

Submission to the Senate Economics References Committee –
Inquiry into **Sterling Income Trust**.

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To: Senate Standing Committees on Economics
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Dear Senators,

My submission addresses points (B) and (E) in the Terms of Reference

Background:

I here share my experience as a victim of Sterling New Life.

With regards to my Rent-for-life Lease Agreement: This has turned out to be a horrific nightmare. All of my \$300,000 rental money, paid upfront, has been stolen, by Sterling New Life (SNL) directors.

Following ASIC placing a Stop Order on SNL, I was forced to vacate my rental unit. I received constant phone calls from Rental Management Australia (RMA). In summarising these phone calls, from RMA, they were different personnel who never gave names. They were adamant, and yet so polite, in letting me know that I was no longer a tenant and that SNL was closed down. They gave me a certain amount of time to vacate the unit. I was shocked and confused, believing that I was in the wrong. I'm not supposed to get stressed as I have a heart condition and suffer from vertigo.

Also since that disaster, ASIC has rung me several times to discuss my so-called 'Investment'. However, the conversation doesn't go beyond the word 'Investment', because when I mention to them it was a *Lease Agreement* and not an *Investment* they have hang up on me.

(B) the need for legislative and regulatory reform to prevent such losses in the future:

It is obvious that our corporate watchdog ASIC, who *knew* about SNL's corrupt and dubious business dealings since 2015 and earlier, has permitted SNL directors to con and deceive the elderly.

We need legislation to reform and regulate our Corporate 'watchdog' ASIC. I ask why is the Senate and Treasurer protecting ASIC, our regulator, instead of protecting the consumer? Why is ASIC referring to the victims of this tragedy as 'Investors' when clearly we are *Tenants*?

How can the elderly seek justice from our regulator when the regulator has no independence? They are influenced by our Treasurer and our four major banks!

Why did ASIC place a Stop Order on SNL in 2017 when they had all the same information in 2015, and did not act?

Why is the Inquiry into this fraud carved into two sections? It is utterly ridiculous not to acknowledge that The Sterling Group, which suffered monetary losses, was also behind the Silverlink group. The Silverlink group actually suffered greater monetary losses. Is it too hard for the Senate Inquiry to look into the complete tragedy instead of just half the problem? We are all SNL VICTIMS!

Both SNL and Silverlink are of equal importance, so why is this Inquiry not looking at both?

Where do I go for justice, as a tenant when my regulator is telling me I'm an investor?

E) why the scheme collapsed and where the money went

Why after more than two years of investigating, have ASIC not told me, or many of the other elderly tenants, where our money has gone?

ASIC are allocated more than \$300 million per annum of tax-payers money, and they still cannot complete an investigation!

Why haven't the directors of SNL been put in jail or even been investigated? They are laughing at our weak regulator and clueless Government.

Is it true that the Government deliberately keeps ASIC weak, and ineffective so it doesn't get in the way of unbridled profiteering by the banks? What is ASIC trying to coverup and where is my money?

Please Senators: Recover every cent of our money and bring us justice! ASIC needs a complete reforming, from the Chairman and the Secretaries on down, who have no regard for the elderly.

Thank you.

Mario Gallina
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