

24TH August 2009
Gus Dalle Cort

Committee Secretary
Parliamentary Joint Committee on Corporations and Financial Services
Department of the Senate
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Sir / Madam,

**RE: SUBMISSION TO THE PARLIAMENTARY JOINT
COMMITTEE ON CORPORATIONS AND FINANCIAL
SERVICES**

Up until the time of voluntary administration, my role encompassed the Managing Director of Storm Financial (nine) Pty Ltd – Cairns (Resigned). I was also employed in the fulltime capacity of an employee representative of Storm Financial - AFS Licence No.228905. Further to this, I was also a client of the Commonwealth Bank with regard to my personal finances.

Firstly, I would like to thank Sean and Paula McArdle and the submission they have made. I endorse the questions and the facts displayed as being very real and correct from my point of view. All points that I have made in the following submission can be easily cross-referenced with the facts that they have provided. I have tried to explain the events below as I have interpreted them with the knowledge and facts that I have had to deal with over the course of my time with Storm Financial.

I know and believe **negative equity** is the only real issue that requires addressing.
Why were clients not sold out at **margin call or given a margin call**?
Why were clients not dealt with in the same manner they had been dealt with when they had reached a margin call in the past?
CGI have issued and dealt with a margin call in the past with Storm Clients yet on this occasion they appear to have had an Oh Shit moment and realised that their systems have failed on this occasion.
Why have CBA been so deceptive and misleading for so long (denied any wrong doing for 5 Months) yet now have come out to admit to wrong doing?
Why have ASIC not acted to impose restrictions and fines to enforce CBA to make good in a legal sense on their admission of wrong doing?
Macquarie Margin Lending are also **guilty** of the same acts as Colonial Geared Investments, the only difference being is MML acted earlier than CCI however the time periods were also too late causing MML Clients more losses than there should have been. MML need to be dealt with in the same manner as CGI

Macquarie Bank and Colonial Geared Investments do have much to answer for. When I refer to the Commonwealth Bank of Australia (CBA), I am referring to the offshoots of this bank – Colonial Geared Investments and Colonial First State Investments.

What must be understood?

If every advisory firm in the country who offered Margin Lending to their clients had their loans managed the same way that the CBA treated Storm Margin Loans i.e. fail to notify of margin call resulting in Negative Equity, then all of these advisory firms would now be in Liquidation along with Storm Financial

Product failure is what killed the client allowing them to fall into Negative Equity. Margin Lending - the product just doesn't allow for negative equity, CBA must be held responsible for their actions or in this case failure to act.

ASIC and their actions assisted the institutions and snowballed the destruction of clients instead of benefiting them.

Misleading and Deceptive conduct – How much power do banks have?

I would like to thank Senator John Williams and Senator Ian McDonald for taking a genuine interest in proceedings as a result of the collapse of Storm. They pushed hard early to create a Senate inquiry. Their original passion to my understanding in becoming involved was because they had personal experiences of a similar nature and friends and family involved with the Storm Financial collapse.

Their original attempt to kick-start a Senate Inquiry was overshadowed by the Senator Bernie Ripoll putting his early foot forward to take the limelight away from Williams and McDonald. At first I thought it was very gallant of Mr Bernie Ripoll to take a lead only to find out that the terms and conditions of the inquiry did not include any reference to investigate the **banks** and their behaviour. How much power can banks have to influence such a decision to have themselves excluded from the Inquiry?

Thankfully, the persistence of Senator's Williams and McDonald allowed the terms and conditions to include the Banks. It is a credit to these two gentlemen and the SICAG movement that enough pressure was placed on relevant parties to have the original terms of reference altered to include the banks.

I should also add that it does appear that Senator Ripoll's first impression of the Storm Financial collapse has changed for he is now cranky with the Banks and their conduct. This has come about due to him finding out some of the facts instead of what the CBA has churned out to him originally.

How much Deceptive and Misleading conduct have the banks displayed?

The barrage of negative media attention with regards to Storm Financial, especially in December 2008 and the information that was revealed at the time could only have come from the CBA bank itself. Yet nearly every time they were questioned, they do not have a comment. I am sure that if one was as big as the CBA, then one would surely have a Media machine to back themselves up along with a few spin doctor reporters wanting a juice story.

When the First negative article came out against Storm Financial on clients negative equity with the margin lender this was a blowing point. Every client that was looking to complete new business at this time placed their investment on hold. A perfectly normal reaction for any person, this dam stopping event was caused by clients going into Negative equity and not been given a margin call and being sold out without notice. A bank can sell out a client at any stage in my understanding however it cannot do so **without first notifying the client**, the advising the client or the advisor did not occur.

Regulators exist to help not hinder?

The attempt by ASIC to gag Storm Financial in December 2008 was a result of the CBA complaining to ASIC that Storm advisors were advising clients not to pay their negative equity. ASIC based their action on Storm Financial apparently advising their clients not to pay their negative equity. Let's be clear here, margin lending in its structure allows margin calls and a position known as negative equity doesn't come into the equation. Rather than investigate the negative equity positions of some Storm clients, ASIC seemed to be more concerned about its relationship with the CBA. ASIC to this day, have still denied an attempt to silence Storm advisors has ever occurred.

Storm Financial was to sign an undertaking to force it from talking to its clients for a period of 12 Months or the full force of ASIC would be brought down upon them. This undertaking was to be signed mid December 2008, it was never signed by Storm Financial.

For further proof, please refer to the Storm legal representative at the time who sat in on the meeting - Justin McDonald. Senator Bernie Ripoll has a copy of this gagging letter for the Senate Committee to review at its leisure.

Senator IAN MACDONALD directly asked the Chairman of ASIC Tony D'Aloisio (Parliament - Senate Estimates Committee – Thursday 04/06/2009) about agreement entered into between ASIC and Storm actually worsened the situation by preventing the Storm people from doing things that they might have been able to do to lessen the impact in December.

D'Aloisio answer was “**...there is no substance to that**”.

No substance to ASIC demanding to Storm that its advisors were not allow to make contact with its client for a period of 12 Months.

We as a human race in this country even put down dying animals whose owners mistreat and have TV shows to shame offenders of this nature. In this case Storm

were asked to concede to let their clients suffer in Pain while the banks were allow to do their Deceptive and Misleading conduct at will.

I cannot understand how D'Aloisio could make such a statement after reading the Enforceable undertaking (gagging) document. In fact, if you call ASIC today, they will still admit that they did not try to **gag** Storm Financial.

