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Dear Senators,

I write to you today knowing you will be deliberating and making decisions about the Senate inquiry into the Sterling New Life --SNL Ponzi Scheme, and I have said on many occasions to others that I am loathe to call it a Ponzi scheme as I never thought I would find myself and my wife also caught up in one of these life destroying fraudulent schemes. It is an extreme embarrassment to me and makes me feel ashamed of myself but more so it has left me penniless at the end of my working life.

All the events and circumstances throughout this financial disaster that have caused my wife and I so much pain and anguish have been going on for almost 3 years now. Firstly, and make no mistake about it, I want you all to know my wife and I signed a "whole of Life" lease in the "Silverlink Income Trust" which is one and the same as the "Sterling Income Trust" the subject of the current Senate Inquiry. THERE IS NO DIFFERENCE--as you will soon see.

To begin :-

a. **The Australian Securities and Investments Commission's oversight of the Sterling Income Trust**

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A.S.I.C. the Federal Government Department which is assigned the role of policing Financial and Consumer protection and Industry oversight in Australia has been grossly negligent in the handling of this matter.

In fact it is quite reasonable to ascertain and see in hindsight they in fact aided and abetted the Sterling New Life--S.N.L. operators to actively engage in the rorting of monies from elderly retired Australians. ASIC in 2017 tutored the SNL thieves, Ray and Ryan Jones and Simon Bell on how to set up the company structure to conform to Financial and Banking laws under the Act of Parliament that governs the way these Businesses operate. This occurred at the same time that Ray Jones had been banned from acting as a Principal of a company due to his previous bankruptcy in an entity known as Heritage Investments which left hundreds of people out of pocket and tens of millions of dollars unaccounted for.

ASIC effectively looked the other way and allowed these thieves to create SNL just after the above bankruptcy occurred and to continue fleecing the elderly Australian public. I ask, what sort of organisation supposedly incorporated to protect older Australian citizens does this. They are of nil effect, they employ a Director who is paid millions of dollars a year but they dont do what they are supposed to do, PROTECT THE AUSTRALIAN PUBLIC. One must ask, what do ASIC do for the consumer, NOTHING, this organisation should be scrapped immediately. It is a gross embarrassment to the present government, the Liberal Party and a wasteful millstone around the necks of the Australian people.

b. **The need for legislative and regulatory reform to prevent such losses in the future**

Senator's, this matter is urgent and of grave concern to every Australian. A previous Head of ASIC told an audience of journalists that "Australia is the white collar crime capital of the World", what a damning epithet that is for a country and it's citizens to bear. In truth, preceding and current Conservative governments in Australia have "let the sharks out" the Financial Schemers and Retirement Advisory Sharks that is, and they have wreaked havoc on Australian retirees and pensioners and rorted, stolen is a more appropriate term the life savings of hundreds of older persons in this country.

For decades now the financial regulatory organisations have not had their hands on the wheel of the Armaguard truck that is careening out of control over a cliff into a gigantic money pit with "money managers" like the Jones father and son team and Simon Bell standing erect with shark heads and eyes gazing upwards and massive jaws wide open swallowing up every penny in sight and ASIC cant see this is happening.

These Heads of ASIC and the Morrison government Minister in charge think ASIC is a Tesla sedan which will drive itself, no need for them to touch the wheel, we can just sit back and everything will be OK in the Australian Financial landscape, we can lean back in our comfortable passenger seats with our hands behind our heads and watch the scenery. Only thing is if they looked in the rear vision mirror it would show a scorched earth of destruction and mayhem going on in the Australian financial world.

Consider their pathetic excuses, previous head of ASIC James Shipton said and I parphrase---it's not in the best interests of ASIC to pursue this (SNL) matter. No, not in your best interests Mr Shipton, it might require you to do a bit of work for the millions of dollars Australian taxpayers pay you each year as the Chief Executive of what is a Quasi-Autonomous Government body with both taxpayer and private interests to protect. I wonder which one of those vested interests you are protecting the most Mr Shipton, certainly not the one that an aged pensioner like me is part of Mr Shipton.

Senators, we need a Department that will chase the bad guys, to round them up and lock them up, something that should have been arranged for these SNL criminals who were seen swanning it at home and/or going to the local spa to have a sauna and a glass of bubbly, this was aired by a local TV channel a year or so back. We need governments both State and Federal to come down hard on these types of people. Harsh penalties must be handed down by courts, gaol sentences and lets get a uniformed version of ASIC like the Australian Federal Police and call it the Australian Investigative Bureau of Financial Crime. Make it stand out in the Community so everyone can see the Federal Australian Government is on to it, is serious about preventing the rorts, the crimes, the stolen funds and is locking up these loathsome scum bags masquerading as honest businessmen and women. These sorts of low life individuals denigrate the Australian Financial and Retirement Industry they ruin lives and quite frankly take lives, by shortening them because people have had 50 Or 60 years of their life savings stolen from them and the prospect of living in poverty in old age is just too much to bear. Believe me Senators Mr Morrison nor Mr Frydenberg would want to see what happened to us happen to their own mother and father and neither would anyone of you.

c. **Access to justice and redress for victims of the Sterling Income Trust Collapse**

We need all of the senators in the Senate to get access for all SNL victims to proper justice regarding this financial train wreck called SNL, including the Silverlink Scheme which literally

appears different but quite frankly both, are one and the same. We dont want any spur of the moment totally ineffectual "fixes" to these massive life destroying rorts that have been going on in this country. These rediculous "remedies" that have been bandied about in the media, who ever thought of some of them must have been gazing out the window of a chauffer driven government limousine going home after a long day in parliament with a six pack on the seat beside him or her.

