

Submission to Senate Inquiry

"Effects of the GFC on the Australian Banking Sector"

28th May, 2012

Economics References Committee

PO Box 6100

Parliament House

Canberra, ACT, 2600

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.

Introduction:

On sale of part of a property attached to my loan facility, Bankwest would not allow me to reduce my debt, but instead forced me to deposit the funds with them at very low interest. They also did not let me move the funds out of Bankwest. During this time I was paid excessive interest and other Bankwest charges.

Detail:

During divorce proceedings I purchased my ex-husband's share of a shopping centre \$1.3m. My broker approached Bankwest and I accepted a satisfactory deal in 2007(see attached statement from my broker).

I had no problems till I sold part of the property for \$300k in 2009. I was not allowed to reduce my debt, nor move my funds to another bank. Instead I was

forced to earn low interest and pay high borrowing costs (see attached statement from my broker).

As per the attached emails, Bankwest officials intimidated, and harassed me including regularly telephoning me on Sunday mornings. Essentially the tone was that if I tried to change banks, I would pay a hefty price. My accountant and broker were of the opinion that my \$300k had been embezzled and that I had lost my money.

Bankwest also failed to turn up to settlement on several occasions when the facility was being transferred to the ANZ Bank.

Impact:

- Financial Loss directly related to transactional failure
- Financial Loss related to malfeasant credit agency notification
- Financial Loss due to quantifiable loss of use of funds for investment purposes (forced to use cash/liquid to secure another property purchase. This is still tied up in that property while the collateral damage of the Bank West saga is being worked through for refinancing)
- Financial Loss due to quantifiable loss of use of funds for investment purposes (missed opportunities)
- Anxiety, stress and other health deterioration relating to this transaction
- Anxiety, stress and other health deterioration specifically relating to the threats by phone, email and in person from Bank West Executives

Conclusion:

Bankwest in my opinion operated outside the legislated premise of a Deposit Taking Institutions and the legislated premise of a Credit/Lending Institution.

Yours Faithfully,

Gail Torrens
Director
Chadoora Pty Ltd