The only admission by ASIC on this point to date (4 July 2009) is from Vaughan (Refer to attachment) Groves of ASIC in an email sent to me which is enclosed. This document states ASIC did not give instruction to Gag Storm, well lets let the general public read the ASIC letter when it is revealed to the public and allow them decide if they consider this undertaking to be a gagging or not. Senator Ripoll, Senator Williams both have copies of this Enforceable undertaking form ASIC and I am sure will present to the Senate estimates Committee upon request.

I queried Mr. Groves about Mr. D'Aloisio having made the statement that there was no substance to the gagging of Storm Financial when it would seem logical that he had to know of ASIC's involvement with the original Enforceable Undertaking. I asked how it could be that he would not admit to Senator MACDONALD his knowledge of but instead saying and I repeat again, "there is no substance to that".. ASIC Chairman, Tony D'Aloisio has stated (Townsville Bulletin - Saturday 13/06/09 refer to attachment) that they were looking after the best interest of investors - many who have been left destitute in the wake of the share market rout and the selling out of their investment funds by the Commonwealth Bank. If D'Aloisio truly believed his own words then his investigations into the collapses of Storm Financial should be one of uncovering the facts.

In light of CBA admission to wrong doing not one single fine or enforceable undertaking has been delivered to CBA or any other bank form ASIC to date.

Thursday 4th June Senate Estimates Committee Page 100 Mr. D'Aloisio states after being asked by Senator Ian MACDONALD –
"There are suggestions that because Storm were taken out of the whole procedure that a certain bank or banks were then able to escape some scrutiny and activity that might otherwise have been imposed upon them had the financial advisers of people who had invested been able to get banks to do something."

Mr. D'Aloisio reply – "We will look at it again. At the end of the day what happened with Storm was about debt and the absence of equity leading to debt needing to be repaid. If you have a situation where you have that sort of deficit and the double leverage model that they were operating it is difficult to extrapolate from that that some action or act would have occurred which would have prevented a financier calling in a debt or selling securities. We will look at it, but it just seems to be something that has been said after the event.

Storm Financials Loan was called by CBA because its own Margin Lending fell into negative equity and this was the reason that CBA used to call Strom other loan in default. Storm Financial own margin loan should never had gone into negative equity

and therefore the absence of Strom allowed Commonwealth Bank of Australia and other Banks to play with clients at will.

How will Storm Financial Creditors look to retrieve funds outstanding now that CBA has sunk them due to what was a call Storm Financial loan that should not have occurred?.

Double gearing as Mr. D'Aloisio as referred to leverage model as being the down fall to the Storm Model.

This same model has been run by Storm Financial for **SEVERAL YEARS**.

With all the RISK MANAGEMENT smarts that the BANKS have, why then did their number crunches not pick up on the fact that this model was flooded?

If it was so obvious to the average JOE and there has been plenty who have since come out and expressed their hind sight to date.

The only answer to this question is?

All the Banks that Storm Financial has used in the past **use adopt implement manage utilize practice EXACTLY the same investment process that Storm has adopted for its clients**. To think that Storm Financial were the only ones in the country who utilized the products available in the market in this manner is incorrect.

The same model is currently widely adopted **by all the major institutions**, the Storm Financial failure was due to Product failure.

If Mr. D'Aloisio tries to research this point even a little then he will discover how wide spread these banking products are currently used in exactly the same manner.

Mr. D'Aloisio has also stated that ASIC will look at it again, but it seems to be something that has been said after the Event.

(Thursday 4th June Senate Estimates Committee Page 100)

Now let's look at what has occurred after the event?

What now has been said after the event? Admission from Mr. Norris and the CBA of wrong doing. Deceptive and Misleading Conduct ruling from Judge Greenwood.

The denial from CBA and others for so long has only allowed them to run buckshot over clients and lay on thick Deceptive and Misleading Conduct to suit themselves and destroy the very souls of these clients.

It would have made more sense to investigate further into the deceptive and misleading conduct that the CBA had been party to. This is still an option however ASIC don't seem to think it is important enough to press the fact that Senior executives of the CBA Conducted themselves with Deceptive and Misleading conduct which is why Judge Greenwood ruled as he did. CBA executives did this for financial gain; they displayed this deception in the Supreme Court of this country. Yet this doesn't seem to be a good enough reason to investigate this ruling by Judge Greenwood by ASIC to date.

ASIC have just announced \$450,000 to fund an investigation into the Storm Financial collapses with a focus on the working and the directors of Storm.

Should this money be better spent looking at the Respected Judge Greenwood ruling of Deceptive and Misleading Conduct against the CBA?

This action would certainly bring a far better outcome for future change in our corporate system to look at the cause of the collapses.

When advisors were gagged, Storm Financial placed gagging instructions on Staff due to its meeting with ASIC. I never understood at the time but the way CBA went about in a methodical and malicious manner to advise clients that they need to talk to their Storm Financial adviser that Storm Financial was the sole responsible enter on your investment. The ruthlessness that Commonwealth bank displayed when dealing with a client was so well rehearsed that one only needs to view the paper work obtained from the CBA staff training for when a Storm Financial calls and how to answer their question. One only needs to view this document and it will make you sick to see the depth that the Banks have gone to be Deceptive and Misleading. Their constant suggestion to the client was to contact your financial planner as they carry sole responsibility for your current position. How fortunate it was that when CBA were directing clients back to talk to their advisor that the Advisor could not talk to the client because it was GAGGED. The unison of the action from ASIC to gag Storm and the CBA demanding the client talk to their Storm Financial adviser leads me to think that the information that CBA supplied to ASIC was itself DECEPTIVE and MISLEADING.

Even Judge Greenwood denied an injunction to restrain the CBA from repeating such statements prior to a trial even though he believed there to be enough evidence to go to trial. ASIC through its discussions with the CBA wanted to stop Storm Financial from talking to its clients for 12 months. How could this benefit Storm client's, most of whom were not even party to any dealings with the CBA or its lending arm.

CBA may not have been able to publicly take a hit because of its product failure at this point (being December 2008) in time because of the uneasy times the world markets were in. (As well as the numerous other failures they had mismanaged publicly at that point in time due to bad CBA risk Management. Failures they are still trying to manage.) Maybe this is why some levels of ignorance were given to the Institutions at this point in time. The client had to take a back seat for if the banks fell over then we would all in the deep end.

