Parliamentary Inquiry into Bank Engineered Defaults - Submissions Closing on 24th of July

I understand that this Joint Committee will **not** investigate disputes between customers and banks.

Strictly speaking ***The Hollioake Group Pty Ltd (THG)*** does not fall into this category, as we are no longer customers of either CBA, or BW and for obvious reasons. Our company was liquidated and my son and me bankrupted because of the CBA's unethical and unconscionable behaviour when and shortly after the GFC was identified as a problem and especially after the CBA purchased BankWest and began the process that so well laid out in the terms of reference for this Parliamentary Inquiry Committee.

However, even if we are not now customers of either bank I believe our submission is valid and should be included in this committee and used in their terms of reference as evidence that all the areas in the terms and conditions this committee is investigating and we fell under. I have detailed all the various conditions that we were affected by; these start on page 2 of this submission.

On the 4 June 2015 the committee resolved that:

- in conducting the inquiry the committee will **not** investigate or seek to resolve disputes between customers and banks; and
- where the experiences of customers may inform the committee about the practices of banks, the committee welcomes submissions that explicitly address the terms of reference.

Unfortunately we did have loans with the CBA and Bankwest and their behaviour destroyed our perfectly viable group of companies and our Family Trust, through both the non-provision of agreed loans and the cancelling of other loans none of which we had ever missed payments on until the loan already agreed by Bankwest was not honoured. They had previously confirmed that these agreed funds were in the process of being provided and approved us spending around $2.45m of our own funds whilst they were sourced.

The delay in the provision of that loan was an issue, as they knew that we were continuing to spend $2.45m in our own funds into that project whilst they organised the provision of that loan.

Unfortunately when the CBA purchased BW our loan at BankWest was unceremoniously cancelled and the only thing we received was a sorry we can't do anything about it and of course the obvious eventuality occurred. The CBA knew this because they received weekly updates of THG's position. If necessary copies of these weekly updates are available. I believe these serve, as evidence that we were an easy target once the approved loan did not materialise. You wouldn't have needed to be any Einstein to be able to work that out.

See my other submissions for other enquiries and the like, which I have attached in support of my submission to this Committee.

I believe it is a blueprint for the successful culmination of what I consider to be a not very elaborate scam, rather a daylight robbery success. We have never been able to recover from this rather unsavoury treatment, all of which appear to have fallen on deaf ears during several parliamentary investigation attempts to have the CBA bought to bear and own up to disgraceful behaviour.

We were bankrupted and as we had all our worldly goods tied up in our THG Group and family trust we had nothing left to try and fight back with via legal proceedings. It's not if I didn't try, but not many lawyers were prepared to look at our case and certainly not on a bro bono basis. Can you imagine fighting this big wieldy fighting machine, is anyone big enough to do that on a pro bono basis - I thought not.

As of today we are still struggling to obtain funds to do business, because of course I, especially, am now horrible bankrupted individual who cannot be trusted. I'm at an age where everyone sees me as an old age pensioner without any fight, or determination. Well everyone who thinks that is wrong, I admit I have had some periods where I think why bother, but then I think no my family needs me to see this through and as I will never retire, or give up on bringing this unconscionable bank to honour its obligations and act as a decent corporate citizen.

Can you think of anything more criminal; we may have been silly (especially me) by having our whole livelihoods locked into ***THG*** and trusting banks to do the right thing.

At the time the CBA purchased BankWest we were easily able to be helped, all the bank had to do was provide the agreed loan and we could have easily completed our mainly sold off the plan apartments and pre-leased commercial areas, a total sum of 80% of that property. Yes 80%, unbelievable isn't it!

So it is obvious that we fall into the categories listed in the terms of reference for this committee, which state;

1. On 4 June 2015 the House of Representatives referred the following matters, relating to the impairment of customer loans, to the Parliamentary Joint Committee on Corporations and Financial Services for inquiry and report by 31 March 2016:

   a) practices of banks and other financial institutions using a *constructive default* (security revaluation) process to impair loans, where constructive default/security revaluation means the engineering or the creation of an event of default whereby a financial institution deliberately reduces, through valuation, the value of securities held by that institution, thereby raising the loan-to-value ratio resulting in the loan being impaired; **BankWest tried this with us when the GFC hit. They asked us for revaluations and demanded them from the independent valuers appointed by them on all our properties. This didn't make any difference, as the valuers (incidentally appointed by BankWest and the CBA) provided re-valuations, which the banks were unhappy with and were more or less the same as the originals. The bank then threatened the valuers (names available if requested) and advised them that if they didn't reduce the valuations (remember here we had 80% of the apartments pre-sold and 80% of the commercial leases pre-leased on the one property which caused the knock on cash flow issues for the group) they would remove them from the preferred valuer listing. The valuer of the to be built property refused to change their report and it remains the last valuation that was carried out on that property before the forced sale was made. This refusal made no difference CBA/BW and two BW employees were sent to advise me that the loan was not being honoured. They indicated that they could not tell me if it was a direction from the CBA, but their unease told me enough. The following few days confirmed my worst fears, the CBA moved very quickly and I had their liquidators swarming all over me very quickly.**
   b) role of property valuers in any constructive default (security revaluation) process; **In our case refer to item above.**
   c) practices of banks and other financial institutions in Australia using non-monetary conditions of default to impair the loans of their customers, and the use of punitive clauses such as suspension clauses and offset clauses by these institutions; **This was a part of the CBA strategy in impairing our loans at the CBA and BankWest.**

d) role of insolvency practitioners as part of this process; In our case disgusting, their employees visited our apartment and made statements like, that's a nice painting on the wall, making it plain that they thought what little of what he saw of our private property was fair game. Mind you most of our monetary ownership was in the THG Group. The insolvency practitioners had no interest in trying to make things work, quite the contrary, they were out to make as much as possible from liquidating everything. I would suggest it would not have been in their interests to find a way to make things work, that would have been more than likely less lucrative

e) implications of relevant recommendations of the Financial System Inquiry, particularly recommendations 34 and 36 relating to non-monetary conditions of default and the external administration regime respectively; its all related to our engineered/constructed fall created by the CBA.

