**Division/Agency:** Australian Securities and Investment Commission
**Question No:** 98
**Topic:** Debt vultures
**Reference:** Written
**Senator:** Ketter, Chris

**Question:**

This question is in relation to answer to a question on notice at the 2017 Additional Estimates (ref SQ17-000275). In that answer ASIC refers to working on a number of matters in relation to false or misleading representations in respect of credit repair services, and services in relation to the promotion to consumers of Part IX arrangements under the Bankruptcy Act, which it says are not yet public. Please can you advise if those matters are now able to be made public, and if so, give details?

**Answer:**

The infringement notice referred to in Question 1 of SQ17-000275 was paid by the firm, Capital Debt Solutions Australia Pty Ltd. ASIC released 17-130MR *ASIC crackdown on misleading advertising by debt management firms.* That media release also detailed action taken in respect of two further firms, Debt Assist Aust Pty and Bankruptcy Experts Pty Ltd, in relation to ASIC's concerns with the practices of those firms.

On 6 July 2017, we commenced legal proceedings against Gold Coast-based credit repair business, Malouf Group Enterprises Pty Ltd (Malouf Group), and its director Jordan Francis Malouf.

ASIC alleges that between 1 January 2014 and 31 December 2015, Malouf Group made false or misleading representations and engaged in unconscionable conduct in the operation of its credit repair business, including by representing to consumers that Malouf Group could remove negative listings from their credit file when in fact often nothing could actually be done about the listings. ASIC also alleges that in some cases there was nothing in fact wrong with the consumer's credit file. Malouf Group usually charged consumers a fee of $1,095 for its services.

We have other work in relation to credit repair services that is ongoing and is not yet able to be made public.