Mr. Terry McCrann wrote an article in the Australian

“Institution-whipped regulators fail investors”

“Refer to attachment”

This article also questions ASIC and its motive on whom it is to be true to, the Institutions or the Client. It should be the client however on this occasion and it appears that their interests lay elsewhere. Let's not forget that **Mr. Bernard Madoff** had a great relationship with the USA equivalent of ASIC in the United States. It is

apparent now that the inaction by the USA equivalent of ASIC allowed Madoff to run undetected for 40 years. We should be allowed to question constantly our regulators and not allow our country to go down this path.

Deceptive and Misleading statements

The Commonwealth Banks' continual assertion that Storm Financial was the sole manager of client's margin loans is a statement in itself that is unbelievable.

Firstly, Storm Financial didn't have a banking license, so I really don't know how Storm could actually legally perform this task.

Secondly, if Storm Financial were truly the sole managers of all margin lending portfolios, then they would never have sold the clients out at any level.

Banking Deceptive and Misleading conduct continues.

The CBA had approved \$30m in funding to Storm Financial in the latter part of 2008 - \$10m of which replaced a Macquarie Bank loan and \$20m to fund expansion. The loan was signed off and guaranteed by the CBA yet they refused to fund this loan. This loan was still pending in December 2008 and CBA refused to transfer the funds to Storm, as CBA had just funded borrowings for the new premises purchased in Melbourne. This settled the month before in November 2008. CBA had done all the due diligence required to fund these sorts of loans and the only reason given to call in the current existing loans was that the Storm Financial margin lending loan had gone into **negative equity** and they used this to call all of Storm Financial loans in. Yes, Storm Financial practiced what it preached and the Storm Financial margin loan went into negative equity. If the CBA systems were accurate then Storm Financial (the company) should have been made aware by CBA that its loan had reached a margin call. In reality the CBA managed the Storm Financial margin loan the same way it dealt with Storm Clients margin loans – it failed to alert Storm and the client that the loan had reached a margin call. Storm the Company and Clients were never given the opportunity by the CBA to act upon a margin call. Storm and its clients were in a position to act upon these margin calls but the banks failure to alert them resulted in the loans going into negative equity.

CBA used the negative equity created on the Storm Financial Margin loan to call in its other CBA loans. As no margin loan should have fallen into negative equity this action to call Storm Financial Loans should never have occurred and Storm Financial would still be operating today. The actions taken by CBA were purely designed to destroy Storm Financial and its clients. CBA were reeling for cash at this point in time with an array of mismanagement and corporate mistakes and they looked at Storm Financial as easy picking to correct their balance sheet in light of the mistakes they had already made. They sent in their Toe Cutter (I will not mention his name as not appropriate) and he put into place the process to dismantle the clients and Storm

Financial. Looking at this process from the other side I can only admire the way they put Storm Financial and its clients to sleep, true strength of the Corporate Giant CBA stepping on anything that was in its way. The CBA used what means it had to at its disposal, with total regard to ASIC and used them like a tool to keep their big machine turning.

CBA have admitted to wrong doing, what exactly we are yet to find out. They have also repeatedly stated *that are not liable for the Storm Financial advice* that was give.

“Fair enough I say”

No advice from any advisory firm should have to factor in BANK product failure as a risk management tool as part of its structured advice.

With the events that occurred in the world market, one would have expected to be financially battered and bruised but NOT to be destroyed by product failure. No Financial Plan could ever cater for the Banks product failure. The constant denials and deceit displayed thereafter from the Banks to clients and deception to the open market was even more a bitter pill to endure in the coming months.

The reduction of the LVR to 70% with buffer of 10% and margin call of 80% with no further allowance to lending against Storm Financial badge index trusts with Challenger was part of the Toe Cutters doing. This step of lowering the LVR'S led to the majority of clients not being able to repatriate and killed their hope to lead themselves out of what was already a difficult position. These bank actions did not intend to help clients except to put the boot in to destroy the clients and Storm Financial to try to hide the procedural problems that existed with the bank.

Edward Tait (head of CGI lending department) is no longer an employee of the CBA CGI team, conveniently he has been removed form his duties as he was the Head of Margin Lending for CGI at the crucial point in time. The question should be asked to see if my Tait left on his own accord or was he pushed, I trust that he will be asked to make comment in this inquiry.

Other CBA staff are under fire and the Toe Cutter is doing his Job once again to control collateral damage.

These very staff member that were held in such high regard by CBA for a magnificent job well done, have now been cast aside. These very staff member performed for such a long time and such good business was written by these staff members under the very rules that existed with the banking process they operated under. Now it seems that these very same people are being made as the fall guys thrown onto the corporate heap for wrong doing. This is Very Sad but A typical of big institute thinking.

I count now Four major CBA staff alone that have departed to date, below is description of another one who at least has gone down screaming.

Sacked mobile lender speaks out

Monday, 27 July 2009

A former mobile lender with CBA, Graham Lynham, said he has been made a scapegoat for the bank's involvement in the collapse of Storm Financial.

On Friday, *Mortgage Business* reported that CBA had dismissed Mr Lynham after he came under scrutiny from the Australian Securities and Investments Commission (ASIC) in a seven month-long investigation.

Mr Lynham today told *The Australian Financial Review* that he did not receive any reasons for his dismissal but rather was given "a four-line letter confirming the decision".

Mr Lynham admitted to short comings in his lending practices but said he was forced to work "extreme" hours, managing 6,000 clients with little in-house support.

"My departure from CBA relates to a number of allegations made by the bank that I contravened the CBA's policy and procedures. In my detailed response to the allegations I emphasised the constant pressure which I was under and the large number of home loan applications I was dealing with each week," he said.

"I accepted as part of my response that I did make mistakes in relation to some files but that my motivation was always to provide my clients with the best service possible

Storm Financial to my knowledge did not receive **one cent in commission or trail from any of its equity lending or margin lending products**. Not one cent was earned from any lending products.

Instead, they passed the savings back to the clients in the form of better interest rates and better bank charges. The CBA had at its height over **one billion dollars in equity lending and over one billion dollars in margin lending and one billion in Storm Badge Index Funds** with the CBA / Storm Financial relationship. That is a lot of money. One cannot think that Storm Financial did not have a close relation with the CBA, not in the way of collusion to rip off clients but in the manner to do good business and move forward. The CBA as I have stated before have had a "...Oh Shit..." moment and then did not look to correct the client's position as they should have. Instead, apparently waiting and waiting so as to hatch a plan to weasel their way out of the problem.

Insider Trading.

