpoint and I don't believe ASIC was doing its job to protect the consumer, for how can a company only give back 20 cent in the dollar to its investors and ASIC not detect it 2 or 3 years earlier. These things don't happen overnight. ASIC must have had some warning that this was going to happen yet they did nothing to warn or protect investors. I went to most meetings with the liquidators and it was the average Australian that was obviously targeted by the banks and brokers. There was only middle to low class society that had no money to fight these wealthy bankers. The bankers used peoples super and equity in their homes to trick and lie to people about investments they knew would fail. All for a large commission, I what to ask ASIC as I have done for the past 8 years. "when we teach our children right from wrong do we make exceptions for a straight out robbery and a white collar crime were its obvious all the banks want is your money and the bigger your lone the more interest you pay and the higher the risk of losing all you have worked for. The fact that when a major company collapses and investors are the only losers the public can't find a government body to hold these people accountable which is why I believe we are seeing a domino effect happening when it comes to liquidation of companies. I don't think company directors fear ASIC, COSL or FOS they are just there for show and to scare the little companies who don't know that ASIC, COSL and FOS are powerless to make any real difference to conatuses. I have spent 8 years bouncing back and forth between these government bodies to no

success each one telling me see the other if they can help and referring me to a financial counsellor in the end.