

June 25, 2009

Committee Secretary,  
Parliamentary Joint Committee on Corporations and Financial Services  
Parliament House,  
Canberra ACT 2006

I am a 73 years old single woman who worked till I was 70. In 2007 I invested with Storm Financial through the North Sydney Office.

The decision to invest came after many discussions regarding the safety factors. With a 60% margin loan taken out over two properties, the "what if factors" and other questions and answers were covered and I was led to believe that there was always a pool of monies in reserve plus a "sell down of shares option" should there be a "glitch" in the market.

On the 31<sup>st</sup> Dec 2008 I received my first contact call from the Macquarie Bank, informing me I was \$3,000 behind in a payment to Queensland Bank and \$796,000 owing to Macquarie Bank by 31<sup>st</sup> March 2009.

Totally shocked I did not have the experience to know just where to go from here. I immediately rang the Storm Office but did not receive an answer as they were in recess over the Christmas/New Year.

On the 6<sup>th</sup> January I contacted Storm's Financial advisor Bernadine Frauly who suggested I write a cheque immediately to the Macquarie Bank for \$10,000. On reflection I realized that all I was doing was covering my monthly allowance for 3 months. My next contact with Storm Office was a recorded service informing me that the Storm Financial was in receivership.

Apart from monthly receipts from Macquarie Bank, the Bank of Queensland and Challenger Bank, until this time I had never had personal dealings with these institutions.

My home of 35 years has been sold. I am now a pensioner. I still owe Storm Financial \$100,000 payable by variable home loan at a rate of \$679 pcm.

The margin loan of 59% had been taken to 99.8%. My visits to Macquarie Bank were frequent during the months of January, February and March and dealings with the Bank of Queensland have been very frustrating.

On reflection after reviewing media releases, as a retiree, the banks should never have accepted my application for a margin loan through Storm Financial – the Bank of Queensland being part providers of the loan.

My investments and my security are gone.

Since Feb 2007 till closure in 2009 there had been many investor meetings held with Mr Cassimatis with many metaphors and allegories assuring us that at all times with their experience that our interests were well and truly under their control.

I trust that the inquiry will come up with some resolution and safeguard to ameliorate the situation so many Storm clients have been exposed to. Not being a financial expert one can only rely on those with the licensed accreditation given to them by authorities such as ASIC who have had dealings with Storm Financial in the past and approved of this financial model.

Yours faithfully

Gina Lazzarini

*I started off with nothing & still have most of it left!!!*