f) extent to which borrowers are given an opportunity to rectify any genuine default event and the time period typically provided for them to do so; in our case we had virtually no opportunity, or time, to rectify the issues caused by the non production of a legally agreed development loan, which incidentally met all BankWest banking conditions. The non-provision of that agreed loan from BW meant, to put it mildly, we were stuffed and found it extremely difficult to arrange other finance to replace it. The CBA basically just went almost straight out to auction for all our properties at a very stressed time for property sales/leases. Bear in mind that this time, just after the GFC hit, was a very poor time for the selling of both apartments and commercial areas. This made it difficult as we had just finished a $7.5m commercial building which was 80% pre leased by an individual who had already been destroyed by the GFC and he couldn't complete his lease. It wasn't worth the trouble of chasing him legally - he had nothing left either and it would have just meant spending good money on a bad result.

g) provision of reasonable written notice to a borrower when a loan is required to be repaid; if you consider the visit from the two BW employees was made and immediately clear that that our $2.45m in expended funds was probably lost and all of our private funds had been consumed if we didn't receive alternative funding. Obviously the CBA had no intention, or even incentive to honour it, as what now turns out all their so called impaired loans were clawed back from HBOS and obviously then the British Taxpayer. Where was the Australian Government in all this - too bust throwing money out to anyone who could prove they were affected by the GFC, but forgot all about those ruined by the GFC and those who provided jobs for those people. I couldn't think of anything more stupid if I tried. The upshot of this was the Treasurer at the time was mooted to be the worlds greatest

h) appropriateness of the loan to value ratio as a mechanism to default a loan during the period of the loan; and **our LVR ratios were more than acceptable and met all the stipulated requirements. In fact they were agreed and accepted and a legally binding funding offer made. This was, unfortunately and unconscionably never provided. They thus never followed a legally binding contract. Unfortunately by this time all our cash had already been used up in paying for work that should have been provided by their agreed and approved funding.**

i) conditions and requirements to be met prior to the appointment of an external administrator; **and we met all the banks requirements even when they tried to have our valuations reduced against the valuers opinion. If the banks had met and honoured their obligations, there would never have been any need for external administrators to sell off our properties and at less than fire sales prices**

2. In undertaking this inquiry, the Committee take evidence on:

a) the incidence and history of:

i. loan impairments; and

ii. the forced sale of property;

b) the effect of the forced sale of property in depressed market conditions and drought; **in our case the forced sales were devastating even when we had 80% pre-sales.**

c) comparisons between valuations and sale price; **in our case the valuations had the backing of pre-sales and pre-leases at the rates which matched the valuations.**

d) the adequacy of the legal obligations on lenders and external administrators (including s420A of the *Corporations Act 2001*) to obtain fair market value for the forced sale of property; and **in our case our legal obligations were agreed and we were prepared to continue, as evidenced by the expenditure of $2.45m of private funds. On the other hand the CBA's, and by force the BW's, legal obligations were never honoured. It was plain that we had a contract, but they have never honoured it, or even acknowledged that they were in a contract, even though we have their undertaking to supply our, finally non provided, loan in writing.**

e) any related matters. **I believe I am out of words, but if asked I'm sure I have many words available, if the right questions were asked.**

The following pages are just various comments, expressions of distaste some of the applications/reports to various commissions etc. which have all turned out to non events usurped by the various CBA bank CEO's sugar coated answers and miss-directions along with what can only be termed as non answers that have been raging for the last 7 years.

The following are my previous attempts to get some honesty and compensation from the unconscionable behaviour by CBA aided and abetted by their purchase of BankWest.

THE HOLLIOAKE GROUP PTY LTD
BRIEF
CLASS ACTION AGAINST BANKWEST

The Hollioake Group Pty Ltd was severely compromised during its dealings with Bankwest for their 21 Queens Road project. The failure of Bankwest to honour their undertakings for this project led to a breakdown in our Cash Flow, which in turn led to us not being able to meet our obligations. We continually provided Bankwest with cash flow estimates and they continued to delay honouring their offers for funding demanding further information and pre-sales along with obtaining lower Valuations. These delays meant that we were continually endeavouring to meet their requirements, but were always behind their modified requirements, which at the time we didn't really understand. The delays caused us serious cash flow problems as we were continually paying interest that was not allowed for in our project feasibility. We carried out two sets of DA designs and two sets of for construction drawings due to the delays and we even demolished the buildings (which could have returned us income if not demolished) at the approval. We even resorted to bringing in a Builder who had discussions with Bankwest, but they said they had issues and they would not do the funding.

Time line of Events (to the best of my memory when looking through past emails and correspondences).

Bankwest had 21 Queens Road on their books as a loan for the land portion and the loan was increased in July 2008 to allow for the current value as presented by the independent valuer.

