

Compensation Scheme of Last Resort – Consultation Process

Submission by
Sterling First Action Group

August 2021

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About Us

The Sterling First Action Group initially began as a Facebook group, following the collapse of the Sterling Group of entities in May 2019. The group was originally intended to be a place where all victims of the Sterling Group collapse could exchange views, discuss how the collapse had impacted them, and to share information. The group is managed/administrated by a committee of volunteers who have been affected, be it directly or indirectly (i.e., family members acting on behalf of elderly parents).

In the 2 years since the collapse, the Sterling First Action Group has continued to support victims. This has included assistance with preparation of AFCA complaints and proof of debt lodgements with insolvency administrators; lobbying local, state, and federal MPs; submission of questions to be raised at the PJC on Corporations & Financial Services (September 2019, February 2020, July 2020, March 2021, June 2021); and raising awareness through the media.

In preparation for this submission, we also conducted a short online survey of victims who suffered financial losses associated with the collapse of the Sterling Group. The survey was designed to show the amount invested by victims and highlight the impact of the current proposal of a CSLR compensation cap of \$150,000 per claimant. This data will be referenced throughout our submission, with a full copy of the survey results available in the Appendix.

The majority of Sterling Group victims have lodged complaints with AFCA, either against Theta Asset Management Ltd (victims with investments in the Sterling Income Trust), or Libertas Financial Planning Pty Ltd (victims with investments in Sterling Corporate Services and the Silverlink Investment Company).

Affiliations

In June this year we became aware of a campaign being mounted by consumer advocacy group, CHOICE, calling on the Federal Government to establish the Compensation Scheme of Last Resort (CSLR) as a top priority. As our objectives were identical, the Sterling First Action Group and CHOICE mutually agreed to cooperate and align our campaigns. Since that time, we have been in regular contact and have contributed material to their forthcoming media campaign.

Our Experience & Recommendations

In responding to the CSLR Proposal Paper, we have elected to focus on key areas we believe the proposed financial services compensation scheme of last resort (CSLR) will most impact Sterling Group victims. As such, our submission will concentrate on **Scope**, **Payment Arrangements** and **Funding Arrangements**

Scope

It is proposed that the CSLR will be limited to five financial products and services: personal advice on relevant financial products to retail clients; credit intermediation; securities dealing; credit provision; and insurance product distribution. However, it is also proposed that managed investment schemes (MIS) are to be excluded from the scope of the CSLR. This directly contradicts the Ramsey Review recommendations¹ and the Federal Government commitment to implement a CSLR consistent with the recommendations of the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry². AFCA also support the inclusion of MIS in the CSLR, in particular the issue of fairness and potential for consumer confusion if specific financial services are excluded.

Of note is AFCA's comment on the importance of the CSLR covering MIS due to *"the involvement of other financial firms or their subsidiaries in the funding, distribution or other arrangements with MIS"* (Australian Financial Complaints Authority, 2020). This is of critical importance to Sterling Group victims, as the vast majority were not aware that they were investing in a MIS; they believed they were paying rent in advance into a secure trust account.

It is recognised that existence of a CSLR may present a moral hazard where both the promoters of a MIS and investors in it may consider the existence of a safety net (i.e., the CSLR) will provide them with the incentive to indulge in more speculative behaviour than is prudent. However, we contend that this caveat should not apply to historical cases as they transpired prior to the existence of a CSLR, and hence there was no safety net that influenced the behaviour of the either scheme promoter or the investors.

It is also important to note that Sterling Group investors relied on financial advice that was misleading and deceptive³ and were provided with defective product disclosure statements that contained misleading or deceptive information⁴. As such, the issue of a moral hazard in this scenario is not applicable. Furthermore, the Ramsay Review determined the moral hazard concerns raised during consultation for the CSLR in 2019/2020 could not be substantiated⁵.

Should MIS be totally excluded from the scope of the CSLR, it would deliver a devastating injustice to the victims of the Sterling Group collapse who, for over 2 years now, have been repeatedly advised by Treasury, DMIRS (WA Consumer Protection), and ASIC to seek compensation through AFCA and then, when that proved inadequate, to wait for the introduction of the CSLR. More specifically from ASIC that *"it is in the interests of investors in the Sterling Group of Companies to lodge and maintain their complaints with AFCA"* (ASIC, 2020). Refer to Appendix 2 for a comprehensive timeline of referrals to lodge complaints with AFCA.

RECOMMENDATION 1.1

Scope of the CSLR to include managed investment schemes. CSLR scope to be clearly prescribed in primary legislation.