The selling down of the Storm Financial badged Index funds with Colonial First State was the Toe Cutters doing. Part of the destruction process to clean out clients and Storm Financial. These actions resulted in crushing the financial life out of the clients completely.

Only one question needs to be asked here.....

Who Purchased the Index Funds of some 172M on this day?

The answer to this question will uncover with the truth the biggest insider trading scam this country has ever seen. The CBA can try to justify their action with this sale purchase of these index funds but the truth we will discover is deceptive and misleading behind it all.

This is one question that deserves attention from ASIC of the highest regard. The CBA gave Storm Financial 6 minutes notice before selling down these index funds. They never advised the unit holders of the sale. They will be advising the unit holders shortly in their end of financial year tax statement. All unit holders will find out that they now have tax implications as a result of the forced sale of their units by the CBA. This unexpected tax bill will be yet another rude shock for an already destroyed Storm client.

The excuse used by CBA for selling down the Storm Badge index funds is that they were **no longer profitable for CBA**.

Colonial commenced a number of new index funds called **the REALINDEX FUNDS** on the 17th of November 2008, a new fund. Colonial has set up a number of different Realindex funds on this date.

If the Storm Financial Badge index funds were not a profitable venture for the CBA then why kill these index funds its client's unit holders with what was 172 Million of investment. CBA then started the Realindex funds another index based investment fund, which currently has invested in it an amount of \$0.73 Million (as at the 1st May 2009) (refer to attachment) In 5 Months CBA have only attracted .73M of funds into the very sector that it killed funds with 172M.

The logic of killing the Storm Index funds to start another index fund going from -and let me repeat it -172M to 0.73M -doesn't make sense to me. I am sure it made good sense to the Toe Cutter.

The Injustice to Storm clients in the selling out of these units in these index funds was nothing less than the process CBA adopted to put Storm out of Business. They did this to protect the product failure to beat the life of the Clients and Storm Financial, causing the destruction of the corner stone of the investment.

All clients of these index funds should be prepared for a rude shock when they receive their Colonial end of year financial reports. This report will almost certainly reveal their commitment to an unexpected and painful **TAX BILL**. Clients will be left with only a tax bill which one can thank CBA for.

The insider trader question is one that ASIC needs to investigate?

How much Deceptive and misleading conduct has occurred?

Chairman D'Aloisio in the Senate Estimates Committee was queried by Senator Williams about the deals that the CBA were offering Storm Financial clients. The query was based on the premise that if the CBA offered financial relief to Storm clients then they were expected to sign a waiver indemnifying the bank against potential litigation down the track. Senator Williams stressed the point that they, the clients were under enormous pressure at this point in time and the methods that the CBA were adopting had placed clients under further strain. Especially if they took a

deal and at a later date the bank was legally found to be at fault then and they could not sue for damages.

Mr D'Aloisio replied that the client needed to make a **commercial decision** on whether they took a deal or not and he understood that it would be stressful under their current circumstances. Without giving advice to the clients, he stated that he didn't believe they would be able to claim for any future possible claim. It is OK now from ASIC's point of view for the Storm Financial clients to make what is a massive decision at this point in time. The bank has admitted to wrong doings knows it has been misleading and deceptive in its conduct and ASIC has tagged along for the ride. When emotional clients required some form of direction in dealing with one of the largest banks in the land on how to best approach CBA deals and litigation indemnities – the 'corporate regulator' is nowhere to be seen – sorry Mr & Mrs client, the banks are too scary for us - you are on your own in this one. It makes you wonder who regulates who in the corporate world when you have ASIC not game enough to go up against the CBA to also nullify any further court proceedings with Storm Financial in relation to the bank's conduct.

Further, when clients and creditors were asked to make a decision on the Deed of Company Arrangement (DOCA), the right for the client to vote was taken away from them and decided on by the courts instead – they ultimately had no say whatsoever in the decision. Hardly the democratic way to seek justice in this country. ASIC were the main instigators (refer to article below ASIC welcomes court decision) into sending Storm into liquidation by denying those with a vested interest in the collapse the means to vote for or against the DOCA. If the DOCA would have got up, that would have meant that Judge Greenwood's (refer to ruling of Judge Greenwood) earlier ruling of deceptive and misleading conduct by the bank would have been tested in further court proceedings – and Storm would have owned those proceedings. It appears the CBA and ASIC for some reason didn't want the trial to continue. Clients and creditors were deemed to be too stupid to make a decision on any Deed arrangement (DOCA).

Creditors/Clients are too stupid to make a decision on a DOCA yet you are on your own when it comes to negotiations upon a commercial settlement with the CBA. The logic here is amiss when ASIC is to assist clients not Institutions.

AD09-50 ASIC welcomes court decision on Storm

Thursday 26 March 2009

ASIC has welcomed the decision of the Federal Court in Brisbane today to order that Storm Financial Limited be placed into liquidation.

This decision now permits the liquidators, Mr Ivor Worrall and Mr Raj Khatri, to begin the process of recovering money for the benefit of the creditors of Storm. ASIC intends to work closely with the liquidators to ensure this happens as quickly as possible.

The Court accepted ASIC's application that it was in the best interests of creditors to have the company immediately wound up, rather than allowing the administration to continue.

Banks and Deals

Why are banks doing deals with Storm Financial distressed clients?

Deals of forgoing all of the negative equity that exists with the clients margin lending to dialling to zero the Equity lending they have with their bank.

Banks don't do deals unless they have done something wrong.

If this is not reason enough for ASIC to act appropriately and rule for repatriation for clients then GOD can only help us.

How much Deceptive and Misleading conduct have the banks displayed?

The Commonwealth Bank have continually stated that Storm Financial was the sole manager of client's margin loans and that they kept Storm Financial updated daily with portfolio information. In my entire time with Storm Financial (01/02/2004 start date) I have never knowingly or remotely been aware that I as an advisor or Storm Financial was the sole responsible entity of a client's margin loan. Nor did we have clients sign an authority to act on their behalf for all decisions re margin lending.

Discussions with a **Mr Ben Carroll** (Business Development Consultant of Colonial First State) informed me that the CBA would have to be advised in writing should an adviser have the ability to operate a clients margin loan and to give instructions.

I can add that Storm Financial had to my knowledge, over three billion dollars worth of debt and investments with CBA. You do not get to this volume of investment with any business without having some form of honest and transparent business relationship over the years. Storm Financial was itself its own biggest problem. The staff were very well-skilled and the systems Storm had were extremely efficient and of the highest standard. They were certainly market leaders and one that many a firm admired if not envied.

