

To: Mr Stephen Palethorpe  
Committee Secretary  
Parliamentary Joint Committee on Law Enforcement  
PO Box 6100  
Parliament House  
Canberra ACT 2600

24 October 2014

Dear Mr Palethorpe,

On behalf of the Australian Remittance industry we would like to thank you again for the opportunity to be witnesses at the Parliamentary Joint Committee on Law Enforcement's inquiry into financial related crime in Sydney on 9 September 2014. We were pleased to hear the submissions made by the other organisations/individuals and benefited from listening to each perspective.

In our terms of reference and in our submission made during the inquiry, we pointed to the pressing issue of major banks deciding not to bank remitter businesses. We submitted that this has become particularly distressing as Australian banks are unwilling to participate in a facilitative communication process, creating immense barrier to remittance businesses. We reiterate that this is a barrier to industry and enforcement agency efforts to tackle financial crime within the sector as regulated money transfer operators rely on banks to operate settlement accounts to hold funds for and on behalf of the consumers using their service. Thus, de-banking leads to an increase in informal remittance transactions that do not fall under proper regulatory supervision – transactions go 'underground' and the associated information and intelligence is lost.

As an update to our discussion, we understand that the last of the four major banks in Australia has now closed the bank accounts of remittance businesses.

Since our meeting on 9 September 2014, we have advised remitters to send you their bank-account closure letters. Letters will be sent to you from various remittance dealers from different banks notifying them that their bank accounts are being closed, most citing no reason and some citing they wish to exit the money services or remittance services sector. As submitted during the inquiry, the Australian Remittance industry views this as a pressing issue, from both a business and financial crime perspective. We hope this information provides you with further insight into what we believe to be detrimental to the industry and financial crime.

If you have any questions or require further clarification on the information provided, please contact Dianne Nguyen at 02 9728 3581 or Crispin Yuen at 02 8974 7927.

Yours sincerely,

Dianne Nguyen, Director and Compliance Officer, Eastern & Allied Pty Ltd  
Crispin Yuen, Head of Compliance, Australia & New Zealand, Ria Financial Services Australia Pty Ltd

And:

Ruditono Verdy, Director, Bamboo Exchange  
Tristan Tagle, Director, BM Express International Services Pty Ltd

James Fernandez, Head of Compliance, Currency Exchange Services Australia-Fast Cash  
Rory Anderson, Director, EZ Money Express Australia Pty Ltd  
Enrique Campos Jr, Director, Forex World Pty Ltd  
Glennie Coronel, Branch Head, Worldwide Exchange Pty Ltd  
Tony Jalandoni, Director, Jalandoni&Company  
Josephone Quintero, Director, J & J Express Remittance  
Stephen McCoy, Director and Country Manager, KVB FX Pty Ltd  
Maricar Araullo, Compliance Officer, LBC Money Transfer Pty Ltd  
Narasimhan S Parthasarathy, Country Head, Lotus Forex (Asia Pacific) Pty Ltd  
Joanne Carub, Director, Manila Freight Forwarder Australia Pty Ltd  
Harold Dimpel, CEO, mHITS Ltd  
Peter and Susan Jones, Directors, Pagasa Express  
Beena Go, Director, Granstar Global Services Pty Ltd (t/a Peramax)  
Rene Ferrer, Director, Remit Agad Pty Ltd  
Nitu Roy, Compliance Officer, UAE Exchange Australia Pty Ltd