

**“Victims of Financial Fraud”**  
**PRESS RELEASE 7<sup>th</sup> June 2012 (1)**  
**Regarding: Failure to Pursue Trio ‘Kingpin’**

The Victims of Financial Fraud" (V.O.F.F.) condemns the failure of ASIC to pursue the kingpin of the Trio Capital fraud, Jack Flader and bring him to justice (Ref: “ASIC Clears Trio Kingpin”, SMH, 6<sup>th</sup> Jun 2012, S. Washington).

ASIC has previously claimed that Flader was the ‘ultimate controller’ of the offshore funds in Trio Capital.

This is despite Jack Flader coming to the attention of the ATO, APRA and ASIC more than a decade ago, yet all failed to prevent him being able to set up Managed Investment Schemes in Australia.

ASIC said it "would provide relevant information relating to Mr Flader to the Australian Federal Police and the Australian Crime Commission".

VOFF call on ASIC to immediately release all documents relating to “Global Consultants and Services Ltd” (GCSL).

It is believed Jack Flader via Trio Capital ran the Hong Kong based GCSL to act as custodian of the offshore hedge funds in which the bulk of the Astarra Strategic Funds were held.

**ASIC sought a Supreme Court suppression order to prevent the release of nearly 6,000 GCSL documents that it has in its possession which is in all likelihood contains information on how this fraud was executed. The liquidator PPB and Trio Capital investors, have been denied access to these documents.**

VOFF believes it is a cop out to cite its MOU and confidentiality with the Hong Kong Securities Commission in preventing the release of these documents.

VOFF demand ASIC explain why it did not offer these documents to the PJC, PPB as liquidators, nor the affected investors who have been defrauded of their savings by the failure and negligence of APRA and ASIC in carrying out their fiduciary responsibilities.

VOFF demand that these documents immediately be made publically available by ASIC, and that they be used as evidence by the Australian Federal Police and Australian Crime Commission to investigate this and bring the criminal master minds to justice.

Laws have been broken in other jurisdictions. The modus operandi of Trio Capital and the master minds behind it was to work in other jurisdictions to the detriment of Australian investors.

Under section 1 of the ASIC Act, ASIC is charged with a statutory responsibility to perform its functions and to exercise its powers so as to promote the confident and informed participation of investors and consumers in the financial system.

Has ASIC put the white flag up to not pursue the perpetrators of this fraud who have stolen funds from Australian investors in other jurisdictions?

Australia routinely works with other jurisdictions, many times successfully, when other crimes are committed against Australians abroad. Why has ASIC not demanded the AFP and ACC vigorously pursue this case?

**ASIC MUST IMMEDIATELY handover to the AFP and ACC all documents relating to GCSL!!**

Has ASIC just sent a clear message to others who have the intent to steal part of Australia's \$1.3 trillion retirement nest egg "this criminal model is too good for us!"

When will ASIC come clean and honestly state to the Australian public "your superannuation is not safe from theft or fraud"

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