PRESS RELEASE

Victims of Financial Fraud (VOFF Inc) Monday 25 March 2019

Organised financial theft

The 'Banks Gone Bad' website states that the Australian Financial Complaints Authority (AFCA), which is meant to redress victims of bank misconduct, is run by the banks and is not accountable to Parliament. Banks Gone Bad conclude that AFCA is designed to continue the protection racket the government and regulators have been running on behalf of Australian banks.
According to Denise Brailey of the Banking and Finance Consumers Support Association (BFCSA), Treasure Peter Costello attended the 2005 Macquarie Bank seminar that encouraged financial advisors to target the asset rich income poor (old people who own their home). Does this mean Treasury knew about the ARIP strategy (asset stripping) and did nothing?

With tens of thousands of banking victims and a $75 million banking royal commission, that only scratched the surface, VOFF see the Trio Capital fraud in a new perspective.
The Australian Securities Investments Commission (ASIC), the Australian Prudential Regulatory Authority (APRA) and the Treasury Department controlled the Trio narrative. ASIC deflected attention away from the fact that the Trio perpetrator had lied on his application form to get an Australian Financial Services (AFS) licence. He deceived ASIC, APRA, Custodians, research houses, a star rating firm, an auditor, 150 financial planners and 6,092 Trio consumers. He hid behind ASIC and APRA. Consumers accepted the licenced and regulated creditability. But it was a false sense of security. Consumers would have been better of with no regulators.

Consumers were harmed by ASIC's ineptness that can be traced back to an interaction with the owners of Trio well before the Trio scheme existed. Around 2002, ASIC was carrying out an investigation into an alleged tax fraud by the Queensland businessman Steven Hart. Mr Hart's business paper trail led to the Hong Kong office of the American lawyer Jack Flader and Scottish accountant James Sutherland. ASIC travelled to the Hong Kong office, secured 100,000 documents that would be used as evidence in the case. During this period, Mr Flader and Mr Sutherland's names were already on ASIC's company registration database, they were the owners of a holding company they had registered with ASIC in 2001.

Clearly ASIC failed to recognize that it already had Mr Flader and Mr Sutherland's names on its database. It was not until November 2003 that Flader and Sutherland's holding company purchased a Trust fund in Australia that eventually became the Trio Capital Limited scheme. By early 2004, Trio had the necessary licence to operate and handle superannuation savings, opening the way for a disaster to hit thousands of hard-working honest Australians.

Barrister Niall Coburn claims, "*You can't have people lying to ASIC because it undermines the whole system we have to protect the trillions of dollars we have put away in superannuation for our elderly.*"

ASIC was indeed lied to and the deception caused a systemic failure of the financial system. The Trio victims deserve redress after the shocking harm they suffered.

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