

# Senate Inquiry Submission

## Green Loans program

### Statement of Claim

14 April 2010

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#### 1) Summary

An estimated 63 assessors Australia wide who were conducting assessments on behalf of the Federal government through the company, Green Loans Assessors Co-operative Pty Ltd (GLACO), are owed an estimated \$395,090 - \$497,400 as a direct result of the mismanagement and poor administrative procedures in the Green Loans program, by the Department of the Environment, Water, Heritage and the Arts (DEWHA) and the Department of Climate Change and Energy Efficiency (DCCEE).

There is a strong case, as outlined in the attached statement of claim and supporting documentation, that the Federal government failed in their duty of care to protect GLACO assessors' interests and money, and that the government very clearly failed to provide functioning administration processes, and functioning communications systems, which would have prevented the loss of GLACO assessors' money for completed work for the Federal government.

My belief is that the Federal government should pay us for work completed in good faith, from money set aside in the budget for the Green Loans program, or compensate us for our losses, perhaps through making an ex-gratia payment with no admission of liability either through a Payment in Settlement of a claim, or the Compensation for Detriment caused by Defective Administration (CDDA Scheme).

#### Author/ Contact for further information:

Leanne McIntosh  
Go Green and Save

## 2) Background

Sixty three Green Loans program assessors are listed in Attachment 1, alongside their estimates of the unpaid money that they are owed for assessments completed for the Federal government under the Green Loans program. (Final numbers of assessors and figures are still been collected. Twelve NSW assessors have submitted accurate invoices for their unpaid work to the value of \$81 150 to the Green Loans program on 13 April for example, as per Attachment 1a. These people are all assessors who were previously contracted both individually to the Department of the Environment, Water, Heritage and the Arts (DEWHA), and to The Green Loans Assessors Co-Operative Pty Ltd (ABN 45131 420383/ ACN 131420383) or GLACO.

GLACO was established to provide leads, booking and administrative services to registered assessors of the Federal Government's Green Loans program and changed its name from Verdegas Pty Ltd in the ASIC database on 5 Nov 2009. It was a unique company with respect to this program, in that each assessor maintained their private HO or assessor number and could make their own bookings and bill DEWHA directly for privately generated work, as well as booking work through GLACO, who invoiced DEWHA on the assessor's behalf, and then paid the assessor from a Accounting Trust Account "within 24 hours" of receiving an assessor's money from DEWHA, as set out in the GLACO contract. (Attachment 2 - Copy of GLACO contract in Adobe Acrobat file format). GLACO had a contract with DEWHA, but this did not over-ride an individual assessor's contracts with DEWHA to have the right and ability to book and invoice their own work directly with DEWHA. Many GLACO assessors did both routinely in each month. Fieldforce for example, as with all other companies I spoke to about subcontract work, required assessors to assign their HO number to the company and paid them akin to a wage on a regular basis, so that when changes were made to the Green Loans programs, their "wages" were paid up.

Following Peter Garrett's announcement on 19 February 2010 that each assessor could only do a maximum of 5 assessments per week, GLACO announced that their model of business was no longer viable as per the email sent in Attachment 3 on 9 March 2010 where Director Trevor McTaggart clearly states the changes "make the GLACO blueprint unworkable... The reasons for this included the fact that we are extremely top heavy and that our pricing doesn't work under reduced volume. (So, as a direct result of changes announced overnight, with no warning by the Federal government, the company could no longer operate profitably going forward). The email continues on to say, "The Management and Staff of GLACO approached us to relinquish the company to them so they may operate under a different blueprint with reduced overheads. We were happy to do this to preserve their jobs and maintain the program for the benefit of the Assessors... **We paid up all staff...**The result is a new company, owned and operated by the staff called Green Australia Marketing Pty Ltd ...GAM has commenced making appointments from 8 March 2010. Up until this date, GLACO has made your appointments."

Green Australia Marketing Pty Ltd (ABN 21142 343584/ACN 142343 584) or GAM, was registered in the ASIC database on 2 March to take GLACO's place. The 9 March email clearly states, "As mentioned above, your February Payment will be made on April 1, as per the Payment Schedule sent to you previously." This was implemented against the GLACO contract's stated 24 hour rule of forwarding money from DEWHA to the assessor.

I believe all contracts individual assessors had with GLACO therefore lapsed as the company was relinquished, we were informed in writing as per our contracts with GLACO, that GLACO was no longer making appointments for assessors, and a new company was established to provide the services that GLACO had been.

The former Director of GLACO, Trevor McTaggart, therefore does not act for GLACO assessors. Contracts of all GLACO assessors were effectively terminated with the email 9 March from him, followed by the email, dated 1 April 2010, Attachment 4, where Trevor McTaggart clearly states that the company has ceased trading on 30 March - to avoid paying assessors their money owed for February work due on 1 April. Interestingly he also

states, among other liabilities, that unpaid wages are now \$200 000, PAYG Remittance \$200,000, Superannuation Payments \$70,000, WorkCover Premiums \$12,000, apparently all accumulated in less than one month of non-operation of the GLACO company, that had fully paid up all its staff just a few weeks before, according to his email on 8 March. He states in the 1 April email that GLACO did invoice and receive payment for assessors February work, but that we would not be paid. My understanding is that Trevor McTaggart is now the subject of an ASIC investigation on his handling of money paid to him on GLACO assessors' behalf by the Federal Government.

### **3) The Government's role**

The Senate will have heard ample evidence as to the complete failure of administration systems within the Green Loans program from many other submissions. So I believe just one sample will suffice here. Attachment 5 is just one example of the amount of work involved for assessors in trying to get paid by Green Loans. The invoice that was attached to this email **remains unpaid 45 days after it was submitted** on 28 February 2010, after numerous follow-up phone calls and emails, and a complaint to the Ombudsman ( ) to try to be fairly paid for work completed.

The email also clearly demonstrates the complete inability of DEWHA to establish functioning work systems, and the refusal to provide clear channels to communicate problems to the Department. For example, the emailer writes, "It has taken me hours to compile this list out of all outstanding bookings waiting for invoicing. Please help. If we had a functioning call centre, or a functioning online booking system as specified in our contracts, we could fix all this ourselves. As we have neither, I am excited that I actually have a direct email address instead on the portal feedback email and main email address of glassessors as both act as black holes for assessors." I believe that particular direct email address has now been shutdown, due to the sheer number of desperate assessors seeking help, when given the opportunity by someone who was responsive in the Department.

The Department refuses to this day, to give assessors any direct access to people who can advise or help them through direct phone numbers or email addresses that actually connect to people. All assessors can do is email to a single slush-pile email address, that only generates a standard "received receipt" but never a reply, and assessors are only given access to a call centre manned by untrained data entry clerks who refuse to upscale complaints to supervisors or anybody who can actually help.

Many GLACO assessors called the call centre and emailed the Department trying to prevent GLACO from claiming our money when it was clear that the company was in trouble. It is very difficult to document when all emails are sent to a single slush-pile email address. Attachment 5 demonstrates the clear inadequacies in the administration systems established for this program, which contributed to GLACO assessors' losses. There was no way to communicate problems in advance to this monolithic Department. GLACO assessors could only phone their concerns through, which they had been doing since early February, always with no result. So, the government failed in their duty of care to help GLACO assessors protect their interests and money, through poor administration systems in the Green Loan program.

GLACO assessors were calling the Department from early February with concerns about GLACO's pay systems and wanting to bill the Department directly. It is difficult to document this as all assessors could only access the Department through an ineffective call centre and a slush-pile email address.

Attachment 6, 7, 8 and 9 can however, offer clear documentary evidence that assessors were attempting to both communicate directly with the Department to be able to obtain payment directly for February work, as GLACO was clearly in trouble and not actually trading any longer as GAM had taken its place, and there were no effective contracts in place. This is evidenced by extracts from emails sent to Stephen Gallagher in the Association of Building Sustainability Assessors (ABSA) industry association on March 8, 9 and 10. These emails from different

assessors wanting advice on how to claim assessor payments direct from the Federal government, re-state that GLACO were likely to default on paying its assessors in follow-up to telephone conversations with Stephen Gallagher.

