

Dear sir/madam,

We first became Storm clients in 2003. Our view was that our investment was a long term plan to help pay our siblings education, self fund our retirement without the need for government support and leaving something to our siblings when the time came. We started small with \$10,000 and made \$350 monthly contributions plus MLC margin loan up until 30/10/2007. That was the date we made a large investment with the funds of the sale of half our family farm and a loan against the remaining half through another bank and again with an MLC margin loan. We were comfortable as markets went up and we watched our portfolio grow, but we were warned by our Storm adviser that just as there are bullish markets there would be bear markets to and that the storm model would get us through and if a worse case scenario were to happen, storm had strategies in place. After all history showed that the share market in every case eventually returned to record highs. **The key was long term.**

June 2008 we moved to **Colonial Geared Investments (CGI)** because of better product options and we felt we would be safer. We also opened an Accelerator Cash Account (ACA). October 2008 at a Storm meeting we signed an authority to sell down 100% of our shares if required. We understood this was to happen on or before **90% LVR**. We also understand that share markets rise and fall, but what we need **ASIC** to find out is why **CGI** allowed us to go into negative equity without a margin call. What is the point of an **LVR** at all if **CGI** don't act on it? We had followed the market on the web site daily during this period and found **CGI's** site was several days behind. Our adviser told us the information storm was getting from **CGI** was also incorrect. November 2008 we got a call from **CGI** to tell us they had sold down all our shares into negative equity. Not only had we lost 25 years of blood, sweat and tears in our family business, we still owed a short fall. We told them to speak to our adviser to which **CIG** replied that storm wasn't talking to them. We think many lies are being told. **By the way, who bought our shares?**

We couldn't speak to our advisers because they were gagged we find out later! That was smart at a time when we needed them most and all we got was a statement over the phone saying they couldn't advise clients. Needless to say it was an extremely stressful time and after speaking to our Accountant we broke our prepaid fixed interest CGI margin loan. With what was left after breakage fees and some funds from our cash reserves we paid out the short fall and that was that.

Our son also started a small portfolio with storm and could have easily paid a margin call if contacted.

Questions that need to be answered:

1. Why did CGI fail to give us a margin call?
2. Why did the CGI product fail?
3. Who bought our shares and is there any evidence of insider trading?
4. Why was storm gagged at such a crucial period?
5. Why would storm let there own portfolio go into negative equity? It just doesn't make sense.

Please also refer to Form letter No.1 sent in by Panfilo Dilullo and Graham Gilmore as we would like it attached to this submission also.

In good faith we hope you can find the truth. Only then can we move on.