

Submission to the Senate Inquiry into Financial Products and Services

My wife and I were MLC clients for 30 years and quite satisfied with our Port Folio. I was on a pension and my wife on New Start, we were drawing \$1400,00 a month from MLC allocated pension fund.

After a year of our Financial Advisor selling to Storm he said we would be a lot better off financially if we went with Storm. After a lot of thought and attending familiarization meetings we agreed. We had been friends of the advisors wife and family for forty odd years so trusted his advice to be sound.

We transferred \$646,000,00 to Storm Port Folio and signed an agreement to LRV against 20% of our capital and our house would be no part of it. We felt comfortable with this.

Our margin loan was \$946,000,00. On numerous occasions we went in to see our advisor as we were deeply concerned about the amount of our dept. We were told we were completely safe and had nothing to worry about. BULLET PROOF was the saying. We couldn't understand how the banks would be lending us that amount of money when we had no income

Our total loss was about \$740,000,00 when Macquarie bank sold us down at 95.55% We were left with \$39,000,00 in Challenger. We were told our LRV would never go above 80%

A house ,business and a whole life time of work has all gone with no way to recover as we are to old.

If we had of been sold down at 80% LRV it would of elevated a lot of stress and worry for us and helped us to survive on the pension.

Dale & Pamela Wust