¹ Ramsay Review Supplementary Final Report, para 4.59

² Government response to Royal Commission, pg 36

³ AFCA Case Determinations 667682 and 655484

⁴ Australian Securities and Investments Commission v Theta Asset Management Limited [2020] FCA 1894

⁵ Ramsay Review Supplementary Final Report, para 3.52

RECOMMENDATION 1.2

If the previous recommendation is not viable, eligible AFCA cases and unpaid determinations associated with managed investment schemes that arose between 1 November 2018 and before scheme establishment, to be funded as part of the one-off ‘accumulated unpaid determinations’ levy.

Payment Arrangements

Eligibility for CSLR payment – Financial firm unable or unwilling to pay

Insolvency is not the only issue to consider in the event of a CSLR claim being in the event of an unpaid or delayed payment of an AFCA determination. AFCA Case 655484 (against Libertas Financial Planning Pty Ltd) is another example of the inadequacies in the proposed CSLR scheme, which will continue unless MIS are included, and the determinations arising from AFCA investigations are enforced (either by ASIC or the CSLR operator).

Case 655484 was related to the Silverlink Investment Company and the sale of S Preference Shares, where AFCA found in favour of the complainant. The transactions were carried out by the Sterling Group as an agent of Libertas Financial Planning Pty Ltd, who hold a financial services provider license. Libertas disputed the recommendation, and it was escalated to the Ombudsman, who also found in favour of the complainant. In August 2020 a final determination was made in favour of the complainant, with Libertas ordered to pay compensation of \$268,207.57 for losses suffered because of the authorised representatives misleading and deceptive conduct.

Following the ombudsman decision, several other complaints against Libertas proceeded to the initial recommendation and loss calculation stage. However, Libertas continued to dispute these recommendations, using NSW Supreme Court decision⁶ in support of their refusal to comply with AFCA’s determinations. All complaints against Libertas stalled as a result, with AFCA stating they were “proactively contacting Sterling complainants saying [they were] reviewing the NSW Supreme Court decision” (Prior, 2020). No further progress has been made on any complaints associated with Libertas.

RECOMMENDATION 2

CSLR operator to waive 12-month notification requirement for all eligible, pre-existing AFCA cases and unpaid determinations associated with managed investment schemes, that arose between 1 November 2018 and before scheme establishment.

Claims payment process – Compensation cap

Responses to our survey overwhelmingly revealed that the maximum proposed compensation cap of \$150,000 for each AFCA determination will be inadequate to cover the financial losses of Sterling Group victims. Results indicate that 66% of victims suffered losses greater than the proposed cap, with 23% at \$151,000 - \$200,000; 32% at \$201,000 - \$250,000; and 11% over \$251,000. Refer to the Appendix for more detailed information on our survey results.

Whilst we acknowledge the proposed maximum compensation amount for the CSLR is broadly aligned with the United Kingdom’s Financial Services Compensation Scheme’s maximum of £85,000; this cap does not align with the Federal Government’s agreement⁷ to implement a CSLR consistent with the recommendations of the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry. Likewise,

⁶ DH Flinders Pty Limited v Australian Financial Complaints Authority Limited [2020] NSWSC 1690

⁷ Government response to Royal Commission, pg 36

it also contradicts The Hon Scott Morrison's agreement⁸ to enhance access to redress for consumers by ensuring the CSLR will have the compensation caps recommended in the Ramsey Review.

As such, we feel it is necessary to highlight these recommended compensation caps in further detail, as well as the strong industry support identified during consultation for the CSLR in 2019/2020.

The Ramsey Review recommended aligning compensation limits of the CSLR with those imposed by AFCA⁹, which is currently \$542,500 compensation in most claims of direct financial loss¹⁰. The proposed CSLR cap of \$150,000 equates to less than 30% of the limit recommended, and agreed upon, by the Federal Government.

Equally, the alignment of the CSLR compensation cap with AFCA limits was evident in many submissions to the Treasury Discussion Paper. AFCA's own submission¹¹ supported aligning the CSLR claim limits with compensation caps with AFCA's limits and caps. Numerous industry bodies and/or organisations that support this alignment, including: CHOICE, Consumer Credit Legal Service (WA) Inc, Financial Counselling Australia, Financial Rights Legal Centre, SR Group, Legal Aid (NSW), Consumer Action Law Centre, CPA Australia, The Association of Superannuation Funds of Australia (ASFA), and Industry Super Australia (ISA).

The Sterling First Action Group strongly oppose setting a CSLR compensation cap; however, if a cap is to be imposed, it should be aligned with AFCA claim limits, be indexed accordingly to increase, and continue to align over time.

