

Update of the Trio Capital collapse - the largest superannuation fraud in Australian history.

## Handling of Financial Crime 08.12.2021

Victims of Financial Fraud's two open letters to Senator Jane Hume and Joseph Longo pointed out that the Australian Securities and Investments Commission fail to warn consumers that it doesn't do background checks of company holders or investigate fraudulent conduct or money laundering. ASIC's first reply said, "*The matters raised in your letter dated 14 October 2021 have been noted.*" ASIC's second reply said, "*... your recent correspondence refers to material relating to Trio Capital that is in the public domain and has already been considered by ASIC.*"

What's the point of considering issues that place consumers at risk then fail to fix the problems?

VOFF's open letters provide information about the Trio Capital fraud that's not in the public domain.

ASIC's dismissiveness of financial crime is why since 1 January 2008 to 2021, gouging of fees or theft amounts to about \$40 billion. With the misappropriation of \$40 billion, government earnings went up while consumer's assets went down. ASIC is unable to prevent or reduce financial crime. The Standing Committee on Economics is also unable to fix ASIC. Labor and Liberal governments are happy with the revenue ASIC brings so they have no need to change ASIC.

Found at any financial collapse is the revolving door squad made up of bankers and politicians. Although they are beneficiaries, it's the consumers that are told 'caveat emptor' - let the buyer beware. Stated in the recent Sterling Inquiry, "*With financial products, Australians are subject to, as they've written: 'financial dealings must be governed by the principle of caveat emptor—Latin for buyer beware—and the Prime Minister himself and the Treasurer agreed with the chair of APRA, Wayne Byers, when he described that: "And that is our reality."*"

Thus illustrating that the government ignores the Taylor v Hamer, 31 July, 2002 (Court of Appeal) finding '***caveat emptor has no application where contract is induced by fraud***'.

The Oversight Committee's website published an ASIC document which says in regards to the Trio Capital fraud, "*Investing through an APRA regulated fund is likely to be more appropriate for an investor who does not want to be actively involved in managing their fund or who do not have the skills or experience to do so*"?

The Trio victims were in an APRA regulated fund and consequently had their savings stolen. So the victims are perplexed over ASIC's statement and believe it misleads consumers.

Imagine the Transport Authority saying in regards to a serious bus accident, "*using the bus service is likely to be more appropriate for commuters who do not want to be actively involved in driving or who do not have the skills or experience to do so*"?

How should victims of financial crime interpret ASIC statement?

The Australian Citizens Party's media release noted that despite Commissioner Kenneth Hayne recommending compensation for the victims of financial crimes in his final report of the banking royal commission—which the major parties both pledged to implement in full—"the Morrison government is protecting the banks by callously denying compensation to almost all financial victims."

Is the \$40 billion misappropriation a symbiotic relationship, a cartel made up of government, banks and big business where ASIC is the gatekeeper of the secrecy that enables wrongdoing, and Treasury is the gatekeeper that protects ASIC?

John Telford Secretary VOFF Inc

Email: [johnt@1earth.net](mailto:johnt@1earth.net)

Phone 0404 388 525

R Gallagher Executive Member VOFF Inc

Mobile 0417 415 675

VOFF website: <http://www.mysuperrights.info/>