Storm Financial simply over the years did the work for its business partners. Over the years Storm did more and more of its business partner's workload purely to make the processes more seamless. This was a big mistake, as what it gave Storm was a better overall deal with the products we purchased. However it left Storm with very little at the other end should the need for assistance arise? The need did arise, and to their discredit, the Commonwealth Bank panicked when they realised their systems had failed them and 500 or so Storm clients broke into negative equity on their portfolios.

I certainly was not aware of the current position of my clients or my own position throughout the most critical stages of last years share market turmoil. I could rarely gauge any degree of accuracy for any of my clients on either the CGI or Macquarie Margin Lending advisor websites. If I could, I certainly would have acted to try to correct things. How **they** could have made decisions to redeem client's portfolios with the distorted information they displayed is still beyond me. Why would Storm Financial who had margin lending of its own allow itself to go into negative equity? Why would the Cassimatis' be in negative equity along with advisors and clients?

Negative Equity is what killed Storm Financial and its clients.

Storm Financial would still be in business today had our clients actually got a margin call. I am only aware of one client who actually got a margin call with the CBA, Mr Terry Bret. One would have to talk direct with Terry as his CBA conduct is one you could write a movie about and only he can explain it in detail. It is laughable yet typical of the Banks acts to date.

How much Deceptive and Misleading conduct have the banks displayed?

My personal position.

I will use my own personal portfolio to elaborate further misconduct by Colonial Geared Investments with regard to these daily updates:

Colonial Geared Investments sold my portfolio down on

November 24th, 2008.

Storm Financial received an update from CBA through head office and I have the emails to confirm these statements that on the (I obtained these form storm head office in early January 2009) I Have the Hard copies to confirm these statements.

3rd of December 2008

My portfolio stood at negative equity of **\$62,445.18.**

When in fact, I received a letter from Colonial Geared Investment demanding on the **8th of December \$453,395.58** in negative equity.

I also received a phone call from a Kamal Arnaout (CGI) at **5.30pm Wednesday the 3rd of December** advising me that I had negative equity of some **\$181,000** at this point in time.

As you can see there are **3 different amounts in a matter of days** and a clear case of absolute **misleading and deceptive conduct. I had already been sold out and their data was still not up-to-date, at least with all of the banks departments.**

My personal portfolio was one that I had margin lending with Colonial Geared Investments and from best calculations from now obtaining unit prices my margin loan went into **Margin call** on or around the **10th of October 2008**.

Some **46 days** later, CGI sold out my entire portfolio with negative equity of **\$453,395.58**.

When I was in South Africa some time back I went into a shop and spent a few thousand dollars. As soon as I paid via credit card and left the shop some minutes latter the Credit providers called me on my mobile phone to ask if I had spent these money in a shop in Cape Town. The risk management conducted by the bank was fantastic and one that I was proud to be a customer of.

The question now begs why did CBA not pick the phone up to advise me at say 5,000 Thousand of negative equity, could they not have picked the phone up at 105,000 Thousand or even at 200,005 Thousand. Instead waiting for it to blow out to \$453,395.58.

I have talked to numbers clients and they have expressed their stories of CBA hounding them to the death to pay them their negative equity that existed on their margin lending. So much stress was placed onto these clients with no one to defend them they were subjected the Deceptive and Misleading Conduct at its best.

While clients were hounded and hounded, I was not contacted on any occasion other then a few letters sent via CGI stating my position of negative equity in December 2009. I was not hounded not contacted via the phone and have not received any financial threat form the Commonwealth Bank at all for the my current position that stands with CBA. In fact I have called the CGI a number of times asking when they intend to take action against me and they have advised and advised they will correspond with me but to date never have.

I NEVER RECEIVED A MARGIN CALL

The CBA has maintained that they provided daily updates to Storm Financial on their advisor website. **This statement is true**, except the information provided was **nowhere near correct**. CBA maintain that their websites were up to date – this is statement is so Misleading and Deceptive and it sickens me every time I hear it.

I had capacity to meet a margin call but yet never received a margin call from CBA – the product provider.

Sean & Paul McArdle have expressed if they had been advised of a margin call they would have been able to act on the margin call. Had all Storm Financial clients been advised then action could have been taken. Can someone explain to me in plain English WHY DID WE NOT RECEIVE A MARGIN CALL?

Nobody has been able to answer this question to date even after the CBA admitted fault.

How much influence can institutions have?

How Much power can they have? 60 Minutes reported on the Storm Collapse 29th February 2009. I have always regarded 60 Minutes as a solid investigative team. On this occasion however, only one side of the story was shown. They displayed the emotion of the current position where the client sat with no real depth or scope on the actual reasons for the client demise – other than what was read in the newspapers

For 60 Minutes to only show one side of events is remarkable for what was I thought to be a respectable reporting program?

Let's see if they do a follow up now that CBA have come out and made some statements of wrong doings.

My Thoughts!

In my opinion Colonial Geared investments, Colonial First state Investments and the Commonwealth Bank could not handle the financial events that occurred in late 2008 and have tried to shift the blame squarely onto Storm Financial and its clients. CBA staff members have displayed Deceptive and Misleading conduct for financial gain, they have **Mislead** to hide their own inefficiencies and they have continued to Mislead to their mutual clients in an effort to sweep them away.

They have Mislead ASIC which has allowed ASIC'S actions to assist CBA disguising its product failure. The respected Judge Greenwood knew it as he ruled on and confirmed the Commonwealth Bank had engaged in deceptive and misleading conduct. Unfortunately, the Deception continues to manifest themselves through our regulators and the media.

Judgements of this nature confirming deceptive and misleading conduct against a bank in this country are few and far between. The Commonwealth bank knew this and they had to do everything in their power to destroy Storm and its clients – to muddy the waters to the extent that no life was left in anyone to take this action forward. So much so that even the sale of the Storm Financial client book was a debacle taking some five months to settle with only less then 20% of the clients left on the books. No real care was taken with this process as I was a bidding contender with another party. The only thing that was apparent was that the Receivers (who are employed and instructed by the CBA) continued to drag the process out with the only possible motive being to destroy the Storm client and any breath left in them.

Lending

Lending practices which involved all of the major banks were one of procedure. Storm Financial banking department would simply act as a centre point to handle all of the communication with the different banks. I am referring to equity lending here. There has been much speculation on the Commonwealth bank desk top valuation to date and how this process was adopted. This and any other bank process was not a Storm design, Storm did not implement nor collude with any bank to fudge figure to improve a lending position for a client.