RECOMMENDATION 3.1

Align CSLR compensation limits with AFCA claim limits. Ensure prescribed CSLR compensation limits are indexed accordingly to increase and remain aligned with AFCA claim limits in the future.

RECOMMENDATION 3.2

If the previous recommendation is not viable, CSLR compensation limits to be set at 80% of the maximum AFCA claim limit (i.e., the maximum compensation to be paid is 80% of the current AFCA limit of \$542,500 for direct financial loss). Ensure prescribed CSLR compensation limits are indexed accordingly to increase and remain aligned with AFCA claim limits in the future.

RECOMMENDATION 3.3

If the previous recommendation is not viable, CSLR compensation limits to be aligned with APRA Financial Claims Scheme limit of \$250,000.

Funding Arrangements

AFCA Case 667682 (against Theta Asset Management Ltd) is a very good example of why injustices can occur without a comprehensive CSLR in operation. In March 2020 determination was made in favour of the complainant, with the financial firm ordered to pay compensation of \$118,957.60 for losses suffered due to the authorised representatives misleading and deceptive conduct.

⁸ Government response to Ramsey Review, Attachment B

⁹ Ramsay Review Supplementary Final Report, para 4.170

¹⁰ AFCA Rules; Rule D.4.3

¹¹ AFCA Submission on CSLR; pg 9

As the responsible entity for the Sterling Group, Theta Asset Management should have been responsible for paying the determination, however they declared insolvency in December 2019, with Worrells Solvency & Forensic Accountants appointed as the administrators. As a result, the complainants were required to liaise directly with Worrells to make a claim against Theta's PI insurance policy. The claim was successful, however an amount of \$100,000 was deducted, with the insurer claiming this was the amount of excess stipulated in the policy. Therefore, the actual amount of compensation that was paid was reduced to \$18,957.60 from which the liquidator then deducted a \$614.60 administration fee.

Despite enquiries by AFCA and lawyers representing Mr & Mrs F, the insurer has refused to provide a copy of the PI insurance policy (citing confidentiality), so we have been unable to verify the veracity of the excess amount. They have however, confirmed that the excess clause would be applied against every claim made. Without a CSLR in place this is a clear miscarriage of justice and reveals a potential opportunity for financial firms to avoid paying the full amounts of compensation as determined by AFCA.

This also raises the important point that if Professional Indemnity insurance existed, even with the excess clause, why did AFCA not continue to process more determinations so that victims could at least recover part of their losses? It appears the answer lies in the fact that AFCA were not receiving remuneration for any work once Theta were placed in liquidation, as AFCA *"...gets most of its revenue from fees charged to companies for resolving complaints"* (Roddan & Shapiro, 2020). This was further confirmed by AFCA CEO David Locke in June 2020, as he reportedly stated *"When we take on cases with organisations that are or become insolvent, we are doing work that we don't get paid for"* (Roddan & Shapiro, 2020).

As a not-for-profit organisation, we understand that AFCA rely solely on fees/levies (membership and complaint resolution) for revenue. However, it is clearly evident the two major protections that should apply to an independent EDR scheme have failed:

1. An effective EDR cannot exist when it is dependent upon payment of fees by one of the parties; and
2. No verification to ensure PI insurance policy terms of members are adequate to provide true protection to the people most vulnerable – the investors.

Once again this reveals the dire need for the CSLR to be implemented without delay.

RECOMMENDATION 4

Scope of the CSLR to include disputes where misconduct is proven by AFCA investigation (irrespective of the financial product and/or service involved).

RECOMMENDATION 5

Current and prospective members of AFCA to provide a copy of their current PI insurance policy to be deemed eligible for an AFCA membership.

Appendix 1 – Survey on CSLR Draft Legislation

A total of 55 victims participated in the *Sterling First Action Group: Submission on CSLR Draft Legislation*.