For example, they write, **"I hope I am wrong and they are not about to take everyone's money for February from DEWHA and run**, but I am happy to receive advice from you about my options. e.g. If terminating my contract with GLACO now can stop DEWHA paying them my February payment, I would do it immediately... **I am a good test case as they owe me money now**, even before 1 April when the bulk of the money should be received and paid for February" and **"...have you got any advice, thoughts or perhaps a contact in DEWHA who can help re overdue payment and potential for stopping defaulting on payment to 70 assessors for February invoices?"**

Another assessor writes, **"Steven I am very worried I will not be paid, I asked DEWHA if I could submit my invoice to them for February jobs but the call centre said no they had to go through the Co-OP** In earlier emails they referred to the fact that they have had cash flow problems. My mortgage is behind and I am at my wits end. What can I do to make sure I am to be paid?"

Assessors turned to the industry association due to a complete lack of open communication channels with the Department and complete failure to deal with problems. Stephen Gallagher responded on 10 March by email stating, "I have been contacted by some assessors belonging to GLACO, concerned that they have outstanding invoices from GLACO (some from early January)...I haven't seen a copy of your contract, so **I can't comment about your relationship with GLACO, but it would appear that it is now defunct anyway.** (ABSA would not provide advice on contracts, this matter rests between two parties).

I can tell you that DEWHA paid an invoice to GLACO in late Feb for around 3,500 assessments. You can do the math on that one. I was also asked to seek alternatives avenues for assessors who have outstanding invoices and was advised to tell you that you can seek legal advice (for free) at the NACLCL, <http://www.nacli.org.au/>. .. It would appear that over the months of Jan and Feb, GLACO was paid by DEWHA nearly \$1,000,000, so **there should be no reason for withholding assessor payments."**

(NACLCL does not advise on contract law or commercial transactions.)

Attachment 9, dated 10 March, is further direct proof that DEWHA were clearly made aware that GLACO was no longer trading, GLACO contracts were no longer valid, and that GLACO assessors would not be paid if the Department did not pay GLACO assessors directly. The Department clearly failed in its duty of care. No response has ever been received to this email that could not have made the problems any clearer to the Department.

**"My understanding from emails from the company is that GLACO is no longer trading...Contracts that around 70 assessors had with GLACO are therefore no longer valid.** GLACO currently owes me \$679.50 outstanding from December invoices. I have had no success in getting them to pay me. They are also supposed to pay me ... for February invoices, they say on 1 April. My issue is this. **As soon as DEWHA pays GLACO, I think that GLACO is going to take the money and run.** I may be wrong, but I believe that they are going to default on paying me the money I am owed for assessing services I have done on behalf of DEWHA for February. They have about 70 assessors due varying amounts of money for February...So this is not a minor problem affecting just me.

**Can you, or anyone in DEWHA that you know of, advise if its possible to stop payment to GLACO who are in effect no longer trading and pay assessors directly to stop GLACO defaulting on more money owing?** I can only go on my experience to date. If I cannot get them to pay me \$679.50 in arrears, I don't like my chances

of getting \$2349. It will not be possible to pursue them through small claims court etc. as it is a limited liability company that is folding.

I have put the issue in front of Stephen Gallagher at ABSA but haven't received a response, so I thought it was worth asking you if you have any suggestions. It may be worth noting GLACO was getting paid fortnightly from DEWHA, so I do not know if a payment to them for February is imminent, or is due only towards the end of this month. That would be useful to determine, s it may already be almost too late to prevent default.”

As GLACO assessors routinely submitted their own invoices for private work directly to DEWHA – one only allowed each month - they were aware of the long processing times on all invoices so it was not unreasonable to act to stop payment. Invoices for February for GLACO work were submitted to GLACO on 20 February and 5 March. With time for GLACO to process them and forward to the government for payment, with the usual slow turn around times on invoices that all assessors experienced, there should have been time to prevent payment to GLACO occurring. Unless a special unique deal existing between GLACO and the government a la Fieldforce with regards to invoicing. If that was the case, the government is at fault again, for failing to provide a level playing field for all contracted participants in this program and should therefore cover the losses of GLACO assessors who were in fact, badly disadvantaged by the government, if this was the case.

In Attachment 10 in an email exchange with Stephen Gallagher on April 1 2010 after the announcement that GLACO did indeed take GLACO assessors February payments paid by DEWHA from the Accountant’s Trust Account and fold the company to avoid paying assessors their money, just as the Department were told would happen, Stephen clearly states...”Yes you did advise me and **yes I requested DEWHA hold their invoices.**” This clearly demonstrates that it was not just individual GLACO assessors telling DEWHA that they needed to hold off paying GLACO payments to prevent default to assessors, but also our industry association acting on our behalf to try to protect our interests, rights and money. The Department failed to act on advice received by our industry association to protect our money as well. Phone calls to Penny Wong’s office also failed to get a response.

Attachments 11 and 12 are in Adobe Acrobat file format and are ASIC complaints lodged on 16 March as DEWHA would not respond to concerns raised, again with time for the Federal Government to act to protect assessors GLACO payments, and on 3 April as follow-up. ASIC did not act in time to prevent default. A systemic failure of the Federal government for timely action caused GLACO assessors to lose their money, making a firm case for compensation or payment now.

In the first complaint, it is clearly stated, **“I have been told that ...GLACO has or is about to “steal” a large amount of money paid to it by the Federal Government for Green Loans assessments completed by approx. 70 assessors...GLACO has recently ceased trading in effect... one Director is left I believe: Trevor McTaggart, who I am told is shifting money out of accounts and is not planning to pay assessors for their February work/invoices which is due to be paid on 1 April. .. I do not have the power to know if this is true or not...GLACO have moved offices...A new company called Green Australia Marketing has been set up...and the assets transferred to it...I am aware that another GLACO assessor has put in a complaint to ASIC and that you are aware that if you can help, time is of the essence.”**

What else could GLACO assessors have done to tell the Federal government there were problems? For those of you reading this, thinking that GLACO assessors should have paid lawyers to assert our rights, please be mindful not only of how slowly legal channels move, but question why we should have to find more money to throw away on this program, to battle against our own government.

Most of those people attracted to the new green industry opportunity the government touted at the start of this program, entered this with the best of intentions. We believed in the aims and values embedded in this program, and trusted the good intentions of our Australian Federal Government.

Please also be mindful of the financial circumstances of most of the GLACO assessors affected. The author of this submission is a single mother supporting a family on Centrelink benefits, in an area with 40 percent youth unemployment. The Green Loans program was supposed to enable my family to become self supporting and impart self respect. In reality this program has cost me a lot of stress, time and money, that I have lost alongside most of the other genuine people who paid their money to establish small business in good faith, with a firm belief in the value of the program's stated aims and objectives.

The government refuses to honour invoices submitted anywhere near the 30 day payment period stated in our contracts with them, but we still have to pay the running costs of our businesses. Several of the other GLACO affected assessors have banks now foreclosing on their houses due to the failure of the Federal government not only to protect our interests, but to even pay us for our private work in a timely manner, "within 30 days", as stated in our contracts. I believe the government is supposed to serve and protect Australian citizens' rights. With respect, I believe the government has failed GLACO assessors miserably, and all Green Loans assessors in their mismanagement of this program. To end, one assessor I believe, summarises the situation very well:

----- Original Message -----

From: "Vicki"

To: "unpaidhsa"

Sent: Thursday, April 08, 2010 7:47 AM

Subject: Re: Green Loans - Response

This is what I sent to GL

>

I have sent previous emails to ask that you process my two invoices that I have with you asap. I have to pay my mortgage and as the money that I was supposed to get off GLACO was going to that I am unable to pay it and they are getting angry and want their money. When I recieved this email, (*GLACO defaulting on April 1*) I had NO food in my house, no petrol in my car and my family had no easter eggs or any sort of Easter celebrations I had to get food off friends and family.

I have some questions that I would like you to answer.

