

Dear Senator Rice

I write to you as a victim of misconduct / a concerned Australian. In brief, I was advised by Peter Holt (finance advisor) to invest in Timbercorp, prior to this I'd had no financial advice from a professional financial advisor. I'm 53 years old and this was going to be my / our long term investment for retirement.

Now with the collapse of Timbercorp, I'm left with a debt originally \$240,000 and now around the \$600,000 and growing each month with a penalty interest rate of 13.2%

The failure of Timbercorp has greatly impacted my personal life, the resulting anguish placed significant stress on my marriage which resulted in a marriage separation with my wife, and me losing everything.

I made Timbercorp an offer to try and get some sort of ending to this fiasco but they rejected it. There is no way I can repay this loan and can only see bankruptcy in the future, which I want to avoid.

There are other people I know in our area who are in the same situation, some with young children who are devastated financially and have been placed under a lot of stress.

We need to be heard through a senate inquiry and some sort of resolution found and all these outstanding loans need to be cleared / wiped.

This clear and powerful summary outlines concerns:

[http://halttosafeguardyourfinances.com/images/TC\\_Fraud\\_and\\_Misconduct\\_and\\_role\\_of\\_ANZ2.pdf](http://halttosafeguardyourfinances.com/images/TC_Fraud_and_Misconduct_and_role_of_ANZ2.pdf).

These following comments may be of assistance to you:

- 1) Timbercorp loan documents are typically incomplete, provide POA not authorized, falsified, and fail its own advertised criteria for acceptance. Applications sent by my former accountant / financial adviser, Peter Holt, and his office were automatically approved according to a former Timbercorp employee, often based on only a signature (some of which appear forged). Many people did not even know of these loans.
- 2) FOS determinations were made against Mr Holt. ASIC (eventually) banned Peter Holt (for only 3 years) who was complicit with Timbercorp (and numerous agribusiness schemes, margin loans scams with CBA, Macquarie and other banks).
- 3) This misconduct has financially decimated innocent people who have lost their home and life-savings, being placed in insurmountable fraudulent debt, and/or forced into bankruptcy. This is

not to mention the even greater incalculable personal cost in terms of health, relationships, family, work and every aspect of our lives. It continues now.

- 4) Some 6 years later after the GFC exposed misconduct, this is still happening. ANZ and KM, the liquidator of Timbercorp, have failed to respond adequately, or at all, to information and requests to meet. They disregard the ethics and devastating trauma.

I am a member of the **HNAB Action Group** which first met with parliamentarians in Canberra in June 2014 after assistance from **Industry Superannuation Australia**, Mr David Whiteley CEO, Ms Robbie Campo, Deputy CEO with Mr Greg Combet. The liquidator of Peter Holt's company, **G.S. Andrews and Associates** also has been tremendously helpful since the Group formed 4 years ago. We were involved with a segment on the **7.30 Report**, **Lateline** and **Business Day** as well as print media. Adele Ferguson recently met with us for information about Peter Holt and an upcoming Fairfax piece.

We have written to countless regulatory bodies, lenders and relevant individuals: mostly the response has either been concern but no action, or no response, or denial and dismissal.

A solid economy requires trust in the financial institutions and the regulators. We now know the danger present to the unsuspecting Australian public. It is of the utmost concern that:

- despite our innocence, and evidence, we can be compelled to submit to financial criminals - if we robbed a bank, or a person, with a knife or a gun we would be swiftly convicted.
- trusted "professionals" with sophisticated financial, insolvency and legal knowledge can use a pen or computer to steal multi-millions of dollars from powerless Australians.
- these people secure assets beyond creditors reach and enter fake-debt bankruptcies, to avoid litigation.

This is *financial terrorism*.

On meeting with numerous MPs, senators and ministers, in almost every case they have actively supported us, including writing to ANZ about Timbercorp. It is noteworthy that:

- 1) due to the tenacity and integrity of Liberal member **Sarah Henderson MP** with **Michael McCormack MP, Parliamentary Secretary** to the **Minister for Finance, Mathias Cormann** an extremely rare occurrence was achieved of having one of our member's insurmountable tax debt waived. This suggests acknowledgement of the role of government in failing to protect the public.

- 2) after members met with **Senator Deborah O'Neil** and **Tony Smith MP**, together with **Senator Williams** they have demanded clarity regarding concerns about ASIC. Senator O'Neil has also asked for clarification that the *CBA's Review* process will include Australians impacted by its mobile lenders collaborating with supposedly 'independent' advisers incentivised by exorbitant conflicted remuneration.
- 3) **Jenny Macklin, MP** has also written letters of support and has offered to assist our Group in communicating to the public via the media at the press conference.

**These figures speak volumes:**

- Timbercorp paid Mr Holt around \$7,360,000 in commissions: this is some incentivization!
- ANZ made a record profit of 7 billion dollars, up 15% on last year. How much of this is from the thousands of people forced to pay on dodgy loans? The penalty interest since 2009 has more than doubled debt now - and it will increase exponentially.

The spin is we are greedy, rich, high-end-of-towners who sought tax breaks. Some may have been (like Mr Holt). Most are definitely not: one single mother member of our group earned \$50,000 a year as is now bankrupt. MIS was sold as:

- a vastly superior alternative to superannuation that was government backed (untrue)
- helping our farmers and the Australian economy through ethical, sustainable, agricultural and horticultural products (untrue).

**Our first goal below is possible, now, with your assistance:**

- 1) Pressure ANZ to *wipe existing fraudulent loans* and repay those forced to settle.
- 2) Hold *fully accountable* the individuals and organizations complicit in misconduct.
- 3) Demand a *Royal Commission* into white collar crime and the financial services industry – and create a new competently trained and resourced body able to investigate and rule on cases of misconduct including restitution and compensation.

Your power to influence these matters cannot be overstated. Please encourage colleagues and supporters who are committed to protect the public and hold those accountable for misconduct, fraud and negligence to stand in solidarity with us at 8am on 12/11/14. I am immensely grateful for your assistance.

Yours faithfully,

Wayne Grumley  
Member of HNAB Action Group