We continued with our work in designing 21 Queens Road for Building Permit and this work was completed to allow for the BP to be applied for in December 2008 and we continued to provide Bankwest with the information that they required until the bank finally provided us with a provisional approval in late march 2009 followed by an approval on 12 May 2009. This led to many meetings and emails including a new lower than expected valuation requested by the bank and provided on the 25th May to which the bank had many queries and would not accept the valuation until we went through the process fully. This included us meeting with a new builder who could produce a lower build price to meet further requirements by the bank in relation to the removed contamination which was satisfactorily dealt with to the banks satisfaction until then. Further requests were made of the valuer who incidentally told me that this project was a no brainer and they couldn't see what the problems were with the bank, it was a perfectly satisfactory project with satisfactory profits, which could be increased with some building cost reductions during the building period. The valuer came back with all the queries raised by the bank, who in the end still decided it was not satisfactory and decided that they did not want to take this project on. advised me of this, in a meeting at our apartment on the 24 July 2009 that Bankwest credit had decided not to provide our legally approved funding. They were both very apologetic and very embarrassed in telling me of this.

They finally defaulted us on the 24 December 2009.

There is a very long paper trail in emails from Bankwest that documents the whole saga.

It was a very complicated process and because we had other projects with Bankwest funding the lack of movement on this project caused us serious cash flows on other projects. We would have been able to survive easily had the bank funded 21 Queens Road in line with their offers, but by the time that they decided to default us we had spend so much money we couldn't fight back and because we couldn't pay our GST bill as agreed with the ATO then that caused the company to go down like a pack of cards.

I'm sorry that this is not altogether clear, however I have all the different correspondences available, they indicate the procrastination that led to our problems. After it all broke down I had a very serious feeling that were told from high that they were not to do this project. told me on many occasions that he had never put a project forward to credit and had it knocked back, I believed him, however in the end he had no pull and I believe that he was told in no uncertain terms that this funding was not going to be approved. He and were very, very embarrassed about the failure. I also had the feeling that Bankwest were unhappy about how things had been going with the CBA takeover. I feel

that had that not happened we would have obtained funding and we would not have been destroyed.

I have attached some of the correspondences to the email for this letter as follows;

Emails
Funding Offers
Bank Statements
Contamination and Other
Pre-sales and Letters of Intent
THG Cash Flows
Valuations
New Builders

These contain the drawn out saga, which triggered to our demise.

STATEMENT OF John Hollioake for The Hollioake Group Pty Ltd.

In relation to Bankwest

My name is John Francis Hollioake.

I am 67 years of age and was born at Ballarat in Victoria.

My first language is English.

I hold the following qualifications and work place certificates: -

Qualification / Certificate	*Institution Conferred*	*Approx. Date of conferral*
Diploma of Civil Engineering	School of Mines, Ballarat	1972
MIEAust, CPEng (Civil Eng.)	Institution of Engineers	1972
Project Management Course	B&R (UK) Ltd	1983
Heavy Offshore Lifting Seminar	B&R (UK) Ltd	1983
Project Scheduling and Control Course	SKM	1996

Microsoft Office Course	B&R (UK) Ltd	1983
EG-ENG G&I Contract Awareness and Review (Australia)	KBR	2011

My work place experience includes experience with the following organisations over the periods stated below: -

Employer / Organisation with which employed	*Final position in which employed*	*Period of employment, from and to.*
Coolstreet Pty Ltd	Project Manager, Engineer	December 2010 to Date
The Hollioake Group Pty Ltd	General Manager, Engineer & Owner	December 1999 to May 2011
Sinclair Knight Mertz	Executive Engineer	May 1996 to September 1999
Gutteridge Haskins and Davey	Engineer, Construction Manager	May 1994 to April 1996
B&R (UK) Ltd In Libya, England, Norway and Scotland	Senior Consultant Engineer, Project Engineer, Area Manager, Co-ordinator, Senior Heavy Lift Engineer	May 1983 to January 1994
Wong Tung and Partners (HONG KONG) & Connell Wagner (HONG KONG)	Resident Engineer and Architect	September 1980 to April 1983
B&R (UK) Ltd	Structural Design Engineer	December 1978 to July 1980
Melbourne Harbour Trust	Design Engineer Classes 1 & 2	March 1967 to August 1978

I was previously a customer of Bankwest and was a director of the following companies, which had facilities and arrangements with Bankwest: -

Names of my companies that had arrangements with Bankwest.
The Hollioake Group Pty Ltd (THG)
Rawpower Enterprises Pty Ltd (RPE)
ChaseGold Corporation Pty Ltd (CGC)
Holysmoke Developments Pty Ltd (Family Trust) (HSD)

When I refer to the above companies as being my companies, what I mean to say is that they were companies that I was a director of and that I regarded as my family company, a company with which I was associated through an interest in a trust and a company in which I held, directly a shareholding.

The nature of my business concerned property construction and development of residential high-rise apartments, apartments, houses, town houses, offices and stores.

In support of the facilities and arrangements that my companies and I had with Bankwest, we had provided Bankwest with security over assets that included real property, (land) and charges over the respective companies who were the borrowers, and were guarantors of the primary debt obligations.

The primary borrowers for our arranaements with Bankwest were: - THG, CGC, RPE, HSD, John Hollioake,

The corporate and non-corporate guarantors were: - John Hollioake
these guarantors remained guarantors for all of the facility agreements.