This statement I make is made in relation to every client that went through Storm Financial Cairns. I stand by Storm's banking department that they **acted appropriately and correctly honestly and without prejudice and any other statement to collude with any bank is only a slur the individuals' involved.**

From my in-depth knowledge the lending department, they would farm out to a number of banks requesting quotes to try to obtain that clients business. It would then be assessed and the best option would be taken with fees and bank changes the only consideration in the process.

This same process was adopted for margin lending as well, for different amounts different banks gave different rates.

Much pressure has been placed on the Bank of Queensland to date that they have acted incorrectly. To my knowledge and dealing with BOQ I shake my head at this statement as nothing more then CBA trying to muddy the water to include other banks as operating incorrectly.

For these **diligent operators** that did nothing but work hard and try to be efficient as banks can be to be aligned with collusion and misdoing with Storm Financial is a **grave injustice** for all parties concerned.

The BOQ has been singled out because of the volume it has produced, valuations on all properties would have been conducted and income would have had to be verified on every single loan here as is the process with any other bank. If mistakes were made then this is a far cry from systemic collusion of wrong doing.

From Storm end in the banking process I see no fault, how BANKS have conducted themselves after this point is a matter for the banks not Storm.

Every bank that Storm Financial has dealt with on the equity lending needs to have a good look at what has caused their loans to go into default. The fact that CBA had a product failure on their margin lending and the consequent events that took place pushed Storm Financial into liquidation, The Banks that have failed Storm Financial clients on their books need to view the Negative equity position that caused the failure and destruction of clients which brought all of these loans into their current position.

If the Banks need to change the products they sell and or the qualifying process of these products then that is one for the banks and ASIC to decide. From a Storm Financial point of view we simply used what products were available in the market place and applied them to a process.

I believe that NAB, Westpac, ANZ, BOQ and the smaller lenders should be looking to retrieve lost funds from the source of the problem MR Ralf Norris and the CBA. One only has to apply Judge Greenwood ruling for these facts to crystallise.

Mr Norris has made sounds in the media about making correct the wrong doing of the CBA. Well if this is the case then he should look to correct all the equity lending from all other banks associated with Storm Financial clients as his product failure brought Storm Financial into liquidation. This destroyed all Storm Clients and their investments and these wrong doings needs to be corrected.

Mr Norris should be looking over his shoulder as the other banks should be looking to litigate CBA for theirs loans failing into default as a result of CBA actions.

The way that Mr Norris' CBA Machine dealt with Storm Financial clients in the process of Negative equity dealings and Ruthlessness to hid the Product failure of the CBA is nothing less then disgusting.

How will Mr Norris fix these wrongs, when clients have sold their family home to move into rented accommodation, paid their negative equity and ripped any faith they had in the system out of their soles?

Not only the Storm Financial clients but the Storm Financial staffs have lost their lively hoods, never to regain the status that was once a part of many lives.

Emotional loss can never be calculated however Economic loss can and this is paramount in the correcting of wrong doing by the CBA.

The Financial Ombudsman Service (FOS) or lack thereof!

This is my personal experience with the FOS. I sent a letter of complaint as this is protocol and even the CBA advice that if you are not happy with their response then please send a complaint to the FOS. I did this and the letters above indicate that the FOS wrote to CBA to follow up my complaint in which the CBA replied to FOS telling them they were not going to provide the FOS with any information. The FOS then wrote to me and told me this and advised they were closing my case - so end of story.

So that my statement is understood - I had a complaint and complained to the relevant body and the relevant body has no power whatsoever and it subsequently closed my case.

(Refer to attachment doc financial Ombudsman)

I am not aware of ANY Client who has complained to FOS that has had a positive experience or outcome which begs the question to be asked now how effective there process are. Even with CBA admitting to wrong doing the FOS still hasn't come up with a positive result for ANY clients that I am aware of.

I have since learned the FOS is **industry funded** (the Banks fund its existence). There is no chance of them every really placing themselves in a position where they would be forced to bite the hand that feeds them.

In Closing

If the content of this submission and those similar to Sean & Paula McArdle's is scrutinised in enough detail by the Joint Committee then I am certain that the truth will prevail. If we find the truth, we find a resolution – and only then can we all move on with our lives.

I will make myself available for questioning on any of my statements for this enquiry.

In good faith,

.....
Gus Dalle Cort

Attachments

Email -Vaughan Groves dated 09/06/2009
Article – 15/04/2009 - The Gagging of Storm
Financial Ombudsman correspondence letters
Real Index Australian Companies profile.

RUSSELL AND COMPANY

Solicitors

STORM FINANCIAL LIMITED (ADMINISTRATORS APPOINTED) (RECEIVERS AND MANAGERS APPOINTED)

PROPOSAL FOR DEED OF COMPANY ARRANGEMENT

BY

EMMANUEL CASSIMATIS & ASSOCIATES PTY LTD

AND

EMMANUEL GEORGE CASSIMATIS AND JULIE GLADYS CASSIMATIS

Definitions

Any expression used in this proposal which is a defined term under the *Corporations Act 2001* bears the meaning so defined. The following terms bear the following meanings.

Term	Means
Act	Corporations Act 2001
Administrators	The Administrators of Storm (who shall become the Administrators under the DOCA)
ASIC Proceedings	Proceedings No 1020 of 2009 commenced by ASIC against ECA and the Directors
CBA	Commonwealth Bank of Australia
Client CBA Claims	All and any claims, actions, suits or rights that any Storm Client has against CBA
Client Claims Against Storm	All and any claims, actions, suits or rights that any Storm Client has against Storm
Client Committee	A committee of no more than five persons, to be elected at the meeting that votes on this Deed, comprised of Storm Clients, or any representative of Storm Clients.
Creditors Committee	A committee of no more than five persons, to be elected at the meeting that votes on this Deed, comprised of unsecured creditors, or any representative of unsecured creditors
Directors	Emmanuel George Cassimatis and Julie Gladys Cassimatis
DOCA Sum	A sum of \$2 million to be paid by ECA to Storm from its account no 350685 with Westpac Banking Corporation

