

Press Release
Victims of Financial Fraud (VOFF Inc)
April 23rd 2018

Continuation of the April 1st Open letter to the Hon Kelly O'Dwyer MP.

Dear Ms O'Dwyer MP,

VOFF's letter dated April 1st 2018 raised important information about the Trio Capital Limited fraud, but, is still unanswered. Now the banking Royal Commission's probe into Australia's major banks and financial planners is uncovering examples of repeated systemic failures, how ironic that the Royal Commission was considered unnecessary by you, Scott Morrison and the Former Deputy Prime Minister Barnaby Joyce.

To date, the Kenneth Hayne's Royal Commission has learnt of unethical behaviour by some in the banking industry with alleged charging of fees for no service; including charging fees to clients who have died; offering more money to someone with a gambling problem; forging of documents; loading clients up with in-house products; selling worthless insurance products; dodgy financial advice and lying to the Australian Security and Investments Commission (ASIC).

ASIC failed to detect lies from the big banks and from the Trio fraud perpetrator, opening the way for ordinary Australians to be cheated of their superannuation and investment. Australians are and will continue to be easily pillaged for wrongly believing that the financial system is properly regulated.

On April 19th 2018 the Office of the Australian Information Commissioner refused a Freedom of Information request, saying,

"If this material were released, it would allow persons with malicious intentions to identify gaps and loopholes in the legislation that limit APRA's powers as the relevant regulator. This would then enable such people to more effectively exploit these gaps and loopholes, prejudicing APRA's effectiveness as a regulator. I have considered the age of the document, but consider that the risk in releasing this information still exists."

Why is VOFF only learning about such a serious weakness in the Australian financial system now in April 2018?

Was this weakness known before the Trio fraud managed to make \$194.5m disappear?
Given that this weakness is acknowledged, the disingenuous remarks made against the victims of the Trio fraud should be withdrawn and an apology given.

Are Australian superannuation account holders aware that their savings are vulnerable to the weaknesses of the financial system and that they are not entitled to know what those weaknesses are?

Ms O'Dwyer, you noted April 1st 2016,

"The Government considered the action taken by the financial regulators, ASIC and APRA, and is satisfied that, both regulators carried out their in accordance with the law and the regulatory framework."

Were you aware of the weaknesses in the financial system that allowed a fraudulent scheme to siphon Mum's and Dad's superannuation when signing off on ASIC and APRA?

The hard work by the Banking Royal Commission might be just a token gesture if the structural weaknesses that remain in the financial system allow a multi-million or multi-billion dollar fraud in the near future. Like a tunnel built and exploited by an International crime gang, the tunnel remains operative, waiting for another gang who are happy to have malicious intentions when multi millions or billions can be scammed without any challenge.

It is of no surprise that ASIC have not warned about the weaknesses as ASIC's self-promoting spiels often misled the public about behaviour in the financial industry. ASIC achieved what it wanted from the Trio fraud, something was turned into nothing for the top end of town and nothing became something, destroying a family business at the bottom of town.

The Trio victims deserve to have an honest and accurate account of the systemic failure around Trio. What is urgently needed is an independent investigation or a judicial inquiry into the handling of Trio by ASIC and the Minister of Superannuation and Financial Services.

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