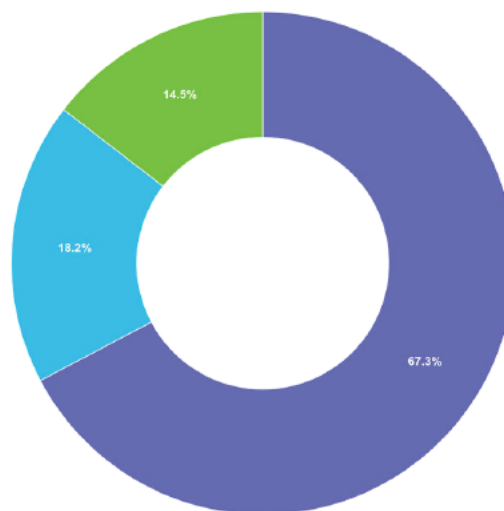
We received responses from a variety of victims of the Sterling Group collapse. For ease of data collection, the victims are categorised into three broad categories:

1. **TENANTS WITH STERLING NEW LIFE (SNL) LEASES:** The tenants upfront rental payment (their investment) went into two different funds – either the Sterling Income Trust or the Silverlink Investment Company.
2. **PROPERTY OWNERS/LANDLORDS:** Leased their property to the tenants via a subsidiary of the Sterling Group. Lease arrangements were complex and varied significantly, with many owners not having received rental income for over 2 years.
3. **SHAREHOLDERS:** Invested in a variety of shares or units in different Sterling Group entities. Some shareholders have had their original investment rolled over several times (i.e., Heritage to RMIT, RMIT to Sterling First Australia, Sterling First Australia to SIT).

In some instances, tenants and owners/landlords were also encouraged to invest in shares/units. To ensure accuracy of the data collection, survey respondents were asked to categorise themselves into one of the three categories that best described their situation.

Survey Results

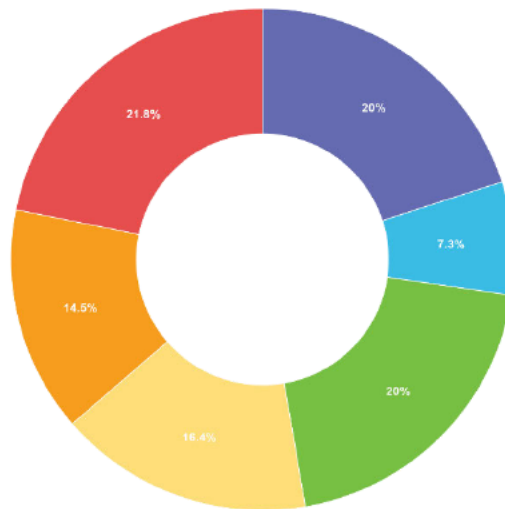
► Which of the following best describes you (or the person/s you represent)?



Responses 55 Answered 55 Unanswered 0

| CHOICE | TOTALS | % |
|--|--------|-------|
| ● Tenant/s affected by collapse of the Sterling Group | 37 | 67.3% |
| ● Investor/s affected by collapse of the Sterling Group | 10 | 10% |
| ● Landlord/s (Property Owner/s) affected by collapse of the Sterling Group | 8 | 8% |

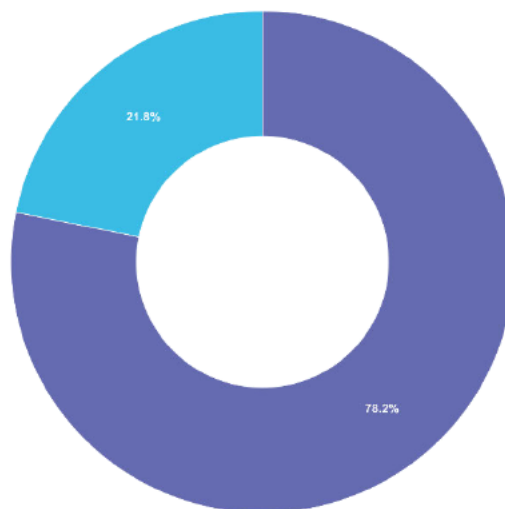
► When did you submit your AFCA complaint?



Responses 55 Answered 55 Unanswered 0

| CHOICE | TOTALS | % |
|--|--------|-------|
| ● Prior to July 2019 | 11 | 20% |
| ● July - September 2019 | 4 | 7.3% |
| ● October - December 2019 | 11 | 20% |
| ● January - March 2020 | 9 | 16.4% |
| ● After March 2020 | 8 | 14.5% |
| ● Other (please specify): <i>Unsure of date; Can't remember.</i> | 12 | 21.8% |

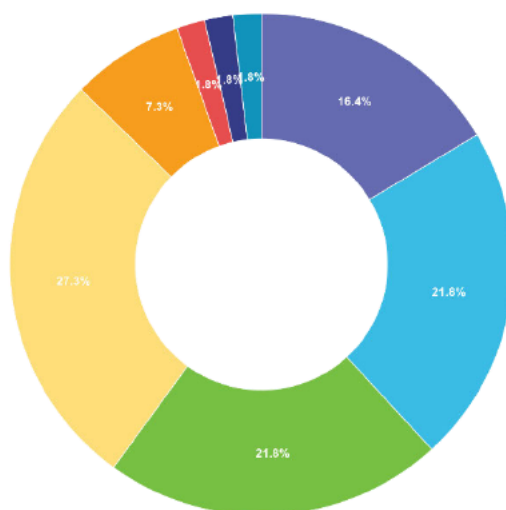
► Who was your AFCA complaint against?