Term	Means
DOCA Examinations	Examinations under Part 5.9 of the Act of such persons who, in the opinion of the Administrators ought to be examined, in respect of Storm's examinable affairs, including:- <ul style="list-style-type: none">• Storm CBA Claims;• any of the conduct of the receivers of Storm, including any failure to pay sums due and owing to the Priority Employees;• any of the conduct of any of Storm's directors or officers
ECA	Emmanuel Cassimatis & Associates Pty Ltd
Insurance Settlement	An agreement which the Administrators may be able to reach with any insurers of Storm in respect of Client Claims Against Storm.
Priority Employees	Those employees of Storm who are not excluded employees and who remain creditors of Storm at the date of the meeting that votes on this proposal
Receivers	The receivers and managers of Storm from time to time
Storm Client	Any person who:- <ul style="list-style-type: none">• has received financial or other advice or services from Storm; and• has received a written Statement of Advice from Storm; and• has an actionable claim, action, suit or right that entitles that person to damages, restitution, equitable compensation or other monetary compensation of any kind against Storm and/or CBA.
Storm Clients Recovery Group	A group of Storm Clients, established by this Deed, for the purpose of pursuing Client CBA Claims, with the benefit of funding by the Administrators, under and pursuant to the terms of this Deed.
Storm Clients Recovery Fund	A fund, to be held by the Administrators upon trust for the purpose of funding the prosecution of the Client CBA Claims, upon the terms of this Deed.
Storm CBA Claims	All and any claims, actions, suits or rights that Storm has against CBA
Storm	Storm Financial Limited (Administrators Appointed) (Receivers and Managers Appointed)

Directors Must Advance The DOCA Sum

1. Subject to clause 2 hereof, ECA will advance the DOCA Sum to the Administrators to be held and applied for the benefit of Storm's creditors, in the administration and execution of the DOCA.

2. The obligation of ECA to advance the DOCA Sum to the Administrators is subject to and conditional upon the happening of the following events:-
 - (a) The expiry or dissolution of the injunction in the ASIC Proceedings granted on 30 January, 2009; and
 - (b) The CBA takes no step that prevents ECA from advancing the DOCA Sum; and
 - (c) No event beyond the control of ECA occurs which prevents it from advancing the DOCA Sum.

3. If ECA does not advance the DOCA Sum to the Administrators within 60 days after the creditors vote for this DOCA, ECA may give notice to the Administrators either extending such period for a further 60 days, or terminating this Deed.

4. If, at the expiry of such further period of 60 days, ECA has not advanced the DOCA Sum to the Administrators, this Deed will be terminated.

5. If this Deed is terminated in that manner:-
 - (a) Storm will be wound up under a creditors voluntary winding up; and
 - (b) the Administrators will become its liquidators.

Administrators To Pay Priority Employees

6. Subject to clause 7, as soon as practicable after receipt of the DOCA Sum, the Administrators must advance to the Priority Employees the balance of any sum due and owing to them for which they are entitled to priority under and pursuant to the Act.

7. The Administrators' obligation to pay the Priority Employees is subject to and conditional upon the Receivers paying the 50% dividend mentioned in their circular letter dated 4 March, 2009.

8. Upon receipt from the Administrators of the sum advanced under clause 3(a) hereof, the Priority Employees thereupon assign and make over to the Administrators all and any of their respective right, title and interest in and to payments that the Receivers were obliged to make under the Act (or otherwise) but which they did not make.
9. The sums advanced by the Administrators to the Priority Employees are not repayable to the Administrators or Storm. Such advances do not affect the rights of the Priority Employees (or their assignees, the Administrators) against the Receivers.

Administrators To Convene DOCA Examinations

10. As soon as practicable after receipt of the DOCA sum, the Administrators must convene the DOCA Examinations.
11. Unless the Administrators and the Directors agree in writing, by 17 April, 2009, to a budget for the costs and expenses of the examinations, and of the Administrators retaining legal advisors and other professional advisors within such budgets, the Administrators must limit such costs and expenses, including the retainers of legal advisors and other professional advisors, to \$150,000.00.
12. For the avoidance of doubt, this Deed binds all creditors, including:-
 - (a) Storm Clients who have a claim against Storm; and
 - (b) those Storm Clients who join the Storm Clients Recovery Group.
13. As soon as practicable after concluding the DOCA Examinations, the Administrators will obtain legal advice on the prospects of success of:-
 - (a) the Storm CBA Claims;
 - (b) the Client CBA Claims; and
 - (c) any other matter they believe desirable.
14. Storm will, subject to the Administrators' assessment of such advice, and any decision by the Administrators to the contrary, prosecute:-
 - (a) the Storm CBA Claims;

- (b) the Client CBA Claims; and
- (c) any other matter they believe desirable using the DOCA Sum.

15. Should the Administrators decide to prosecute:-

- (a) the Storm CBA Claims;
 - (b) the Client CBA Claims; or
 - (c) any other matter -
- they shall, in consultation with the Directors and the Creditors Committee, fix appropriate budgets for such proceedings and the respective sums to be settled on:-
- (d) a separate fund for the prosecution of the Storm CBA Claims; and/or
 - (e) the Storm Clients Recovery Fund; and/or
 - (f) any other Fund (for the prosecution of any other matter they wish to pursue); and/or
 - (g) Storm (for example, for the purpose of declaring a dividend to creditors).

Client Claims Against Storm

16. Storm Clients who join the Storm Clients Recovery Group will agree that, subject to this Deed:-

- (a) that their Client Claims Against Storm will be advanced solely by means of proofs of debt under the DOCA;
- (b) collectively to limit such claims to the amount available to Storm under its policies of professional indemnity or other insurance, or any Insurance Settlement;
- (c) to release and discharge any employee or officer of Storm, unless such person is insured under any such policy, and collectively to limit such claims to the amount available to such persons under such policies of insurance, or any Insurance Settlement.

17. The Administrators must use reasonable endeavours to obtain an Insurance Settlement. Without in any way fettering their discretion, and without in any way representing that Storm has any insurance which may be available for the benefit of Storm Clients, an Insurance Settlement may be upon terms:-

- (a) Members of the Storm Clients Recovery Group will elect to abandon all and any claims they may have against Storm and any of its employees or officers arising out of or relating to any advice given (or omitted to be given) in the course of Storm's business;
- (b) In consideration of those releases and discharges:-
 - (i) the insurers pay to the administrators of Storm, as trustees of the Storm Clients Recovery Fund in a sum to be agreed; and
 - (ii) the insurers will agree to fund some of the costs and expenses of the Storm CBA Claims or the Clients CBA Claims;
 - (iii) the insurers will provide, or otherwise fund the provision of, any security for costs necessary in the prosecution of the Client CBA Claims, or the Storm CBA Claims.
- (c) the insurers will be entitled to participate in the proceeds of the litigation of Storm CBA Claim and/or the Client CBA Claims in a sum and upon terms to be agreed.