1. Why did the call centre advise me twice that I have to invoice GLACO for my feb invoice even after I said I had recieved word they were going to do a runner with everyones money.
2. Why did they pay one assessor that held back on the invoices and submitted them with DEWHA rather than GLACO and got paid without any problems.
3. Why were the government dealling with these people when the Commonwealth government have had dealings with one of these people prior, and he appears to be a con man.
4. Why is there no way apart from an email address that we can speak to someone. And the call centre has no way of upgrading to someone that can help us.
5. Why when I rang Penny Wongs office in Parliment House on Tuesday after begging a woman named (surname refused to be given) for a phone number of SOMEONE to talk to, told me that she could take my details and someone would return my call, when asked when she replied 6-8 weeks. Come on!
- 6. Why does everyone abandon us all the time, DEWHA and ABSA no one ever wants to do the right thing! What is wrong with you people!**

#### **4) Grounds for Monetary Claim**

- 1) The Federal government failed to provide functioning administrative systems to serve and protect the interests of its contractors.
- 2) Changes made to the program on 19 Feb overnight and without notice, directly instigated the process of the GLACO company collapse. The government then failed to take effective action to protect individual contractors affected by its actions.
- 3) The Federal government failed to act or respond in any way, to alerts raised that if it paid GLACO, its contractors would not be paid. There were direct contracts in place with every GLACO assessor to be able to facilitate direct payments, and GLACO contracts had in effect lapsed. Indeed, some GLACO assessors did manage to invoice DEWHA directly for February work so there was a precedent set. Similar, the insulation debacle set a precedent that the government can offer compensation to contractors directly affected by its mismanagement of programs and particularly the overnight changes to programs that cause severe financial hardship to contractors affected.
- 4) The Federal government to this day, has refused to address this matter at all, and has not provided any information about its dealings with GLACO, and in particular, what amounts and on what dates GLACO was paid by the Department for our February payments submitted to GLACO on 20 February and 5 March. As previously stated, assuming some time was required for GLACO to collate and process our collective invoices and the long turn around times all assessors dealing with the Green Loans program are still experiencing in invoice processing, there should have been ample time for the Department to act to protect our payments. Unless the government again failed to manage this program in a fair and unbiased manner to protect all those involved. If the government offered unique special turn around times on invoice to just one company – to the exclusion of all other small businesses involved who have had to fight endlessly to be paid after the 30 day payment period has lapsed, it would suggest that again, the government is at fault, for not providing a level playing field for all participants.
- 5) GLACO assessors simply want to be paid for the work they have completed in good faith for the Federal government. NSW assessors have submitted accurate invoices of unpaid work to the Department on 13 April 2010. The Department could simply pay them, and others that follow from GLACO assessors. A copy of this submission will be forwarded to Penny Wong, the Head of DECCEE, ASIC and the Ombudsman. By the time the Senate Inquiry investigates, it is my hope that someone, anyone, in the Federal government will respond to us and actually act, to help us achieve a favourable outcome without resorting to lawyers. Failing that, I am placing my hopes in the Senate Committee members' hands.

## **6) Supporting Documentation Attachments**

Attachment 1 GLACO Green Loan assessors and preliminary estimated amounts owed. (Final figures are now been collected)

Name	No	State	\$ owed
		Vic	4440
		Vic	7000
		Vic	6000
		Vic	12000
		Vic	11000
		Vic	5000
		Vic	3500
		Vic	
		Vic	5600
		Vic	5500

	Vic	8000
	Vic	6000
	Vic	7500
	Vic	2200
	Vic	7300
	Vic	2000
	Vic	8000
	Vic	2500
	Vic	4500
	Vic	1500
	Vic	3500
	NSW	7700
	NSW	7000
	NSW	4100
	NSW	5000
	NSW	5400
	NSW	4500
	NSW	1500
	NSW	3950
	NSW	2800
	NSW	2700
	NSW	2700
	NSW	2600
	NSW	6300
	NSW	0
3	NSW	17000
		7000
	WA	7000
	WA	11800
	WA	3200
	WA	8000
	QLD	
	QLD	
	QLD	20000
	QLD	0
	QLD	0
	QLD	16000
	QLD	8000
	QLD	8500
	QLD	3800
	QLD	3500
	QLD	7000
	QLD	9000
	QLD	13000
	QLD	21000
	QLD	1500
	QLD	4500
	QLD	11000
	QLD	6000
	QLD	10000
	QLD	3000
	QLD	14000
	SA	6000



		SA	6000
<b>TOTAL (estimate)</b>			<b>\$395,090</b>

Attachment 1a Summary of GLACO NSW assessors final unpaid invoice amounts sent to Green Loans invoicing for payment on 13 April

	Unpaid No. of Assessments Claimed on invoice	No shows unpaid and not claimed direct to DEWHA	Amount of money owed and invoiced
NSW	55		\$11 000
NSW	59		\$11 800
NSW	22		\$4 400
NSW	30		\$6 000
NSW	24		\$4 800
NSW	24		\$4 800
NSW	9		\$1 800
NSW	26		\$5 200
NSW	15		\$3 000
NSW	16		\$3 200
NSW	18		\$3 600
NSW	13		\$2 600
NSW	Included on Qld list	-	-
NSW	Nil \$ owed	-	-
NSW	91	15	\$18 950
<b>TOTAL</b>			<b>\$81 150</b>

Attachment 2 Copy of GLACO contract in Adobe Acrobat file format supplied.

Attachment 3 GLACO Company email 9 March 2010

----- Forwarded message -----

From: **Trevor McTaggart**  
Date: Tue, Mar 9, 2010 at 5:00 PM  
Subject: Announcements (Update)

Dear Assessors

We trust you have all now adjusted to the changes announced on the February 19, 2010. There have been a number of changes at GLACO; some are listed below for your information.

#### **Management Buyout**

Neil Dodemaide and I are of the opinion that the changes announced by Minister Garrett on the 19<sup>th</sup> of February, make the GLACO blueprint unworkable. As a result, we decided not to continue with making appointments for Assessors. The reasons for this included the fact that we are extremely top heavy and that our pricing doesn't work under reduced volume.

The Management and Staff of GLACO approached us to relinquish the company to them so they may operate under a different blueprint with reduced overheads. We were happy to do this to preserve their jobs and maintain the program for the benefit of the Assessors.

The result is a new company, owned and operated by the staff called Green Australia Marketing Pty Ltd.

**Green Australia Marketing Pty Ltd (GAM)** GLACO has given the new company the 1800 odd appointments we had forward booked for Assessors and the IP and physical property required to continue to make appointments for Assessors. In addition to this we paid up all staff and offered GAM the pick of the best staff. GAM has commenced making appointments from 8 March 2010. Up until this date, GLACO has made your appointments. The appointment weeks will be as follows: 8/3/2010 – 14/3/2010: Week 1 15/3/2010 – 21/3/2010: Week 2 22/3/2010 – 28/3/2010: Week 3 29/3/2010 – 4/4/2010: Week 4 and so on. The cost of each appointment is \$47.50 and Assessors are asked to pay the weeks expense up front. This 'weeks expense' is \$47.50 x 5 appointments = \$237.50. Add GST of \$23.75 and the total weekly expense is \$261.25.

**GLACO Joining Fee (\$200)** GLACO has refunded all Joining Fee's for Members who have taken up GAM's offer. The reason for this is that we have absorbed the \$37.50 over the weekly charge for the first weeks appointments and paid GAM \$237.50. You have been sent a receipt for \$261.25, allowing you to claim GST of \$23.75. The \$200 fee paid by Assessors not taking up the GAM offer, will be paid with the February Invoice on April 1, 2010. This means Week 1 invoice for appointments has been paid. Week 2 invoice is due and payable before any appointments are made.

**February Payment** As mentioned above, your February Payment will be made on April 1, as per the Payment Schedule sent to you previously.

**Future Invoicing** Assessors are advised that you will invoice DEWHA directly for March Assessments. This will be done at the end of March and payments will be made directly to you. GLACO will not be involved in invoicing after the February invoice.