Responses 55 Answered 55 Unanswered 0

| CHOICE | TOTALS | % |
|--|--------|-------|
| ● Theta Asset Management Ltd (SIT/Sterling Income Trust victims) | 43 | 78.2% |
| ● Libertas Financial Planning Pty Ltd (Silverlink victims) | 12 | 21.8% |

► Please indicate the total amount of funds you invested into the Sterling Group.



Responses 55 Answered 55 Unanswered 0

| CHOICE | TOTALS | % |
|-----------------------|--------|-------|
| Under \$100,000 | 9 | 16.4% |
| \$100,000 - \$150,000 | 12 | 21.8% |
| \$151,000 - \$200,000 | 12 | 21.8% |
| \$201,000 - \$250,000 | 15 | 27.3% |
| \$251,000 - \$300,000 | 4 | 7.3% |
| \$301,000 - \$350,000 | 1 | 1.8% |
| \$351,000 - \$400,000 | 1 | 1.8% |
| Over \$400,000 | 1 | 1.8% |

► Please indicate how your total investment was distributed*

*Comments/feedback with personal or identifying information have been edited for privacy purposes. Spelling and/or grammatical errors have also been corrected for the purposes of this submission. Original survey results (with personal or identifying information redacted) can be obtained by emailing [REDACTED]

| SNL/Sterling New Life Lease | Administration Fees | Shares | Rental Property Improvements | Other |
|-----------------------------|---------------------|---|--------------------------------------|--|
| \$280,000 | | | | |
| \$173,989 | \$16,790 | \$55,174 | \$4,544 | \$25,000 |
| \$110,000 | \$9,680 | | | |
| \$179,063 | \$17,424 | | | \$3,613 in rent |
| | | | | Rental income (\$350 a week + 2% increments every year) |
| | | \$70,000 | | |
| \$150,000 | \$15,000 | | \$20,000 | |
| \$143,000 | \$12,000 | \$10,000 in Development Units | \$3,000 | |
| \$228,000 | \$22,000 | | \$15,000 | Have paid over \$16,000 in rent to stay in the house; still paying \$290 per week. |
| \$154,000 | \$13,500 | | \$15,000 | |
| \$189,916 | \$18,480 | | | \$1604 (rent paid for 1 month) |
| | | \$100,000 into shares \$30,000 into RMIT | | |
| \$208,152 | \$20,240 | | \$1,608 | |
| \$229,000 | | | | |
| \$145,000 | | | | |
| \$300,000 | \$17,000 | \$500,000 | \$12,000 | |
| \$104,781 | \$22,506 | \$230,531 | | |
| | | \$40,000 | | |
| | | \$100,000 | | |
| | | | \$553,885 (total house/land package) | Purchased land, built to SNLL specs. |
| \$122,000 | \$13,200 | \$78,800 | \$580 | |
| \$230,000 | \$20,000 | \$209,760 | | |

| SNL/Sterling New Life Lease | Administration Fees | Shares | Rental Property Improvements | Other |
|-----------------------------|---------------------|---|------------------------------|---------------------------------------|
| \$193,344 | \$18,656 | | \$3740 | |
| | | \$100,000 | | |
| \$179,426 | \$17,447 | | \$1,700 | \$1,387 (first month's rent) |
| | | \$40,000 | | Rent loss of \$44,000 (+ legal costs) |
| \$315,000 | | | \$12,000 | |
| \$157,000 | \$7,800 | | | |
| \$175,000 | \$20,000 | | | |
| | | \$55,000 | | |
| \$192,000 | \$18,000 | | | |
| | | \$400,000 Development units | | |
| \$125,000 | \$8000 | \$25,000 | \$2,000 | |
| \$219,000 | \$20,000 | Income units 40% (\$79,285) Growth units 60% (\$118,927) | | |
| \$201,000 | \$19,000 | | | |
| \$122,000 | \$13,0000 | | \$7,250 | \$2,500 |
| \$234,000 | | \$20,000 | \$8,000 | |
| \$199,000 | \$20,000 | | | |
| \$190,000 | \$18,000 | | | |
| \$182,284 | \$15,851 | | \$10,000 | \$8,600 (ATO taxes) |
| \$189,674 | \$16,494 | | \$2,096 | |
| \$130,000 | \$12,408 | Income units \$51,041 Growth units \$76,561 | \$8,000 | |
| \$165,000 | \$15,000 | | | |
| \$208,512 | \$20,240 | \$83,261 into income units \$124,891 into growth units | | \$1608 (first month rent) |
| \$140,000 | \$12,320 | \$137,680 | | |
| \$139,000 | \$12,500 | | \$5,000 | |

