

WITHOUT PREJUDICE

Dear Ms O'Neill,

Inquiry into the collapse of Trio Capital and related matters

Addition submission:

On the basis of being provided "Parliamentary Privilege" in your previous correspondence to me, I offer an additional submission as part of the parliamentary joint committee's inquiry into the collapse of Trio Capital.

I would appreciate confirmation in writing from you on the receipt of this document.

Kind regards,

Shawn Richard



In my previous submission, I communicated various observations and commentary regarding the collapse of Trio Capital.

Upon reflection into my first submission, I wish to provide additional commentary in order to avoid causing any potential misunderstandings.

In my opinion, financial planners should not be blamed in relation to the collapse of Trio Capital.

Financial planners along with their clients all had a justified expectation that the ASF had gone through multiple layers of checks and balances by all relevant industry participants prior to the product being made available to the public.

Additional layers of checks and balances were also performed by the financial planners. For example in my experience, financial planners relied on reputable research houses to conduct detailed due diligence on the ASF prior to any consideration.

Therefore, if a financial planner requires a product to have a minimum “recommended” rating by the research house before it makes it on an approved list, combined with all the many expected checks and balances by all the other industry participants which relate to a financial product, I find it difficult to lay much blame on a financial planner when a product fails.

On the subject of SMSFs, I also wish to clarify that in my opinion; financial planners were not at fault for recommending their clients to invest through an SMSF. I was simply making the point that in my opinion, SMSF clients did not have any material advantage compared to the other investors who received compensation from the government scheme.