**Neil Dodemaide** Neil has resigned from GLACO effective from today. He has accepted an offer in the engineering field and we wish him well in his future endeavours.

**Moving** GAM will be moving out of the GLACO offices in the next week or so. They are hoping that a more modest office will reduce overheads and make the operation more viable.

**GLACO** GLACO will be involved in Home Insulation in the future. The Government has announced that the insulation program will recommence on June 1 and we are geared to take advantage of this.

I will keep you updated as necessary and look forward to the Federal Government making this part of their green initiative more easily read.

My best.

**Trevor McTaggart**  
Green Loans Assessors Co-operative Pty Ltd

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Attachment 4 GLACO company email 1 April 2010

----- Original Message -----

**From:** [Trevor McTaggart](#)

**Sent:** Thursday, April 01, 2010 11:48 AM

**Subject:** GLACO

Without Prejudice

Dear Valued Assessor

**GLACO's Demise** It is with sincere regret that I inform you Glaco ceased trading on 30 March, 2010.

As at this date, the company has no assets and \$844.70 in the Bank. Glaco has substantial liabilities.

**Will Assessors be Paid?** No. Assessors will not be paid for February 2010 or any other outstanding money owed. Glaco has invoiced for February 2010 and has been paid. However we do not have the money to pay you what you are owed. The balance remaining from this money is \$844.70.

You have lost your February 2010 income and GLACO has paid the ultimate price.

**Why did GLACO fail?** There are a number of reasons why GLACO failed. Among them:

- § **Original Costings.** It is conceivable that the original costings which led to the setting of the charge per appointment, were wrong. This may have resulted in the \$47.50 (plus GST) charged, being too low. We estimate our gross margin was 18%. It should have been closer to 30%. The Directors take responsibility for this miscalculation.
- § **The DEWHA Call Centre (CC).** This was problematic from day one. We contacted the Program Director over 100 times. As at today, he has not contacted us or provided us with a response to our grievances. You as Assessors faced the same problems and (no doubt) feel our frustration. In the case of GLACO, this lack of response compounded our financial problems. We decided to maintain our service to Assessors in the (naive) belief that things would get better. The result was:
  1. 300 attempts to connect with the CC before getting through.
  2. When finally connected to the CC, a 45 minute wait to speak to an Operator.
  3. The Operator would then try to say we pressed the wrong button on our phone and ask us to call again! Another 300 attempts and 45 minute wait!
  4. We were limited to 10 bookings, decreasing to 7, 5 and then (for a time) 2. It eventually went back to 5. The result of this gross incompetence on the part of the CC, blew our costs out monumentally. We estimate some of the appointments we booked, cost us \$600. This makes our \$47.50 charge financially inadequate.
- § **The Federal Government announcement of 19 February, 2010.** On this day, the Government announced an extension to the assessment portion of the Green Loans Program. They scrapped the Green Loans but extended the Assessments! However, included in this extension was a change in the maximum number of Assessments allowed to be done by an Assessor in any one week. The maximum number was 5 Assessments per week and a maximum of 3 Assessments in any one day. The Directors took the view that at this maximum volume, it was uneconomic for GLACO to continue to book appointments. As a result we stopped providing this service. It was reported that Minister Garrett always wanted the assessment process to be a part time vocation. Garretts incompetence and stupidity has been widely documented. This from the man who gave us an extended Green Loans Program with no green loans!
- § **The inequitable treatment handed to GLACO compared with Fieldforce.** It has been reported in Parliament that Fieldforce had a 'direct line' to the CC and that they could book their appointments via email. If this is true, the Government favoured them over us to our detriment and the detriment of our 150 Assessors. We have contacted Minister Garrett over 20 times, Minister Wong 5 times, over 100 times and Stephen Gallagher 20 times. To date we have not had the courtesy of a reply from anyone. This is a clear breach of protocol under the Westminster System. Gallagher however did bar GLACO from the Assessors Blog because we criticised ABSA for its inconsistency.
- § **Advance Bookings.** As at February 19, 2010, GLACO had nearly 2000 appointments booked in advance for Assessors. The logic here was that there was a finite number of assessments left to be done. If GLACO was doing its job on behalf of Assessors, we should book as many as possible with DEWHA. One week, we appointed 2,400 Assessments. Unfortunately on February 19, the Government put a ceiling on the number of assessments Assessors could do per week (5), they had restrictions on the maximum number of assessments they could do per day (3) and we could only book 2 weeks in advance! As a result, we lost nearly all of these 'stock piled' appointments. This caused GLACO enormous financial loss.

**What made GLACO think we could trade out of financial difficulty?** As at today, GLACO estimates we are owed \$700,000 by DEWHA. Almost all of this is due on missing AN numbers. We have devoted enormous resources to recovering these AN numbers over the past 3 months. It is now clear that DEWHA has no intention of fixing this issue. As a result it may take months or even years to recover this money. With the demise of GLACO, it is now up to each Assessor to individually pursue DEWHA for these outstanding AN's and money owed on them.

**What will happen to GLACO?** It is the responsibility of a Director to ensure that a company can meet its debts, as and when they fall due. On the basis that money is due to Assessors April 1 and that we have no chance of being successful in getting the missing AN numbers from DEWHA, it is clear that we will not be able to meet our debts as they fall due. As a result, GLACO ceased trading as at 30 March, 2010.

Aside from money owed to Assessors, GLACO has the following liabilities:

§ PAYG Remittance: \$200,000  
§ Superannuation Payments: \$70,000  
§ WorkCover Premiums: \$12,000  
§ Unpaid Wages: \$200,000  
§ Rent: \$25,000  
§ Utilities: \$6,000  
§ Other unpaid accounts: \$20,000

As a result of the above amounts owing, it is the view of the Director that GLACO will be liquidated by a Creditor in due course.

**If GLACO is liquidated, how will this affect Assessors?**

GLACO was in the process of issuing shares and allocating shareholdings to Assessors when the Government made their announcement on February 19, 2010. As at today, no allocations have been made and no shares issued. As a result, Assessors have no personal liability and are not responsible in any way for the debts of GLACO.

**Will the \$200 Joining Fee be refunded?** If you have not received your \$200 Joining Fee back, you will not receive it.

**What now for Assessors?** You can continue to operate as before but you will invoice DEWHA directly. Our recommendation is to follow up your missing AN numbers and invoice for these Assessments. GLACO has only invoiced for February. You invoice from March onwards and operate independently of GLACO from this time forward.

**Compensation from the Government** The Government has promised compensation at many levels. Our investigations reveal that the only real compensation being considered, is to Fieldforce. The Government is negotiating directly with them. In terms of Assessors, companies like ours and other small companies affected by the changes to the Green Loans Scheme, it is our view that the Government has no intention of compensating anyone. This Government is dishonest. They are all running to cover their collective bums!

**Conclusion** The Green Loans Program is the most ill conceived program ever undertaken by an Australian Government. 1000 Assessors turned into 7000 and the DEWHA booking system went into meltdown.

The program was rushed, poorly planned and implemented. Prime Minister Rudd, Minister Garrett and Minister Wong should resign. Not only have they failed to deliver on the scheme, the changes they have made without consultation and notice, clearly compounded the problems that already existed. It was crisis management.

Do I sound bitter? I should. Your loss is significant. My loss is enormous and will change my life forever.

At the end of the day, cash flow killed GLACO. We had to finance appointments up front. This required enormous financial input. Then the Government effectively shut the scheme down without notice. Regardless of blame, I am sincerely sorry for any loss suffered by our Assessors. I hope you can recover and continue as you choose.

Good luck for the future.

Regards

**Trevor McTaggart**

Green Loans Assessors Co-operative Pty Ltd

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**Footnote:** Although this email is very clear, I am happy to speak with anyone who wishes to call. My direct (and only) line is: [redacted] if the Message Bank comes on it means I am on the phone or out of the office. Leave a message and I will get back to you.