Feedback Received*

*Comments/feedback with personal or identifying information have been edited for privacy purposes. Spelling and/or grammatical errors have also been corrected for the purposes of this submission. Original survey results (with personal or identifying information redacted) can be obtained by emailing [REDACTED]

| ► Do you have any other comments? |
|---|
| <i>I can't recall the breakdown of the payment. The lease was in the name of [REDACTED] and [REDACTED]. [REDACTED] passed away on 13/7/2019.</i> |
| <i>We are landlords who have been affected by the tenants refusing to move out of our property and have had to pay huge legal fees to get our property back. They have contravened the rental agreement and not paid any rent. All the tenants have done is exacerbated a terrible situation for everyone and refused no matter what to negotiate. We have repeatedly tried to negotiate.</i> |
| <i>Please up the limit to recover funds for such instances to at least \$250,000 to cover such losses.</i> |
| <i>I regret investing in Sterling every day.</i> |
| <i>Due to default by SNLL and non-payment of rent, [REDACTED] has been forced to sell her family residence and the Bank has acquired the rental property,</i> |
| <i>We had loss through shares, as well as no payment of rent for 2 years, then legal fees on top.</i> |
| <i>Before signing my mother was told that if she passed away the SNL fund would be returned back to the estate to be distributed as per the will. She has now passed away and no recourse for her sons to obtain what is rightfully theirs.</i> |
| <i>Yes, as landlords, we were treated badly by the tenants as a group. The tenants took out their anger on us. We DID not take the money. We lost the lease rental amount for 2 years, but still had to pay the mortgage. Almost broke us financially and definitely broke us emotionally.</i> |
| <i>I am 83 years of age, I am living in a camper van and just surviving on my pension. My health has deteriorated to a point where I struggle to breath most days. I defy anyone at my age to live this way. Sterling should be prosecuted to the full force of the law. They still have a roof over their heads, we do not.</i> |
| <i>Please compensate the victims ASAP. It has been more than 2 years and it's not acceptable</i> |
| <i>I live just around the corner from [REDACTED], who signed me up even knowing they were failing. He has a home and drives a BMW. My \$50,000 was my nest egg. I think I bought his car. I think of my gullible behaviour every day. Lies, lies, lies. I also think of all those people who lost their homes, the [REDACTED] I believe own theirs. Why wasn't this red flagged?</i> |
| <i>Also made a claim of \$10,000 for hardship suffered due the collapse of SNL</i> |
| <i>CSLR cap should be aligned with AFCA compensation caps.....as per previous Commission Recommendations. Caps (and levies) could be reviewed in time once more white-collar criminals are caught and weeded out of the financial systems. Less crooks = lower costs of potential compensation.</i> |
| <i>I'd be interested to know if the \$8,600.00 I paid to ATO on my own money, as my own money became interest earned by Theta - will this be refunded?</i> |
| <i>Yes. I am 42 years old (not a senior) - 2 kids and stuck in the rent trap. My future is really screwed, can't afford to live, no security of a home. Biggest mistake of my life!</i> |

Appendix 2 – AFCA Referrals Timeline

Since the collapse of the Sterling Group in May 2019, victims who suffered financial losses have been repeatedly urged to pursue compensation by lodging a complaint with AFCA. The table below provides examples of the instances when this advice was provided. Links have been supplied to any online sources; electronic or hard-copies of other sources can be supplied (with personal or identifying information redacted) can be obtained by emailing [REDACTED]