18. The Administrators will consult the Directors and the Creditors Committee before entering into any Insurance Settlement.

Client CBA Claims and the Storm Clients Recovery Fund

19. Storm Clients who do not join the Storm Clients Recovery Group are not entitled to participate, or receive any payment from the Storm Clients Recovery Fund, or to receive to any other the benefit under this Deed (including any benefit from an Insurance Settlement) save as required by the Act.

20. Storm Clients who wish to bring a Client CBA Claim may join the Storm Clients Recovery Group by executing a Deed, the material terms of which are:-

- (a) they assign and make over to Storm all of their right, title and interest in and to their respective Client CBA Claims;
- (b) the Administrators must use the Storm Clients Recovery Fund to meet the costs and expenses of and incidental to prosecuting the Client CBA Claims;
- (c) the Storm Clients Recovery Group will advance the Client CBA Claims as efficiently as possible (for example, as a class action, another form of

representative proceeding of some kind, a test case or cases, or, if necessary, individually).

21. Provided the Administrators and the Directors decide to pursue the Client CBA Claims, the Client CBA Claims will be conducted by the Directors, but subject to such assistance from and supervision of a Client Committee, and one or more independent legal advisors, as the Client Committee thinks fit.
22. The Client CBA Claims may be compromised only as follows:-
 - (a) upon the unanimous instructions of the Directors and a simple majority of the Client Committee; or, failing that
 - (b) by a resolution of the creditors; or, failing that
 - (c) by sanction of a court of competent jurisdiction.
23. The proceeds of the litigation of the Client CBA Claims will be applied :-
 - (a) firstly, to repay the costs of any funding (or additional funding) necessary to meet the costs and expenses of the Client CBA Claims;
 - (b) secondly:-
 - (i) if any sum received is paid and received solely for the benefit of an individual member of the Storm Clients Recovery Group, then to that member;
 - (ii) in any other case, to be paid to the Administrators, as trustees of the Storm Clients Recovery Fund.
24. The Storm Clients Recovery Fund will be a trust fund, held for the benefit of those clients of Storm who join the Storm Clients Recovery Group, and will be distributed to the members of the Storm Clients Recovery Group in the same proportion as the member's principal claim bears to the total of all claims of such members.

Storm CBA Claims

25. Provided the Administrators and the Directors decide to pursue the Storm CBA Claims, the Storm CBA Claims will be conducted by the Directors, but subject to

such assistance from and supervision of the Administrators and their independent solicitors as the Administrators think fit.

26. Storm CBA Claims may be compromised only as follows:-
- (a) upon the unanimous instructions of the directors of Storm and the Administrators; or, failing that
 - (b) by a resolution of the creditors; or, failing that
 - (c) by sanction of a court of competent jurisdiction.
27. The proceeds of the Storm CBA Claims will be applied as follows:-
- (a) firstly, to repay the costs of any funding (or additional funding) necessary to meet the costs and expenses of Storm's litigation;
 - (b) secondly, in the order of priority for which provision is made in the Act for a creditors voluntary winding up;
 - (c) thirdly, 50% of any balance then remaining for the Storm Clients Recovery Group;
 - (d) the balance (if any) shall vest in Storm.

Directors

28. The Directors shall co-operate with the Administrators in respect of all matters to be done under the DOCA.
29. In consideration of the payment by ECA to Storm of \$2 million, and subject to any other provisions of this Deed, Storm thereupon releases and discharges ECA and the Directors (jointly and severally) from all and any claims, actions, suits, or demands arising out of the dividend payment on 15 December, 2008.

Directors Determination Notice

30. This part comes into effect only after:-
- (a) the Administrators have paid the Priority Employees; and
 - (b) the DOCA Examinations have concluded;

- (c) the Administrators have received legal advice and made their decision about whether to prosecute the Storm CBA Claims, the Client CBA Claims, or any other matter.

- 31. If the Administrators make a decision (including a decision about whether to prosecute the Storm CBA Claims, the Client CBA Claims, or any other matter), or otherwise conduct themselves under the DOCA, in a way to which the Directors object, then the Directors may give the Administrators a Consultation Notice.

- 32. Upon receipt of a Consultation Notice, the Administrators must meet promptly with the Directors and endeavour to resolve the matter. All parties must act in good faith and reasonably.

- 33. If, following all reasonable attempts to resolve the Directors' objection, the parties are unable to do so, the Directors may give a Directors Objection Notice, specifying the matter or matters to which they maintain an objection.

- 34. If the Directors may give a Directors Objection Notice, the Administrators must, within 60 days:-
 - (a) make such arrangements as they may be able to make for the further prosecution of any legal proceedings, or other claims;
 - (b) thereafter give notice to the Directors:-
 - (i) as to the results of such attempts;
 - (ii) of those legal proceedings, or other claims which they believe they are able to prosecute without the benefit of the balance of the DOCA Sum;
 - (iii) identifying those proceedings or claims which they are unable or unwilling to prosecute; and
 - (iv) specifying such sum as they believe they will need to retain, from the funds then on hand, for the purposes of any indemnity which they may wish to claim for their remuneration, costs and expenses of the DOCA, and any liability, or anticipated liability to any third party.

35. Within 14 days after receipt of such a notice from the Administrators, the Directors may elect:-
- (a) to replace the Administrators as trustees of the Storm Clients Recovery Fund; and
 - (b) to require the Administrators to repay to ECA the balance of the DOCA Sum then in their hands.
36. If the Directors give such a notice:-
- (a) the release and discharge of ECA referred to in clause # shall, subject to (b), cease to have effect;
 - (b) Storm must give ECA, in any claim to recover the sum of \$2 million paid to ECA on 15 December, 2008 (or a claim to recover damages or other compensation for such sum), a credit for the total sum the Administrators retain from the DOCA Sum;
 - (c) the Administrators must after consulting the Creditors Committee and the Client Committee, decide whether to terminate the DOCA, in which case:-
 - (i) Storm will be wound up under a creditors voluntary winding up; and
 - (ii) the Administrators will become its liquidators.

DOCA Ends

37. The DOCA will end once Storm CBA Claims, the Client CBA Claims, the Clients Claims Against Storm and all other matters for which provision is made herein have all been finally determined, whereupon:-
- (a) the administrators will execute a Certificate to that effect; and
 - (b) Storm shall cease to be subject to the DOCA; and
 - (c) Storm will revert to the control of the Directors.