

ATTENTION: Committee Chairman, Bernie Ripoll

The real issue with those that have lost money through Storm investing is how many sought an independent review of the Storm Financial projections? Very few I would guess. It would seem almost all broke a golden rule of investing, "Do not put all ones eggs in one basket". Many would argue also don't invest what you can't afford to lose and once the home is paid off ... keep it debt free or at least keep other assets that will pay off the debt should such action become necessary.

I am a Chartered Accountant who reviewed early in September 2008 the assumptions behind the Storm proposals at that time. They were unrealistic in projected growth in the share market, there were to be no realisations for 5 years. This latter raised the question, how was a retiree to get income/cash flow for living?? Not from income of the investments as that was taken by the Storm fee and ongoing interest on the margin loan! When these items were pointed out to my client he had no hesitation in deciding to NOT GET INVOLVED with Storm F.

How can you protect people from themselves? How do you prevent greed?

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