My preference however is for you to email me.  
earliest opportunity.

is the email address. I guarantee I will respond at the

Attachment 5 Sample email to DEWHA demonstrating some of the administrative failures of Green Loans especially with respect to invoicing. The invoice attached to this email, originally submitted for private work on 28 February 2010, **remains unpaid 45 days later** with numerous follow ups and a complaint with the Ombudsman to try to obtain fair payment for work completed on behalf of the government.

----- Original Message -----

**From:** [Leanne McIntosh](mailto:Leanne McIntosh)  
**To:** [glassessors@environment.gov.au](mailto:glassessors@environment.gov.au)  
**Sent:** Monday, March 29, 2010 1:52 PM  
**Subject:** Overdue February Invoice - Leanne McIntosh TA Go Green and Save

Please find attached my invoice for February originally submitted on 28 February. It is now past the thirty days required for processing, so I am hoping you can advise when I am likely to see my invoice paid. Thank you for your help.

Below is all the supporting documentation you may or may not require for processing as I am unsure what you may require and wish to be paid as soon as possible.

Sincerely,

Leanne McIntosh

----- Original Message -----

**From:** [Leanne McIntosh](mailto:Leanne McIntosh)  
**To:** [glassessors@environment.gov.au](mailto:glassessors@environment.gov.au)  
**Sent:** Sunday, February 28, 2010 2:26 PM  
**Subject:** February Invoice - Leanne McIntosh TA Go Green and Save

Please find attached invoice for February. I figured the earlier it was submitted, the earlier I can get paid. Thank you for your help. There are a number of no shows registered on this invoice as I haven't invoiced any of them yet as I had a lot of difficulty registering them. If you have ANY questions regarding the legitimacy of them, please refer to the email I sent on 17 February 2010 below that she received and fixed all my missing ANS with. Details of the No Shows appear below them. Thanks again.

Leanne McIntosh

----- Original Message -----

**From:** [Leanne McIntosh](mailto:Leanne McIntosh)  
**To:**  
**Sent:** Wednesday, February 17, 2010 9:26 PM  
**Subject:** Errors for invoicing

Further to our phone conversation today please help me get the following information registered in the system so I can invoice correctly ASAP and get paid. As I mentioned, I am a single mother supporting my family on Centrelink benefits so thank you very much for your help in getting me in a position that I can invoice and get paid.

**1) 6 Missing AN numbers for bookings** made as advised by Dewha when the portal was not functioning in January. As discussed, these went in on an email with a large number of others from Green Loans Coop (telephone 03 90085710 - they will be very very pleased to send you a copy of this email if you can get all our missing bookings into the system as they have 70 assessors with missing AN numbers). My 6 have definitely not appeared in my portal so I cannot invoice for them. All of these householders meet the eligibility criteria, have signed a declaration form, and an assessment was conducted and entered into your database. They are just waiting for AN numbers so I can upload them. They are as follows and should all be entered under [Leanne McIntosh HO51466](#) under the Green Loans Assessors Coop company tag NOT Leanne McIntosh TA Go Green and Save so invoices match the entries:

15 Jan - 9am

1 adult own (internal ref. no. ID17469)

15 Jan - 11am (ID17428)

2 adults 1 child own (internal ref. no.)

15 Jan - 1pm

2 adults own (internal ref. no. ID17453)

19 Jan -

2 adults 1 child own (internal ref. TBA3)

25 Jan -

3 adults own (internal ref. TBA5)

25 Jan -

3 adults own (internal ref. TBA6)

(This booking was originally listed as [redacted] on the original email booking submitted to your Department - I emailed Green Loans Coop to change this on 25/1 after doing the assessment, as I couldn't change it via the call centre as it had not been entered. The declaration form is signed under the correct name, and needs to be entered correctly as they would like to access a Green Loan and the names need to match in the financial institutions portal to issue a loan.)

2) **No shows I have tried to register** before invoicing through the call centre, the portal and via email, but don't know if they have been entered as such as we get no response from email or portal and call centre say they cannot accept them. The first one in this list that I tried to register after the new portal started on 14 January disappeared completely from my portal!!!

(Please refer to copy of email below as evidence that it existed.) These have not yet been invoiced, but I will be invoicing these as no shows @ \$50 per booking on my next invoice as they meet all the eligibility criteria, were all confirmed in person by phone before my arrival more than 24 hours ahead of time as required, and became a No show for each reason detailed. I have completed 109 assessments to date, so the No show rate I am applying to be paid for is not an unreasonable number and is clearly specified in the contract I signed.

[redacted] 14 Jan 2010 11am

2 adults renting. Reason

for No show: She had unexpected guests so could not do the assessment when I arrived. She rescheduled for 21 Jan but then cancelled due to work commitments as a casual with irregular hours when I called to reconfirm that appointment. She will call when she has a firm time free. I could not enter a rebooking with the call centre anyway for that date as the call centre was impossible to get a connection with.

1 adult rent. Reason

for No show: She was asleep when I arrived having to work overtime in hospitality the night before and was incapable of completing assessment. She decided not to rebook because her work schedule was getting changed and expanded in the lead up to Christmas. She was going to call in January when her work schedule settled.

[redacted] 2 adults own. Reason for No Show: She

signed the declaration and we assessed some of her rooms and answered her major questions but we didn't complete the entire assessment as she had to go to work earlier than expected. The entire assessment was more than she thought it would be and she really just had particular questions that she wanted to ask.

[redacted] 1 adult own. Reason for No Show: She was in

hospital with a diabetes related problem. I didn't rebook as this was the second time she had been rebooked and not been home when I arrived after confirming by phone first, due to hospitalisation. I suggested she call me in a month or two when she was better to rebook.

[redacted] 1 adult own. Reason for No Show: A

friend of his had just had a heart attack and he rushed to the hospital to be with them. When he realised he'd forgotten me he called to apologise but wasn't sure what his plans would be while his friend was in hospital so we didn't re-book as I asked him about his power usage over the phone and he was a low user and obviously already pretty aware of ways to save, and he had more important things to worry about at that point in time.

[redacted] 1 adult rents. Reason for No Show: I

rang and confirmed prior to the day as usual, and then rang a second time on the day before I arrived as requested by the householder, but when I arrived he was in a non-threatening but agitated state and was dealing with a father with dementia and a violent drug addicted sister and needed counselling more than a power and water audit. I made sure he had supportive friends available before leaving.

3) **Mismatched company names and disappearing assessments for invoicing** in my portal are as follows. All of them are for me, Leanne McIntosh Assessor no. HO51466. You advised me to send these to you to fix as the call centre no longer changes company names as they used to, so that the company names will match for invoicing purposes. If the company name in the company tag is irrelevant for invoicing, please disregard this list and address only those assessments that no longer appear in my portal but I have evidence of confirmation emails attached. Each call centre operator I ask doesn't know if the company name has to match the name on the invoice, or the invoices just run off the HO assessor numbers. I have a large number of bookings that have been entered with the wrong company name for invoicing purposes. I will be invoicing at the end of the month and really need the following changes made so that my invoice doesn't get rejected:

- this booking is mine. It has been entered incorrectly as \_\_\_\_\_. It is also listed incorrectly as the company Your Insulation. I do not work for them. It should be listed as Green Loans Assessors Coop. I pay for work to be generated for me and do not want someone else to be able to invoice for my work.

It has taken me hours to compile this list out of all outstanding bookings waiting for invoicing. Please help. If we had a functioning call centre, or a functioning online booking system as specified in our contracts, we could fix all this ourselves. As we have neither, I am excited that I actually have a direct email address instead on the portal feedback email and main email address of glassessors as both act as black holes for assessors.

Thank you again.

Leanne McIntosh

----- Original Message -----

**From:** [Leanne McIntosh](mailto:Leanne.McIntosh@environment.gov.au)

**To:** [glassessors@environment.gov.au](mailto:glassessors@environment.gov.au)

**Cc:**

**Sent:** Friday, January 29, 2010 12:02 PM

**Subject:** Error for invoicing

I have submitted this via the portal but have no confidence that anyone will answer.

RE: BK  
the 'error booking' I have emailed about before on Dec/Jan invoice.