The security provided by way of fixed and floating charges concerned the assets of the following companies: -

Insert the names of the companies over whom the fixed and floating charges were given	*Date the charge conferred*	*Monetary limit of charge and if unlimited or all monies, state that.*

The real property (land) that was pledged as security for the charges under the facility agreement was the following: - *Unfortunately for this section I don't have access to and can't provide all the dates and limits available to me now. The liquidators of THG, instructed* _____ *who demanded all the documentation be delivered to them. Consequently two filing cabinets containing all the THG documentation and all our accounting documentation were provided to them. As I had no funds left to employ legal help as all our funds had been tied up in THG/HSD (something I would not do again if I had the chance) and that shows how much I trusted company with myself. Since I had over 45 years of international experience by then, I thought I knew what the risks were, however, never in my wildest dreams had I ever come across such unethical behaviour, the likes of which destroyed me. I was also very distressed by the actions of Bankwest and the CBA on top of the loss of my second and a few years previously in a car accident, plus the inevitable break down in my relationship with who blamed me for the failure of the company – he has since slightly relented in his feelings for me, but unfortunately hasn't been fully able to forgive me. Our once great relationship had been broken and will never ever repair fully. He was also bankrupted by this unseemly behaviour, so I guess is it any wonder. I find it extremely difficult to live with that, since I dedicated my whole life to my family at the expense of some personal goals, which did not fit in with our overall family aims. My daughter and my wife have stuck by me, but every so often I feel the heat for our struggle – which almost everyone I ever knew still blames me for. I have provided approximate dates as close as my memory serves for many important milestones in the whole horrible affair.*

were the liquidators and because the whole lot of my companies were set up feeding off one another, the whole thing came down like a stack of cards which was bought on by BW not honouring their contracted and agreed loan to THG. I was dealing with as appointed liquidator there, a very nasty piece of work, whom was very similar indeed to at the CBA. From memory, I also had dealings with at GT, who seemed a nice lad, but, whom if my instincts are still effective; I believe he would no longer work in that field with that company.

Insert the street address and if you have them the lot and deposited plan number of	*Details of property*	*The Date that the charge was*	*Monetary limit of charge and if unlimited*

the parcels of land that were pledged as security or subject of a charge, or legal mortgage		*conferred*	*or all monies, state that.*
24 and 25 Queens Road, Mount Pleasant	This was a 2,950 sq.m. (Land portion) property for a 3 storey residential building development with commercial office space on the ground and first floors, plus some council parking agreed with them. Had to demolish existing commercial and petrol station to clear the land. The property was sold via the liquidators at a price and to whom we still don't know. Suffice to say we know it was sold for less than the outstanding loan debt.	Approx. Early 2007	$2,850,000
220 Star Street, Welshpool	Offices and Car Parking on two levels. This project was a just completed project which before the GFC was valued at $7.5m, but during the GFC was reduced in value to $4.5m and if it had been sold at that price would have still made a decent profit. However the bank through Craig Bevis sold it as soon as BW could at a price and to whom, that I still have no idea of. All we know is that it was sold	Approx. Mid 2007	$2,680,000

	for a price below the $2.68m debt. This project had a major portion leased off the plan, but that company fell foul of the GFC and pulled out leaving us very strapped for cash. If BW had honoured their commitment at 24 & 25 Queens Road we would have easily been able to sell it at the $4.5m price, given a suitable amount of time.		
	Out owner built Penthouse Apartment. This was me and my wife's place of abode and due to the same reason in the item above the CBA sold it from under us in super quick time at a price, and to whom, we still do not know. All we know is it was sold for much less than the $2.8m loan and well below the $3.7m valuation.	Approx. January 2008	$2,800.000 (I think this loan size provides confirmation of the value the CBA had on this property)
	House and Land. This house and land was sold in very quick time as per the two items above, with the same result.	Approx. January 2008	$1,200,000 (50% of loan)

There were a different facility agreement negotiated between Bankwest and my companies, and these are listed as follows: -

Date of Facility Agreement	*Designated purpose of the borrowing and reason why new agreement was required.*	*Total Amount of advances covered by the facility*	*Limit to which we in fact drew down under the facility.*

		agreements	
24 & 25 Queens Road, Mount Pleasant	New agreement required to build apartments and offices	$11.145m	$2.85m because BW never honoured their agreed loan

By about 2010 the status of my facilities was that I could not make repayments in accordance with the requirements of the bank at that time and had only committed a monetary default, because the Bank did not honour it's agreed loan of $11.145m to THG. The bank withheld loan funds that were agreed, but never eventuated for work already completed and for work about to be started at 24 and 25 Queens Road Mount Pleasant. All wok only ever proceeded because the bank gave permission. I was visited by pack who advised me verbally apologetically and very nervously that the agreed loan would not be provided and no constructions funds under the agreed documents would be being provided, thus leaving us very short of funds at which time the Commonwealth Bank (CBA) had acted at BW. If those funds had been provided the over $2.35m in work completed on BW's approved funding would have saved the company and all projects would have been completed without the need for fire selling of any property for some time and especially not at fire sale prices. All of the $2.35m in construction funds spent from THG's resources were in line with the feasibility and final contractual agreement with BankWest (BW). BW approved all of these $2.35m in costs at all stages. I asked BW for their approval for every payment, which was to be made on the project. Only on BW's say so did THG pay costs that were agreed would be repaid from the agreed loan when it eventuated. Those funds never eventuated. Eighty percent of the to be developed property on the project was presold (80% of apartments) and pre-leased (80% of offices). There would have been no downside had the property been built. Indeed the bank stipulated valuer advised me that the project was a no brainer and went into print to back up their valuation and when we arranged a further loan with a builder to supply funds under a JV agreement when we were running short on funds. The valuer even bought the build costs into the picture, but BW in the end just gave up on us through pressure from the CBA.

dealt with THG prior to being involved in winding up and liquidating THG.

