

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Treasury Portfolio
Additional Estimates
2014 - 2015

Department/Agency: ASIC

Question: AET 41

Topic: Criminal prosecution of financial advisers

Reference: Hansard page no. 102 - 25 February 2015

Senator: Canavan, Matthew

Question:

Senator CANAVAN: Senator Dastyari asked questions and I think you have banned around 60 advisers. I cannot remember the exact number.

Mr Medcraft: It was 68.

Senator CANAVAN: In any of those cases, or other cases indeed, have the investigations resulted in a criminal prosecution that has put someone in jail?

Mr Kell: Yes.

Senator CANAVAN: How many?

Mr Tanzer: Last year we conducted 31 criminal actions resulting in 30 criminal convictions and 14 people jailed.

Senator CANAVAN: Does that—

Mr Tanzer: No. That is a total. I would have to come back to you with the detail.

Senator CANAVAN: We will have to put that on notice.

Mr Tanzer: Yes.

Senator CANAVAN: That is fine on notice; it is about financial planners in particular.

Mr Mullaly: In the last five years there have been 19 criminal convictions. There are four matters currently before the courts and 17 other matters currently under investigation.

Mr Kell: Criminal investigation.

Mr Mullaly: That is the financial advice industry.

Mr Tanzer: Two weeks ago there was a conviction of a Melinda Scott, financial planner, guilty of defrauding with six years and nine months' jail.

Answer:

22 financial planners have been convicted, with 12 being sentenced to terms of imprisonment. A further 47 individuals in the financial services industry were convicted, of which 30 were sentenced to terms of imprisonment.

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2 years imprisonment, suspended upon entering a 2 year good behaviour bond	1	1							
HORSELL CRAIG JOHN									
3 years imprisonment to be released immediately upon entering into a three year good behaviour bond	1	1							
HRONOPOULOS ANASTASIA									
5 year good behaviour bond	1	1							
KING TODD									
2 years imprisonment and was made eligible for parole		1	1						
LEWIS JAMES STEPHEN									
12 months imprisonment - to be released upon entering a \$2000 recognisance to be of good behaviour for a period of 18 months		1	1						
MAHER TONY									
25 months imprisonment (non-parole period of 15 months)		1	1						
MANION BRENDAN MAXWELL									
Fined \$27,000	1	1							
SCOTT MELINDA									
6 years, 3 months imprisonment (non-parole period of 3 years, 10 months)		1	1						
VEITCH BRIAN WILLIAM									
6 years and 2 months imprisonment (non-parole of 4 years)		1	1						
VYAS PAVAN									
2 years imprisonment to be served by way of an Intensive Correction Order		1	1						
WEERAPPAH CLESTUS									
4 years imprisonment (non-parole period of 2 years)		1	1						
WHITTING KEVIN MAXWELL									
Fined \$5,000 and ordered to pay back the more than \$684,000 to investors		1	1						
WICKETT BRUCE LAWRENCE									
18 months imprisonment (non-parole period of 8 months)		1	1						
WEAVER IAN									
12 months imprisonment - to be released upon entering a 2 year GBB			1	1					
Total	2	1	3	6	7	3	22		