2 adults renting 14 Jan 2010 11am - this is

I called the call centre to report a NO SHOW on Wed 27. The call centre operator said they cannot record No Shows. Now the booking does not even appear in my portal. I will be billing a No Show show for this booking so I need this fixed ASAP so I can get paid. Thank you.

Leanne McIntosh

----- Original Message -----

From: <[GreenLoanAssessments@environment.gov.au](mailto:GreenLoanAssessments@environment.gov.au)>

To: <[leanne@](mailto:leanne@)>

Sent: Monday, January 11, 2010 5:57 PM

Subject: Assessor Booking Confirmation: BK

You have a booking for a home sustainability assessment on 14/01/2010 from 13:00 to 15:00. Please contact the householder at least 24 hours before this time to confirm the appointment.

The householder details are as follows:

Name:

Address:

Phone:

Email:

This booking can be viewed on the Calendar on your portal:

<http://gl.environment.gov.au>

Booking Reference Number: BK

This is an automatically generated email, please do not respond.

----- Original Message -----

From: <

To: <[leanne@](mailto:leanne@)>

Sent: Sunday, January 17, 2010 4:02 PM

Subject: Green Loans Booking: AN : [SEC=UNCLASSIFIED]

> Dear Assessor Leanne McIntosh,

>

> The current information for this booking is:

>

> Status: Pending

> Booking Number: AN

> Booking Date: 2010-01-18

> Booking Time: 09:00

> House Address:

> Householder Name:

> Householder Phone Number(s):

>

> Regards,

> The Green Loan Team

>

----- Original Message -----

From: <

To: <[leanne@](mailto:leanne@)>

Sent: Sunday, January 17, 2010 4:02 PM



Subject: Green Loans Booking: AN2

[SEC=UNCLASSIFIED]

> Dear Assessor Leanne McIntosh,  
>  
> The current information for this booking is:  
>  
> Status: Pending  
> Booking Number: AN2  
> Booking Date: 2010-01-19  
> Booking Time: 11:00  
> House Address: I  
> Householder Name:  
> Householder Phone Number(s):  
>  
> Regards,  
> The Green Loan Team  
>

----- Original Message -----

From: \*

To: <leanne@i

Sent: Sunday, January 17, 2010 4:02 PM

Subject: Green Loans Booking: AN

[SEC=UNCLASSIFIED]

> Dear Assessor Leanne McIntosh,  
>  
> The current information for this booking is:  
>  
> Status: Pending  
> Booking Number: AN1  
> Booking Date: 2010-01-19  
> Booking Time: 15:00  
> House Address: \*  
> Householder Name:  
> Householder Phone Number(s):  
>  
> Regards,  
> The Green Loan Team  
>

Attachment 6 Extract from Email to Stephen Gallagher, ABSA industry association, 8 March 2010

----- Original Message -----

**From:** [Leanne McIntosh](#)

**To:**

**Sent:** Monday, March 08, 2010 1:52 PM

**Subject:** GLACO

Thank you for looking into this Stephen. I hope I am wrong and they are not about to take everyone's money for February from DEWHA and run, but I am happy to receive advice from you about my options. eg If terminating my contract with GLACO now can stop DEWHA paying them my February payment, I would do it immediately and then be happy to pay GLACO for services rendered to date. (Though I would prefer not to be singled out by name if possible - if you posted for private emails on the forum, not public, you would hear from more assessors in the same situation. The assessors I am in contact with are all just trying to play nice with GLACO until they pay us the money they owe us as we have no power - they will have our money.)

Please find attached a copy of the contract I signed with GLACO. I only work part-time and sourced and billed about half my work direct with DEWHA. Below are some of the emails that concern me. They are not answering their phone at all today. I

am a good test case as they owe me money now, even before 1 April when the bulk of the money should be received and paid for February...

Leanne McIntosh

...

----- Original Message -----

From: [Leanne McIntosh](#)

To: [GLACO Invoicing](#)

Sent: Thursday, March 04, 2010 8:28 AM

Subject: Pay stuff ups

I will be pleased to be shifting to direct invoicing to Dewha. You create a lot more paperwork and time wasting for me than they do.

Please find attached a copy of an email to show you are short on money owed to me, quite aside from the issue of \$200 starter payment that you refuse to address.

You also have a duplicate AN no. on January invoice you have sent me. All corrections in attached revised invoice.

You owe me \$610 less \$130.50 for duplicate AN (\$479.50) plus \$200 starter payment. Total \$679.50 Considering this is money owed for work completed in December I don't think it is unreasonable for you to pay me today.

Leanne McIntosh

Attachment 7 Extracts from Email to Stephen Gallagher, ABSA industry association, 9 March 2010

Date: Tue, Mar 9, 2010 at 5:45 PM

Subject: \*

To: Stephen Gallagher <

Hi Steven,

I am writing this email because of few reasons that I will list for you below....

GLACO

- GLACO prior to January was paying us fortnightly as DEWHA were paying them fortnightly, because of this we had to invoice them fortnightly. I submitted the second half of December on the 5 of January we were then told that due to their error they would not be paying for December invoice till February 15th. DEWHA told me that they were paid 195,000 in early January for that period.

- They then said that due to a complaint that someone made to DEWHA, DEWHA is no longer paying us fortnightly so the arrangement was changed to Payment for DEC on the 15th Feb, then payment for January jobs due on the 1st MAR, Feb jobs due on the 1st APR etc. But we still had to submit an invoice to them fortnightly. ...

- They send out our fortnightly invoice that we are supposed to check then return to them with any amendments to date this has been at the cost of \$47.50 after getting paid. I queried why I had not been paid approx \$240 when I finally got my remittance from them for January it showed that assessments were charged at a higher rate than what they had on the invoice that was submitted to them, and the two jobs that were mine that were supposed to just be booking in were charged at the same rate.

- I never received the \$200 joining fee that I was supposed to receive after doing 10 assessments for them, and I never received a dividend for shares in DEC as stated in the contract.

- I received an invoice from Green Australia PTY LTD the other day invoicing me for 5 jobs a week for a month. I do not know this company name and was not told prior of any change of name. I have got one of my own jobs this week but they have still charged me for 5 jobs this week, next week I told them I would be booking 1 job for myself they still charged me 5 jobs. On the invoice they have

allowed \$260 to go off the invoice to cover the first week in March I dont know why I assume it is for the \$200 they owe us from the joining fee.

**- Steven I am very worried I will not be paid, I asked DEWHA if I could submit my invoice to them for February jobs but the call centre said no they had to go through the Co-OP In earlier emails they referred to the fact that they have had cash flow problems. My mortgage is behind and I am at my wits end. What can I do to make sure I am to be paid?**

I have in response told them to amend the invoice and resend it to me but also put in that I am on holidays for two weeks as I am not paying them more money when I am fearful that they may not pay me....

Attachment 8 Email to Stephen Gallagher, ABSA industry association, 10 March

----- Original Message -----

**From:** [Leanne McIntosh](#)

**To:**

**Sent:** Wednesday, March 10, 2010 6:40 AM

**Subject:** GLACO

Appreciate you're busy, but have you got any advice, thoughts or perhaps a contact in Dewha who can help re overdue payment and potential for stopping defaulting on payment to 70 assessors for February invoices?

Attachment 9 Email received from Stephen Gallagher, industry association 10 March 2010

----- Original Message -----

**From:** [Stephen Gallagher](#)

**Sent:** Wednesday, March 10, 2010 3:15 PM

**Subject:** FW: Announcements (Update)

Dear assessors,

I have been contacted by some assessors belonging to GLACO, concerned that they have outstanding invoices from GLACO (some from early January) and some who have not been refunded the \$200 joining fee. I note that there is a clause below, that states if you joined GAM then you should have received the \$200.

I haven't seen a copy of your contract, so I can't comment about your relationship with GLACO, but it would appear that it is now defunct anyway. (ABSA would not provide advice on contracts, this matter rests between two parties).

I can tell you that DEWHA paid an invoice to GLACO in late Feb for around 3,500 assessments. You can do the math on that one.