My relationship managers at Bankwest were and I was in regular contact with them. advised me on many occasions, whilst I pushed for the funds to be provided, not to worry about it "I have never failed to provide approved funds".

was very much more worried about his situation rather than trying to help us through a situation that should not have been any issue. Indeed I think one of the things that went

against me was that I advised both the CBA and BW of our cash flow situation on an at least monthly basis. From that it would have been obvious that our funds were reducing because of our holdings and the fact that approved funds were not yet received. We had been assured many times that these funds would be provided. My cash flows were based on BW providing the contracted and approved funds. Indeed I believe they tried their best and were shot down by upper management and the CBA with whom we had other loans with. My contact there was Mr and later when they were removed as being our contacts and made contact with me (he initially had an offsider whom I believe couldn't handle the activity that was eventuating, left the CBA soon after). He had a conscience, but was a complete and utter waste of space and very nasty person, whom I doubt could understand the situation and really couldn't have cared – he had a job to do and nothing was going to stop him, even if it was obviously unconscionable. I also had contact with an analyst at CBA whom wasn't very helpful. I believe that was the instruction anyway. I do have very many emails from this whole debacle, but they run into hundreds as I do have a habit of putting things in writing and in email form. Unfortunately, and you will understand this, banks don't really operate on this level and usually won't take emails as legal.

I believe my file was transferred to the Credit Asset Management Branch of Bankwest on an unknown date. I was never transferred to CAM and I am unfamiliar with that term in so far as it concerned my facilities, but I did receive a phone call from a senior credit officer whom I met on a date that I can't recall. I was just working as hard as I could to work out an escape route, but since loan funds were scarce I ran into major difficulties and after a few scam attempts on me ran out of time. I believe the only notice I received was the verbal notice of the bank not honouring their approved loan and a back up letter confirming it, followed soon by default notices, all of which are now with

The people employed by Bankwest did not tell me anything else and I was contacted by a Senior Manager after I had arranged suitable further funding (because of all the delays to BW providing the contracted project, we were running out of cash) funds from a builder, that the bank would not be considering any method of finance. I was never told that my file was being transferred to CAM, I only received threatening default notices and demands to pay default interest if I didn't make payments on time (even though we weren't late in making any payments). However, without many of my records (and only having access to emails) my memory of the whole affair is sketchy at best. Since all our records were delivered to under massive threats (and after was interviewed and provided totally wrong statements to the press and ruined my relationship with did I fold and almost collapse from grief. believed that I had not managed the company correctly and still today, since that high profile article ruined his illustrious career. It's still a massive grief to me that I was in any way at fault), I do not have adequate records left to check. I am still fairly confused as to what actually happened. It's only with time and some of

the reports that I have read since that I have come to understand the size of the unconscionable behaviour carried out by the CBA the current owners of the BW name, that I have realised the extent of the BW/CBA collusion and methods that sent us bankrupt.
At some time, can't remember when, I received a letter of default in relation to my facilities from Bankwest. I don't have a copy of this letter so cannot provide details. That letter will be with all the THG files at
The significant steps and the dates upon which I say occurred in relation to this alleged default are set out by me in the following table: -
(Put no more that 20 lines in this table. You pick the best events.)

Date of Event	Event Description
	Bankwest issued letter of approval for lending stating I could rely on the letter
	Contract settlement due date, BankWest kept on procrastinating and did not ever remit project development contracted funds.
	Bankwest decided to revalue my property and of issued a valuation report on their behalf. BW didn't like the new valuation and instructed a re-valuation. The result was that a basically same valuation was provided. It should not have lead to any reason for BW not providing the funds. There just had to be another reason why the funs were not supplied.
	Bankwest alleged a technical default on my facility because they said we couldn't afford to make payments, but after we had spent $2.35m of our cash carrying out construction work as agreed by them. All payments were made based on their approval and were paid on the understanding that BW would reimburse those funds when the contracted funds were provided.
	THG company was wound up and receivers are appointed by CBA, By that time BW didn't exist anymore.

I disagree that my file was truly what would be considered as a material default with my facilities for the following reasons: -
We had made all our payments until we ran out of cash because BW reneged on providing contracted loan funds.

We continued to pay default payments until we could no longer pay.

At a meeting in 2009 of the Bank advised me that *"the bank will not be honouring their contact and they are very sorry, it was something beyond their control. They were very upset, as they knew I had done everything required of me and since the CBA had bought them they were not in any position to fight for THG. They were genuinely sad to provide their report."*

was apparently appointed as Receiver's over our securities on an unknown date. The persons signing that instrument of appointment are unknown.
I had made a number of attempts to refinance the Bankwest facilities away to another Bank, Financial Institution and to private funders. Those steps were unsuccessful due to the sate of the world economy, where funds became almost impossible to secure.