Please formulate an \$18 million compensation package that leaves no one out and get it signed, sealed and delivered immediately, there is no time to wait, already 15 of us have died over the last 2 and half years out of the 100 of us who ended up in this financial armageddon called SNL.

d. **The novelty of the products of the Sterling Income Trust**

SNL first appeared to most of us in the media, there were old Perth personalities on TV spruiking the marvels of having a rent free existence till the end of days for us all and we could pass on some of the financial benefits to our loved ones. Wives would not have to worry about husbands and vice-versa when they passed on because the "rent for life" scheme would still be intact and the loved one left behind would live a financialy free no stress lifestyle. At the time it appeared to me to be a great scheme for a good, fair price, no more rent payments, no burdensome City council rates, quite frankly it was a good deal for both sides of the contract but it didnt last. The reality was far different because the whole SNL scheme went belly up. We all gave legal consideration to the "lease for life Scheme", we all forked over a lump sum amount between \$120,000 and \$350,000 which supposedly gave us the legal right to be rent free for the rest of our lives, but of course the operators of this scheme were ex-bankrupts and crooks unbeknown to us and they faltered on their side of the deal. They stole our money and a lot of us including my wife and myself had to get out of the premises that were the bricks and mortar part of the SNL Scheme. Most of us felt destitute, my wife and I had many sleepless nights wondering what to do but by sheer stroke of luck with the tiny money we had left we were able to Secure a W.A. Department of Communities property. I got down on my knees and thanked my God the night we moved into our new premises in Wellard W.A. It was a miracle I was still working otherwise we would not have been eligible for the property.

e. **Why the scheme collapsed and where the money went**

To this day some two and one half years distant from that fateful day in May of 2019 when SNL was declared bankrupt no one caught up in this life destroying scheme really knows for exact certain what happened to the \$18 million that went into the scheme. Some victims say it was used to purchase a million dollar property in the Peel area south of Perth somewhere, or that it is in an Cayman Islands bank account.

The bankruptcy orchestrated by KPMG cost almost half a million dollars, as in most cases with bankruptcy's there are usually cents in the dollar from whatever assets are "realised" and I presume those funds were paid to KPMG. I had a better picture of this directly after may 2019, not now of course, but there are so many uncertainties surrounding the disappearance of these funds the trail has gone a little cold for me at least. I myself originally paid into 2 separate bank accounts one held about 10 % of my funds the other the remaining 90%. To hazard at a guess maybe the devious crooks Jones and Bell used the 10% to keep the scheme rolling along and the bulk of the money went into the Cayman Islands account, that's just a theory.

This is where ASIC could have been helpful, if they had the legal power under an Australian Federal Statute to gain a court instruction or demand that would force the likes of Jones and Bell

to come clean and reveal where the money was (or go to gaol) then there may have been a chance of recovering some of the ill-gotten loot. Again ASIC were absolutely useless at doing anything that would benefit the victims. What is it going to take to get the Politicians to understand that this sort of thing is totally unacceptable. Senators, you have to do something about this and I don't have to tell you what you should do, blind Freddie could lead the way from here. Just do it.

f. ***Any related matters***

I want to say exactly what one of my fellow victims said when we were marching up St Georges Tce in Perth with our placards and chanting our cry for justice "we should not have to be doing this". Absolutely, categorically correct, the law, namely ASIC could and should have closed Sterling New Life in 2017 before the Frankenstein a.k.a Jones/Bell Monster was shocked into life. This is not too much to expect in a supposed Civil, Modern Democratic, Wealthy country like Australia. All we wanted ASIC to do was it's job. Police the governing Federal Act of Parliament, like a good, honest cop would do, a lot of ASIC staff are ex-Fraud squad detectives, this is their turf, their skill set, their area of expertise, why couldn't they do what they had been trained to do. This is like a fireman standing in front of a raging house fire and saying, its not worth fighting this fire because I'm sure every house in the whole street is going up in flames.

Senators the buck stops with you, get organised and get a formal recommendation to the PM and let him know we need to be compensated the \$18 million that was stolen from us or he will have a Royal Commission on his hands and none of us will want that. I beg of you for the love of justice, freedom and democracy and to keep Australia a decent place to live in get us the \$18 compensation we seek, and Senators please do it NOW.

yours sincerely

Paul Murphy