I was also asked to seek alternatives avenues for assessors who have outstanding invoices and was advised to tell you that you can seek legal advice (for free) at the NACLC, <http://www.nacalc.org.au/>. There are state chapters who can advise you on the most appropriate course of action you can take if you have outstanding invoices, or if the company is not abiding its legal obligations.

It would appear that over the months of Jan and Feb, GLACO was paid by DEWHA nearly \$1,000,000, so there should be no reason for withholding assessor payments.

Stephen.

Attachment 10 Email to DEWHA, 10 March 2010

----- Original Message -----

**From:** [Leanne McIntosh](#)

**To:**

**Sent:** Wednesday, March 10, 2010 7:01 AM  
**Subject:** Company collapse and overdue pay

Dear

I don't know if you can help or advise me. You were terrific in getting my missing ANs into the system so I could get paid, but I don't know what your job actually is or if you can direct me to someone appropriate.

My issue is this: about half my work for February was billed direct to Dewha, and about half through Green Loans Cooperative Pty Ltd (GLACO). My understanding from emails from the company is that GLACO is no longer trading however. A new company Green Australia Marketing Pty Ltd was registered on 2/3/10 to take its place. Contracts that around 70 assessors had with GLACO are therefore no longer valid.

GLACO currently owes me \$679.50 outstanding from December invoices. I have had no success in getting them to pay me. They are also supposed to pay me \$2349 for February invoices, they say on 1 April. My issue is this. As soon as Dewha pays GLACO, I think that GLACO is going to take the money and run. I may be wrong, but I believe that they are going to default on paying me the money I am owed for assessing services I have done on behalf of Dewha for February. They have about 70 assessors due varying amounts of money for February - most much larger than mine as I only work part-time and bill Dewha for a proportion of work direct. So this is not a minor problem affecting just me.

Can you, or anyone in Dewha that you know of, advise if its possible to stop payment to GLACO who are in effect no longer trading and pay assessors directly to stop GLACO defaulting on more money owing? I can only go on my experience to date. If I cannot get them to pay me \$679.50 in arrears, I don't like my chances of getting \$2349. It will not be possible to pursue them through small claims court etc. as it is a limited liability company that is folding.

I have put the issue in front of Stephen Gallagher at ABSA but haven't received a response, so I thought it was worth asking you if you have any suggestions. It may be worth noting GLACO was getting paid fortnightly from Dewha, so I do not know if a payment to them for February is imminent, or is due only towards the end of this month. That would be useful to determine, s it may already be almost too late to prevent default.

Thanks for any assistance you can offer in this matter

Leanne McIntosh

Attachment 11 Extracts from emails exchanged with Stephen Gallagher, ABSA industry association on 1 April 2010

**From:** Leanne McIntosh  
**Sent:** Thursday, 1 April 2010 4:54 PM  
**To:** Stephen Gallagher  
**Subject:** Re: Announcements (Update)

I don't mean to be rude at all Stephen, and I appreciate any help you can provide all the GLACO assessors now owed money. However, and I both told you that this was happening when there was still time to make a difference. What do you honestly think you can do now? All you could advise was to go to community legal centres which I did but they don't deal in commercial law.

----- Original Message -----

**From:** Stephen Gallagher  
**To:** Leanne McIntosh  
**Sent:** Thursday, April 01, 2010 5:15 PM  
**Subject:** RE: Announcements (Update)

Hi Leanne,

**Yes you did advise me and yes I requested DEWHA hold their invoices.**

The practicality of this issue is one between the contracted parties.

I can advise you on who you should contact for resolution but I'm not authorised to offer, business, contractual, legal or insurance advice. I'm not trying to avoid the problem, it's just that I am not equipped to deal with them. ...

Stephen.

Attachment 12 ASIC complaint lodged 16 March 2010 (Adobe Acrobat file format)

Attachment 13 ASIC followup complaint lodged 4 April 2010 (Adobe Acrobat file format)

**Terms Sheet**

**Legally Binding Agreement**

**Terms & Conditions of participation as a Member & Shareholder**

-between-

**Green Loans Assessors Co-operative Pty Ltd (GLACO)**

-and-

Leanne McIntosh (HSA)  
[Insert HSA's name]

Go Green and Save

## **Introduction**

- The HSA has asked to join the GLACO
- The GLACO will assess the HSA's application to join and either accept or reject the HSA's application
- Membership to the GLACO is at the sole discretion of GLACO and can be terminated at any time

## **Services offered by GLACO**

- Lead generation
- Insurance products
- Referral service
- Pressure Group
- Administration Services

## **Object of GLACO**

The principal object of GLACO is to provide leads for Home Sustainability Assessments. In addition GLACO will offer to perform administrative functions for HSA's. These services come at a cost but it is the aim of GLACO to reimburse these costs 100% through profit share and beyond this, provide an income stream for shareholders.

## **The Process**

The process is outlined in the attached Flow Chart. The system is simple and easily understood.

## **Shares**

On payment of the GLACO Joining Fee (one off \$200), the HSA receives 2000 'C' shares in GLACO. These shares do not have voting rights and carry no liability. However they entitle the HSA to a proportional share of 20% of the annual Net Profit of GLACO proportional to the number of assessments completed. This is calculated twice per year; 1 July and 1 December. Payments will be made to HSA's within 7 days of these dates.

## **Payments**

Payments for the HSAR's are directed into an Accountants Trust Account. They are disbursed from here to GLACO and the HSA according to an agreed split. Payments from GLACO to the HSA are guaranteed to be electronically transferred within 24 hours of receipt by GLACO.

## **Rates**

The current rate between GLACO and the HSA is \$47.50 per lead. This means that each HSAR lodged and invoiced via a GLACO referred lead will incur a \$47.50 charge. The full amount for the HSAR will be paid to GLACO and the net (after the \$47.50) will be remitted to the HSA. Where a HSA has procured an assessment themselves or received one through DEWHA no fees will apply if the HSA invoices directly to DEWHA. GLACO can invoice these on the HSA's behalf if requested. A \$10.00 administration fee will be charged for this service.

**Law, Rules & Regulations**

The HSA agrees to abide by all the rules, regulations and Laws relating to the Green Loans Program specifically and business and community generally. GLACO takes no responsibility for the conduct of the HSA.

**Termination of Agreement**

Either party to this Agreement can terminate the arrangement at any time and without notice. Advice in writing to the business address of GLACO or the HSA constitutes and end to this Agreement.

**Dispute Resolution**

In the event of a dispute between GLACO and the HSA, mediation before a Mediator registered with the Law Council of Victoria is the first step towards resolution. If the dispute cannot be resolved, the all parties agree that the Mediator will become an Arbitrator and his or her decision will be final. This Agreement is governed by the Laws of Victoria.

End of Agreement

**Signing page**

This document is executed on the 30th day of October

2009 by:

**HSA**

\_\_\_\_\_  
Signature

Leanne McIntosh owner Go Green and Save  
\_\_\_\_\_  
Name & Position

**GLACO**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name & Position



# Attachment A – Deed of Undertaking for Specified Personnel

THIS DEED POLL is made the 30th / October / 2009  
day month year

by Leanne McIntosh of ..... 62  
H051466

[Insert name, address and Accreditation Number of the Specified Personnel] (Contractor), for the benefit of the Commonwealth of Australia as represented by the Department of the Environment, Water, Heritage and the Arts (Department).

## BACKGROUND

- A The Department and Green Loans Assessors Co-operative Pty Ltd (Assessor) have entered into a contract dated [ 30/10/09 ] for the provision of Assessor Services by an organisation under the Green Loans Program (Contract).
- B The Contractor is employed or engaged by the Assessor.
- C The Department requires that this Deed Poll be executed by the Contractor before it performs any work under the Contract.
- D The Contractor provides the undertakings and warranties set out below in respect of work to be performed, and information to be acquired, directly or indirectly in connection with the Contract.

## DEFINITIONS

Terms used in this Deed Poll are defined in the dictionary at clause 28.1 of the Terms and Conditions of the Contract, and rules for interpreting this Deed Poll are in clause 28.2 of the Contract.