The Receivers that were appointed to my companies and to take charge of all my securities proceeded to realise the sale of the respective assets in the following manner and I say at undervalue: -

Asset Sold	Date of sale	Purchaser	Valuation	Contract Price
24 & 25 Queens Road, Mt Pleasant (cleared land only)	Unknown	Unknown	$4.6m, by BW valuer	Unknown
	Unknown	Unknown	$3.7m, by recognised valuer	Unknown
220 Star Street, Welshpool	Unknown	Unknown	$4.775, by BW valuer	Unknown
	Unknown	Unknown	$3m, by CBA valuer	Unknown

Receivers reported on about 5 December 2011 that the remuneration and expenses obtained by them in that liquidation process was the amount of $75,221.82

I have become unemployed and have struggled to find work, due to my age, after being bankrupted and having suffered the total loss of our family businesses, of which I was the sole responsible party.

I have been hospitalised on two occasions since this disaster and am on medication for high blood pressure and a serious muscle wasting disease, probably all caused by the stress of the unconscionable behaviour of BW and the CBA in regard to the approval of a single loan that was never honoured by BW and without any valid reason.

I am quite lucky to have a strong wife who has stuck by me, even if she sometimes has a bit of a stressful moment with me for getting us into this position. She soon enough realises that I can't do any more and we move on. I suppose you can't brew such determination and integrity, as well as dedication. She doesn't deserve this, I can live with it, but I fear she struggles and keeps it all to herself. Indeed the only time we argue is when I do something like this, she says you are mad do you think anyone cares. Her favourite saying is please don't discuss pie in the sky stuff with me John, just get on and do what you can. Well that's what I'm trying to do and I will continue to look for a positive opportunity, but I need to do something about this too, even if it only helps others from ever falling into what we have had to endure.

My remaining finds it very hard to have any contact with me, he still blames me for the failure of our company even though he knows that I didn't really do anything wrong but keep on a good friend is accountant who set up our businesses in such a way that they could collapse like a pack of cards. Indeed our relationship is almost non-existent, whereas before this occurrence we were not only very close; we were almost best mates, except for the obvious age differences and physical attributes. He trusted me in everything, not so forever again, no matter what happens.

Having lost my wife and me really struggle as a result of that and this rubbish. We now have very few friends, who will remain friends through thick and thin. However it's mainly us who don't wish burden others with our problems. It has taken a lot of effort to do this report, I have tried my hardest to put it into history, but out of respect for my wife and two remaining children and their children I feel it is my duty to try and dig up some pretty horrible memories. I am a professional Engineer who prides himself in doing the right thing even if it's at my cost. This episode has left me fearing for decency and honesty as being the first ports of call.

BANKWEST SENATE EQUIRY - SUBMISSION FROM THE HOLLIOAKE GROUP PTY LTD

The Hollioake Group Pty Ltd had been operating for 8 years and was in the process of the completion of two projects with two being financed when the CBA purchased BankWest.

However, there were issues with one of the loans for one of the projects at BankWest, prior to 2008 GFC. This was a critical project and it's delay in finally being funded by BankWest caused considerable angst.

At the time we thought that the bank was only carrying out it's due diligence and being overcautious, but since we have learned that there were difficulties at BankWest and they may not have even had the funds to provide at any stage. We weren't really concerned until the GFC, as they had already provided a letter approving the loan funding, based on an original set of conditions which were all met, However over a period of time those conditions were varied several times and on several re-valuations provided by prominent valuers at BankWest's request. Those valuers advised us that the project was very viable and that they had advised BankWest of that fact in three reports they were commissioned to do. The bank's loan officer and his State Manager had already advised us that it was just a matter of time that the loan would be finalised and all the conditions had been met.

Before that time they advised us that we should continue with all the work and reiterated that they had never put up a loan that was approved and was not finalised. On those terms we continued to spend funds on work on the project, up to a value of $2.35m. Payment for this work would have been reimbursed from the loan once it was finalised. All the original conditions and several others had been met, however several letters and further valuations were requested. It all became very frustrating; we had to provide many, previously unnecessary bits of information. It then got even harder with even more requests for re- valuations and more work on perceived contamination issues and even more conditions over the period until the GFC hit.

Once the CBA got involved, through their purchase of BankWest, things went downhill very quickly. Not long after the sale of BankWest to the CBA BankWest's State Business Manager and loan officer visited us and advised us that unfortunately the loan for the project would not now be forthcoming, after instructions from the CBA. They were both very embarrassed at having to give this information and apologised profusely on a number of occasions, telling us it was now beyond their control and the CBA had decided the course of action they had to take. The CBA entered the frame very quickly after that with demands for funds and default interest that we could not meet. We had used all our equity in carrying out work that was going to be a part of the funding for the project. In the lead up to trying to get our loan approved,

we had spent over the $2.35m of funds in interest, architects and engineers fees, tests for contamination, removal of contamination, dealing with environmental areas, PM fees, loan interest costs, existing lease buy out costs, remove existing power, sewerage and other services, have solicitors agree with council for their footpath being on our land (no compensation for that either), demolition, strata titling, arrange specifications and building contract, planning permits, building permits, architects fees, rates, land taxes, relocate a microwave tower, sheet piling and other construction works. All the time we were being advised that the funds were approved and would be released up to the agreed 80% of valuation. At that stage we had no idea that the funds would never be advanced against the approved project, if they had the $2.35m would have been immediately paid to THG and thus the company would have remained profitable.

For this project we had secured four apartment pre-sales (which obviously fell over when the funds were not provided, and we had agreed costs owed to those purchasers) and four intentions to purchase for commercial leases all of which also fell over.