| Date | Originator | Subject Matter | Notes |
|------------|------------------------------------|--|---|
| 09/05/2019 | Theta Asset Management | SIT unit holder update; information on lodging an AFCA complaint | Email attachment |
| 14/06/2019 | Theta Asset Management | SIT unit holder update; information on lodging an AFCA complaint | Email attachment |
| 21/06/2019 | 6PR | Interview with Federal Assistant Treasurer Michael Sukkar; discusses AFCA complaints (00:09:20 timestamp) | https://www.6pr.com.au/podcast/asic-launches-investigation-over-its-handling-of-sterling-first/?fbclid=IwAR1iiqNihNHwOxG8tVogYBKQaizol8pCc-STwE-ZsTa4Kjnz3qJRc_3R8ZE |
| 02/07/2019 | Mark McGowan | Response to letter from Sterling Group victim; information on lodging an AFCA complaint | Email attachment |
| 25/07/2019 | Theta Asset Management | SIT unit holder update; information on lodging an AFCA complaint | Email attachment |
| 26/07/2019 | ASIC | Update from ASIC regarding Sterling Group investigation; information on lodging an AFCA complaint | Website snapshot |
| 31/07/2019 | WA Consumer Protection (DMIRS) | Response to enquiry from Sterling Group victim; information on lodging an AFCA complaint | Email with above snapshot attached |
| 02/08/2019 | ASIC – Sterling Investigation Team | Response to letter from Sterling Group victim | Letter with ASIC website update snapshot |
| 16/09/2019 | House of Representatives | Motion by Andrew Hastie MP about the Sterling Group collapse; recommendation to lodge AFCA complaint. Seconded by Madeline King MP. | https://www.aph.gov.au/Parliamentary_Business/Hansard/Hansard_Display?bid=chamber/hansardr/6cd30e15-83c4-4db4-bebc-e1033048fb66/&sid=0290 |
| 17/09/2019 | The West Australian | Report on Andrew Hastie MP and Madeline King MP addressing parliament; recommendations to lodge AFCA complaint received bipartisan support | https://www.pressreader.com/australia/the-west-australian/20190917/281543702629548 |
| 21/10/2019 | The Treasury | Response to letter from Sterling Group victim; information on lodging a complaint with Commonwealth Ombudsman | Letter |
| 11/12/2019 | ASIC | Update from ASIC regarding Sterling Group investigation; information on lodging an AFCA complaint | https://asic.gov.au/about-asic/news-centre/key-matters/update-from-asic-regarding-sterling-group-investigation/ |
| Sept 2019 | AFCA | Advice to Sterling Group investors on making a complaint | https://www.afca.org.au/news/current-matters/sterling-group-investors/september-2019 |

| Date | Originator | Subject Matter | Notes |
|------------|---|--|---|
| 13/09/2019 | PJC on Corporations & Financial Services; Oversight of ASIC | Patrick Gorman MP; John Price (ASIC Commissioner) Questions about Sterling Group, recommendation to lodge AFCA complaint | https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Corporations_and_Financial_Services/No1of46thParliament/Public_Hearings |
| 21/12/2019 | The West Australian | Report on ASIC court case against Theta Asset Management and ASICs recommendation of lodging AFCA complaints | https://www.pressreader.com/australia/the-west-australian/20191221/282170768051147 |
| 31/01/2020 | Worrell's Solvency & Forensic Accountants | Report to Creditors - Theta Asset Management Ltd; information on lodging an AFCA complaint | Email attachment |
| 31/01/2020 | Clayton Utz | Forwarding copy of Worrells Report to Creditors | Email with above report attached |
| Feb 2020 | AFCA | Advice to Sterling Group investors on making a complaint | https://www.afca.org.au/news/current-matters/sterling-group-investors/february-2020 |
| 28/02/2020 | PJC on Corporations & Financial Services; Oversight of ASIC | Senator Louise Pratt; John Price (ASIC Commissioner) Questions about Sterling Group, recommendation to lodge AFCA complaint | https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Corporations_and_Financial_Services/No1of46thParliament/Public_Hearings |
| 27/03/2020 | AFCA | Statement on Sterling complaints | https://www.afca.org.au/news/latest-news/statement-on-sterling-complaints |
| 15/04/2020 | ASIC | Update from ASIC regarding Sterling Group investigation; information on lodging an AFCA complaint | https://asic.gov.au/about-asic/news-centre/key-matters/update-from-asic-regarding-sterling-group-investigation/ |
| 23/04/2020 | Finance Feeds | Report on ASICs recommendation of lodging AFCA complaints | https://financefeeds.com/asic-insists-interest-sterling-group-investors-lodge-complaints-afca/ |
| 09/05/2020 | The West Australian | Report on Sterling Collapse, AFCA determination for SIT complainant, reiterated ASIC advice to lodge AFCA complaint | https://thewest.com.au/business/sterling-first-fight-rages-on-for-elderly-victims-ng-b881542023z |
| 20/07/2020 | AFCA | Advice to Sterling Group investors on making a complaint | https://www.afca.org.au/news/current-matters/sterling-group-investors/july-2020 |
| 15/07/2020 | PJC on Corporations & Financial Services; Oversight of ASIC | Senator Louise Pratt; Cathie Armour (ASIC Commissioner); Karen Chester (ASIC Deputy Chair); Daniel Crennan (ASIC Deputy Chair); Warren Day (ASIC Executive Director); James Shipton (ASIC Chair) Questions about Sterling Group, recommendation to lodge AFCA complaint | https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Corporations_and_Financial_Services/No1of46thParliament/Public_Hearings |
| 04/08/2020 | Mandurah Mail | Report on court cases; comments from Consumer Protection commissioner Lanie Chopping – coordinating with AFCA for compensation claims for loss of investment money. | https://www.mandurahmail.com.au/story/6861824/i-can-actually-hear-my-wife-sobbing-peel-residents-face-court-to-get-their-life-savings-back/?fbclid=IwAR2kEDEYUE668q0QU38sZqBV0XEKx3RvEUokN6LofaW23EI0KC RspJ9HDGc |