## AGREED TERMS

- 1. I undertake and warrant that:
  - (a) I am accredited with an Accrediting Organisation;
  - (b) I will notify the Assessor of any suspension, cancellation, non-renewal or change of my accreditation;
  - (c) I will undertake training reasonably required by the Department;
  - (d) no conflict of interest exists or is likely to arise for me in performing work under the Contract and I will not permit any situation to arise or engage in any activity which may result in a conflict of interest for me in performing work under the Contract;
  - (e) I will perform Assessment-related services:
    - (i) with due skill and care and to the best of my knowledge and expertise;
    - (ii) to a high standard and in accordance with the professional standards of conduct applying to the relevant industry;

- (iii) in accordance with the Green Loans Program Assessor Procedures;
  - (iv) in accordance with relevant Australian industry standards, best practice and guidelines or where none apply, relevant international industry standards, best practice and guidelines;
  - (v) in accordance with all applicable Laws, including occupational health and safety and discrimination legislation;
  - (vi) in accordance with any directions in relation to the Services given by the Department from time to time; and
  - (vii) promptly and without delay;
- (f) I will act impartially at all times and provide Assessments that are accurate, independent and free of commercial influence;
- (g) I will not:
- (i) communicate or use commercial branding for products or services during an Assessment; or
  - (ii) direct Householders towards a range of products or services developed or supported by an enterprise with which I am associated or from whom I receive a commission or other benefit;
- (h) I will treat as secret and confidential all Confidential Information to which I have access or which is disclosed to me;
- (i) I will treat Confidential Information with the utmost care and will protect it at all times;
- (j) I will take necessary precautions to prevent unauthorised access to or copying of Confidential Information in my control; and
- (k) I will comply with the provisions of the *Privacy Act 1988* (Cth), including the Information Privacy Principles and National Privacy Principles set out in that Act, in respect of both Personal Information and Confidential Information, whether or not I am legally bound to comply with that Act and as if the definition of "personal information" in that Act includes Confidential Information.

2. This Deed Poll will survive the expiry or termination of the Contract.
3. The laws of the Australian Capital Territory will apply to this Deed Poll. The courts of the Australian Capital Territory will have non-exclusive jurisdiction to decide any matter arising out of this Deed Poll.

**EXECUTED as a Deed Poll**

**Signed sealed and delivered by**

Leanne McIntosh  
Name of Contractor

In the presence of

\_\_\_\_\_  
Signature of witness

\_\_\_\_\_  
Name of witness (print)

← \_\_\_\_\_ ←  
Signature of Contractor

30-10-09  
Date

ref

## eComplaint

3/4/2010

You

Name

Title **Ms**  
Given names **Leanne**  
Family name **MCINTOSH**

Address

Care Of  
Street  
Suburb or Locality State  
Postcode  
Country **Australia**

eMail Address

Telephone

Number

Mobile

Number

What best describes your connection with this complaint?

**Creditor**

Where did the events that led to your complaint occur? You must select a state or territory.

**Victoria**

Q1. If we consider your complaint falls within the jurisdiction of another government organisation or agency, in Australia or overseas, do you consent to us referring your complaint information to us to that other government organisation or agency?

**Yes**

Q2. If we need to make further inquiries about your complaint, do you consent to us contacting the subject(s) of your complaint?

**Yes**

Who?

### 1. Company

Organisation Name

**GREEN LOANS ASSESSORS  
CO-OPERATIVE PTY LTD**

ACN / ABN

**131420383**

Address

Office Floor Building  
Street  
Suburb or Locality State  
Postcode  
Country Australia

Telephone

Number

Comments They are moving offices

## What?

How much money (\$AUD) or property is involved? eg. for \$5,000.00 enter '5000'. If no money or property is involved or the amount is not known enter '0'.

100000

Have you, or another person you know of, started legal proceedings over this complaint?

No

When did the events that led to your complaint occur? Enter the Month and Year e.g. 01/2001.

03/2010

Tell us what happened. Describe the events in the order they happened. Include dates.

**ASIC were informed in advance and with time to act in my complaint ref: ' and others that this company was going to default on paying a large sum of money - a list is now been collated of losses, some of which individually are \$21 000 - to 70 plus assessors paid by the Federal government for Green Loan assessments completed in February. I believe the Director, Trevor McTaggart knowingly traded whilst insolvent to receipt our money and then collapsed the company on 30 March to avoid paying us all our outstanding money on 1 April 2010. Just as I told ASIC would likely happen if they didn't investigate and act promptly. This has now happened. The Director breached our contracts in several ways including failing to pay us money 24 hours after it was received, failing to issue shares and dividends, and I believe that a forensic examination of the books of the company will reveal illegal movement of money to make it appear the company is insolvent, but in fact, the company was stripped of assets and money. The other Director clearly states that the company was solvent when the he left a week or two prior, I believe, knowing what was about to happen and not wanting to be a party to it. Please investigate.**

Reference -  
Date: ?

## eComplaint

You

Name

Title **Ms**  
Given names **Leanne**  
Family name **MCINTOSH**

Address

Care Of  
Street  
Suburb or Locality State  
Postcode  
Country **Australia**

eMail Address

Telephone

Number

Mobile

Number

What best describes your connection with this complaint?

**Creditor**

Where did the events that led to your complaint occur? You must select a state or territory.

**Victoria**

Q1. If we consider your complaint falls within the jurisdiction of another government organisation or agency, in Australia or overseas, do you consent to us referring your complaint information to us to that other government organisation or agency?

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#### 1. Company

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**GREEN LOANS ASSESSORS  
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Care Of  
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Suburb or Locality State  
Postcode  
Country Australia

Telephone

Number ( .....  
Comments They are moving offices now

**What?**

How much money (\$AUD) or property is involved? eg. for \$5,000.00 enter '5000'. If no money or property is involved or the amount is not known enter '0'.

100000

Have you, or another person you know of, started legal proceedings over this complaint?

No

When did the events that led to your complaint occur? Enter the Month and Year e.g. 01/2001.

03/2010

Tell us what happened. Describe the events in the order they happened. Include dates.

**I have been told that Green Loans Assessors Co-operative Pty Ltd (GLACO) has or is about to "steal" a large amount of money paid to it by the Federal Government for Green Loan assessments completed by aprox. 70 assessors who had a basic contract with GLACO to provide these assessments on the behalf of the Federal government. I am one of those that was contracted. GLACO has recently ceased trading in effect. Two Directors have resigned. Filings made with Asic on 10/3/10 that are I am guessing, their resignations. (As a single mum supporting a family on centrelink benefits, I don't have a spare \$100 to pay for a search to see what the filings were.) One director is left I believe: Trevor McTaggart, who I am told is shifting money out of company accounts and is not planning to pay assessors for their February work/invoices which is due to be paid on 1 April. GLACO have moved offices but no change of address is listed in ASIC records. A new company called Green Australia Marketing Pty Ltd ACN 142343584 has been set up to take its place and registered on 2/3/10 and the assets of GLACO transferred to it. This company has the same registered business address as GLACO but is also moving and has no new address listed yet. Why do I believe that GLACO is not going to pay the money owed to its assessors? My invoice for assessments completed in the second half of December was sent to them on 11/1/10 for \$479.50. This invoice has still not been paid despite my pursuing payment vigorously and GLACO clearly acknowledging the debt. I submitted two invoices to them for assessments done in February totalling \$2349 on 20/2/10 and 2/3/10. These invoices have not been paid.**

They tell me these will be paid on 1 April but as they are not paying me for outstanding invoices now, I cannot see it happening. My debts are relatively small however compared to the bulk of the assessors due to be paid on April 1. I am estimating, but the amount that will be defrauded is probably in the vicinity of \$100 000 plus, from people who are powerless and poor. I have been told that Trevor intends to clean out the company GLACO's accounts and defraud the assessors he owes. I do not have the power to know if this is true or not. I do not know if Asic can help. I am aware that another assessor has put in a complaint regarding GLACO to Asic and that you are aware that if you can help, time is of the essence. Thank you for any advice you can offer.