The result of the loss of the payment of the $2.35m meant that THG could not cover a full years interest payment in advance on three other properties, two at the CBA and one at BW and a GST payment to the ATO. If the loan on the property had been honoured the $2.35m in funds would have been adequate to cover all costs and enabled the project to proceed and profits made based on the pre-sales prices alone. The pressure from trying to get the loan across the line was enormous and both the CBA and BW had no hesitation in placing all properties on a fire sale status. Sales were made in super quick time with the prices accepted at well below even fire sales, all on the say so of the CBA. The ATO was also forced to act, because the funds were not available to pay our GST dues. Obviously the details are much more involved than can be written here.

The end result of the project funding not being made available, after it was agreed to, has been that and me have been made bankrupt and left in a very poor economical position. We all had all our life savings invested in THG and even after the CBA acted we tried very hard to ensure that all creditors were paid. However this became impossible with the very low realisations from properties sold by the CBA. Obviously this has had a great strain on our families. also had a massive loss, but, luckily has been able to remain solvent through this stressful time, but, not without severe pressure from the liquidators. They are still now questioning her investment in THG, something I find very distasteful and wrong. She became an owner when I can't even imagine what her pain is, but I know enough to know it is unimaginable. To be honest, I'm sick to death of these liquidators, they need to be investigated. It is obvious that they are guilty of

malpractice, or at the very least of unprofessional behaviour. We, and our accountants, provided all the THG documentation available and the liquidators continually keep advising us they haven't been able to find information. It is all contained in the provided documentation, there is no more.

Understandably, this has had a dramatic effect on all our lives (including our spouses and children/grandchildren). It is especially so for whose rather high public identity has been besmirched (as has mine) by the CBA. Reports published on the Internet, by the liquidators and in from an interview with a reporter, who incidentally has reported falsely, I suppose to add to the spectacular nature of it all. Many of the other reports have been less than accurate. Currently only the CBA's side of the story is out there, AND, it's wrong. The liquidator has gone on the record of blaming mismanagement, which is now mentioned all over the Internet. He got his name up in lights though, along with the newspaper reporter who reported these wrong statements. It's very stressful and quite embarrassing especially for someone who prides himself on credibility and ethics. Worst of all it has destroyed my credibility with employers shunning me for roles and investors not willing to take any risks, as I try and get some funds together to do further good work, pay back our debtors and provide employment and housing. I'm glad I'm not suicidal, I am sure that there are others who would not have survived this treatment, but I'm going to fight this to the end. I take pride in doing the right thing.

I'm the first to admit that I'm not perfect and I have made mistakes. Of course I have, but, that's what they were and not calculated ones and I believe if you haven't made a mistake then you have never done anything.

It has been a real battle even getting work for and me, because hurtful and untrue reporting has been a negative. We haven't even been able to obtain relief from the government because we were owners of a company that has been liquidated.

It has been really traumatic on all our lives and both my son and daughter have both had new children since this time. It has been quite difficult to handle the stigma of being bankrupt, after working so hard all our lives. To have, not only all our private equity destroyed (after 45 hard working years) but be outcast by businesses we were associated with is a difficult pill to swallow.

The promise and in writing approval of a loan which did not proceed has destroyed a perfectly good and viable company and three families to boot has left a pall over our lives which is going to be very difficult to overcome.

This is obviously a précis of a considerably larger story; all that information is available if required.

Yours Sincerely,

John Hollioake

NAME: John Hollioake, Director, The Hollioake Group Pty Ltd (in Liquidation)

The following Facebook posts tactic – resulted in no posts back. Though I guess why not is not the question, it appears to me that most have just given up after many years of hard work, which has so far to come to, to coin a phrase of a past involved PM - ZIP.

It has taken me until now to realise that all the avenues open to me that I have used have so far come to nothing. As a result I have decided, since I have been left with no funds to legally fight back that on the 1st November 2014, coincidently almost exactly 6 years to the day in which our companies were affected. Although I didn't know for a long time after and how seriously. So I'll take it that it's six year since my fall from grace started. I am going to concentrate on the next one year to obtain recompense in order that I can repay all my private investors their due rewards, even if I wont be able to pay interest on any overdue amounts to you if I succeed.

So far I have been in a Class action, which doesn't appear to gaining any traction, senate enquiries, all of which appear to have been heard and nothing happening and other little pots shots by others who were treated as badly as we were. To date it is painful to say, the only effected parties who have made any progress with compensation for the bad deeds of the banks are those who have had some funds available to them to fight their cases in the legal system via lawyers. So far many of those have had their cases terminated by the banks settling out of court, thus leaving people like us hanging and having to fight back through other means. I have reached a conclusion that the Class Action, Senate Inquiries and attempted Royal Commissions (these attempted commissions already failed a few times and if you have been

following things you probably know why) are not going to be successful, well whilst I am still alive anyway.

So here goes, I am asking all of you to keep an eye out for my own actions via, Twitter, Facebook, LinkedIn emails and any other means I can manage. I will be launching my campaign on the 1st November 2014 as best I can with my limited resources. I would be most pleased if any of you could, if you see them, please like, RT and whatever else you do to help me bring our case to the attention of those who need to do something to help and embarrass the banks into doing the right thing and admitting to and compensating us for the unconscionable behaviour they embarked on when the GFC hit and that was erroneously used as an excuse, plus blame us for poor management.