| Date | Originator | Subject Matter | Notes |
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| 07/08/2020 | Money Management | Report on PJC, ASIC recommendations to lodge AFCA complaints | https://www.moneymanagement.com.au/news/policy-regulation/asic-urges-continuing-complaints-despite-afca-pause |
| 24/08/2020 | AFCA | Advice to Sterling Group investors on making a complaint | https://www.afca.org.au/news/current-matters/sterling-group-investors/august-2020 |
| 26/08/2020 | ASIC | Update from ASIC regarding Sterling Group investigation; information on lodging an AFCA complaint | https://asic.gov.au/about-asic/news-centre/key-matters/update-from-asic-regarding-sterling-group-investigation/ |
| 09/09/2020 | AFCA – Justin Untersteiner | References the Government commitment to establish CSLR, discusses CSLR scope. | Response to letter sent by Sterling First Action Group |
| 17/09/2020 | Heritage Radio | Interview with Andrew Hastie MP, recommendation to lodge AFCA complaints (00:02:51 timestamp) | Audio recording available upon request |
| 14/10/2020 | ABC 7.30 Report | Report on CSLR delays, ASIC recommendations | https://www.abc.net.au/news/2020-10-14/the-people-left-waiting-for-new-compensation-scheme/12726518 https://www.abc.net.au/7.30/people-left-in-limbo-waiting-for-new-compensation/12767788 |
| 20/11/2020 | AFCA | Advice to Sterling Group investors on making a complaint | https://www.afca.org.au/news/current-matters/sterling-group-investors/august-2020 |
| 18/01/2021 | ASIC – Sterling Investigation Team | Recommendation to contact AFCA | Response to letter sent by Sterling First Action Group |
| 19/03/2021 | PJC on Corporations & Financial Services; Oversight of ASIC | Senator Louise Pratt; Cathie Armour (ASIC Commissioner); Karen Chester (ASIC Deputy Chair) Questions about Sterling Group, recommendation to lodge AFCA complaint | https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Corporations_and_Financial_Services/No1of46thParliament/Public_Hearings |
| 19/03/2021 | Senator Jane Hume (Minister for Superannuation, Financial Service, and the Digital Economy) | References the Government commitment to establish CSLR | Email response to letter sent by Sterling First Action Group |
| 25/03/2021 | Independent Financial Advisor | Report on PJC, Armour and Chester recommendations to lodge AFCA complaints | https://www.ifa.com.au/news/29347-cslr-delays-keep-scam-victims-waiting |
| 12/04/2021 | Amelia Hamer (Financial Services Policy Lead Adviser to Senator Jane Hume) | Reiterated Government commitment to establish CSLR; encouraged lodgement of AFCA complaints | Teleconference with committee members of Sterling First Action Group |
| 04/06/2021 | WA Consumer Affairs | Encouraged all Sterling Group victims to lodge AFCA complaint | Phone call with committee member of Sterling First Action Group |

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| 18/06/2021 | PJC on Corporations & Financial Services; Oversight of ASIC | Senator Louise Pratt; Justin Untersteiner (COO AFCA); David Locke (CEO AFCA); Dr June Smith (Deputy Chief Ombudsman AFCA); Cathie Armour (Commissioner ASIC) Questions about Sterling Group, recommendation to lodge AFCA complaint | https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Corporations_and_Financial_Services/No1of46thParliament/Public_Hearings |
| 23/07/2021 | AFCA – Justin Untersteiner | References the Government commitment to establish CSLR, discusses CSLR scope. | Response to letter sent by Sterling First Action Group |

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