

John Telford
Secretary
Victims of Financial Fraud (VOFF Inc)
8 April 2019

To The Australian Financial Complaints Authority (AFCA),
reg. Extend complaints about misconduct back to 2008 & clarify service.

On 7 November 2018 Victims of Financial Fraud (VOFF Inc) submitted a submission to AFCA. On 13 November 2018 Nick Crowhurst replied saying,
"We have contractual authority over the financial firms that are members of financial services external dispute resolution schemes, but Trio Capital has not been a member of any such scheme since its collapse. As a result, we have no authority to commence any action or investigate complaints against Trio Capital or its directors. In addition, the conduct of Trio Capital which gave rise to losses for many consumers would likely be outside the time limits for our jurisdiction even if it was a member of AFCA.

However, on a broader front than specific complaints that your members may have, the issues that you raise are important ones for the government, the regulatory and for the industry. As we have seen in the media, trust in financial services is at a low point."

Nick Crowhurst's reply completely misunderstood that VOFF's submission was about the systemic failing of the financial system. AFCA cannot be a world-class ombudsman service if it runs an astroturfing office. Investors who are exposed to fraud are going to meet the same outcome. Once a culprit company closes the victims will no longer be eligible to have their complaint heard by AFCA. Isn't AFCA meant to be raising standards and minimising disputes?

AFCA also needs to adopt a more helpful tone when dealing with consumers who have been ripped off due to the poorly regulated financial system.

If AFCA intends to operate like an exclusive club then its limitations need to be made clear to consumers so they know there is no redress before they find out the hard way. If AFCA aim to operate efficiently; honestly and fairly, then why not disclose potential conflicts, offer transparency and disclose who is funding AFCA.

John Telford
Secretary VOFF