So this brings me to a very painful, but true statement. I am sure has suffered more than me, quite possibly because of two reasons, 1, he was singled out by the press, and another not so nice person, whose first actions were to think that we were con artists and took down unfairly and publicly. He was wrong and as one could have expected he would not be thinking clearly, those actions were a very big reason I had problems negotiating other loans. And 2. for some reason took the blame for our problems and as such, because he really had nothing to do with the running of our company's and didn't understand the issues involved, this made it just as hard as the other issue of the It made my task to negotiate other funds almost impossible. Now I'm not ever going to blame for doing something that most would give their right and left arms for, that sort of support. That support was given without my knowledge and I'm very proud of how he took it on himself to protect me, my heart just misses a beat thinking about it as I don't know many other people whose would take on such an important role, so thanks. Having said that once he had taken that responsibility it has been impossible to take it back. The only way left to me now is for me to beat these banks and win compensation. That will be a hopeless task unless I can gather a huge amount of support from others who wish to see the right thing done and yourselves, who I am still in severe pain about my debts to you.

I realise I'm am not very gifted in the English language, but one thing I pride myself on being, is an honest, hard working person/Civil Engineer, with morals. Luckily I'm not prone to drug taking, alcohol or self harm, my way is to fight and by jove I am going to fight, I've had enough of the waiting and rubbish talked about by politicians. I believe it's not time to stop the white-collar crime in Australia and if that means they have to sort out the CBA so be it. It just has to stop.

The following is a letter I drafted to Lawyers; you can guess the response – no money no representation and of course it will have been placed in the too hard bin and for obvious reasons. I'm sure the lawyers wish to continue in practice.

I have just come out of Bankruptcy, caused by the unconscionable behaviour the CBA and BW carried on with during the purchase of BW from HBOS. Indeed the reason we were even in a position to have any problems was because Bankwest never honoured their contracted loan (a copy in my possession) and approved us using $2.45m of our own funds whilst they sourced the funds. It's obvious now that they never had the funds in the first place, but we were never in a position to know that until just recently. I am now in need of some assistance to obtain compensation from the CBA for the damage they did to my me and our development company, which was also liquidated. Bankwest not honouring its contractual obligations to those issues caused that liquidation and us were compounded by the manner in which the CBA secured the purchase of BW from HBOS. My wife, who was not involved the business, but, was obviously affected and it has damaged our family irreparably, as all this happened not long after we lost I guess you will understand how I feel towards the CBA behaviour, which I consider to be seriously flawed and maybe even bordering on criminal, when you consider many of the nasty things they actually did during the issues they faced us with. At the time they stated these issues were caused by the GFC, but of course now it is quite clear it wasn't. We were obviously still in a very fragile state because of the and couldn't believe that a bank or banks were capable of such behaviour and so far have not made a song and dance about it. Now however, I have reached the limit of my patience in regard to the class actions, senate inquiries and other actions. I have seen several private actions settled out of court and with no public knowledge of what those results having been able to be reported, for obvious reasons. So my instincts tell me, the only way I will ever get any compensation is to arrange it for myself, hence this message to you.

Could you please, if you are able consider my case and let me know what you may be able to do for me. I am going to make this my project; until I gain the reward I am entitled to. I will not stop at using all means available to me in order to affect this.

I will understand if you do not wish to talk to me because your company have conflicts of interest, or you have shares in the CBA, which means it's not in your interests to discuss the matter with me.

Kind Regards,
John Hollioake
MIEAust, Civil Engineer

Royal Commission Attempt (please don't ask if it was even considered – there will have been too many vested interests to allow that).

CBA/Bankwest Royal Commission
Petition (Non-Bankwest Customer)

I John Holliaake
(First Name) (Last Name)

of _____ WA
(Street Address) (State)

am engaged in the business of CIVIL ENGINEER (retired)
(Occupation/Business)

and wish to voice my support for a CBA/Bankwest Royal Commission.

I believe it is important to address this misconduct for the following reasons:

1. Unconscionable behaviour lending facilities
2. The non consummation of agreed loans
3. Unconscionable behaviour with Valuation experts
4. " " estate agents and

I request that the Federal Government conduct a Royal Commission into the serious allegations that CBA/Bankwest manufactured non-monetary defaults to terminate loans for commercial gain to the bank.

Name: John Holliaake

Signed

Date: 21 / 5 / 2014

CBA/Bankwest Royal Commission
Petition (Bankwest Customer)

I JOHN (First Name) HOLLOAKE (Last Name)

of . WA (State)

was engaged in the business of DEVEPMENT MANAGER / DIRECTOR (Occupation/Business)

and became a Bankwest customer on been a Bankwest customer in various ways (Date) since 1993.

I was not in any financial difficulty until Bankwest forced me into financial difficulty through their own actions. My

loan was subsequently terminated on exact date unknown (Date) and as a result of the Bank's actions I am:

currently bankrupt / facing bankruptcy. (Circle as appropriate)

The effect of this matter on my family and I personally has been:

DEVASTATING, Resulting in bankruptacies and family issues, and the loss of significant developments, associated equity and ending in bankruptacy.

I request that the Federal Government conduct a Royal Commission into the serious allegations that CBA/Bankwest manufactured non-monetary defaults to terminate loans for commercial gain to the bank.

Name: John Holloak

Date: 21 / 5 / 2014

Yours faithfully,
John Hollioake (Ex CEO of The Hollioake Group - THG)