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Submission to the Senate Inquiry in Financial Products and Services.
From Julian Arthur England & Pamela Anne England

We first heard of Storm through having business insurance with Nancy Seymour. Nancy talked us into attending an information night about what was then Ozdaq Securities. For 9 months after that, we had numerous sessions with Nancy before making the decision to go ahead and invest. At no time were we put under any pressure to make a decision. It was left entirely up to us. When we decided to go ahead in December 1999, the all ordinaries were about 3000.

The market then slowly went down and we lost approximately \$90,000 on paper. There was no margin call as the program provided for a much bigger fall than that before a margin call would be imminent.

We were very happy with the service given by the staff at Storm, had a portfolio review every 3 to 6 months with George Cassamatis, and attended regular updates held in Brisbane by Emmanuel Cassamatis.

When the 'big crash' came, part of our share portfolio was converted to cash, with our approval, to avoid any further large losses. Then the next we knew Colonial Geared Investments sent us a letter to say that the balance of the portfolio would be sold. No authority was given to do this. My question is how can they do such a thing without your prior approval. We knew nothing of a margin call with no notice from either Storm or Colonial Geared Investments. We were lucky enough to have sufficient monies left to pay out the Colonial loan with some left over. This has provided us with something to live on for the past 6 months, but is fast running out.

Prior to the 'big crash' and prior to retirement, we borrowed \$550,000 for investment from the Bank of Qld. By September 2007 we were both retired, and in spite of this Bank of Qld saw fit to loan us a further \$220,000 for investment. We are fortunate that the Bank of Qld loaned us money based on an 'old' evaluation of our home, which was really only half the true value at the time. One shudders to think how much more they would have been happy to loan had they used an up to date evaluation.

As a result of this loan from Bank of Qld we are now forced to sell our home to pay off the debt. The valuation of our home now of course is some \$1,000,000 less than it was 18 months ago. It was a money grabbing exercise on the part of Bank of Qld Townsville. It would seem they agreed to almost anything, so long as the money kept coming in.

It was never our intention to live the high life, only that we would be independent financially and not be a burden on the community in our retirement.

Surely the Government should see fit to make the banks answerable for their irresponsible actions. We are putting this submission to the senate inquiry in the hope that Storm clients, many of which are homeless, will get some compensation for the turmoil and stress the banks have caused in this debauche.

Yours sincerely

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