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27<sup>th</sup> February 2019

Parliamentary Committee Membership

Senate Legal and Constitutional Affairs Committee

Chair Senator Louise Pratt,

Members,

Dear Members,

In sending this submission, it is not my intention to digress all of the events that led to a legal battle with the banks and the receivers, and our eviction from the farm.

Just an overview in sequence as I recall them.

I don't have a business background or farming for that matter I came to this district from NSW as a Nurse and married a farmer.

I am not a director in a company and am still not legally involved in the business as such, I am somewhat of a quasi-secretary, as my husband has a gag order on him.

Previous examples of my correspondence

Submission to the Banking Royal Commission on the 24/01/2018.

Submission to the Select Committee on Lending to the Primary Production Customers on the 18/08/2017.

Submission to the Select Committee on Lending to the Primary Production Customers on the 01/05/2017.

Submission to the Parliamentary Joint Committee on Corporations and Financial Services inquiry into the impairment of customer loans 25/09/2015.

They all tell the same story, so it is repetitious but I can only tell it in simple terms not as a business person.

Thank you for this opportunity to tell this story, again.

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My husband previously owed and farmed 10,000 acres in WA.

A decade of poor seasons led to high debt.

In 2012 the banks representatives de-valued the property and its assets to not even in keeping with local prices.

This led to Lowering the LVR.

Last finance advanced by the banks was in 2012, on the proviso that the farm be listed for sale, this was complied with.

The seeding season for 2013 was financed from another lender.

Local Elders real estate representative stated to the banks, that no farm of this size in this depressed market, had sold in the previous 5 years.

No offers then or since.

There was no medication process, no hardship provisions offered, no repayment plan options.

Also the bank accounts that were previously managed locally, were moved to Perth we are 260klms away, and then ultimately Sydney NSW.

It has become clear to us they just wanted my husband`s business off their books.

There seems to be a similar pattern to many others.

When one bank takes over another and there is a short fall, they make it up by orchestrating default processes.

Which is what happened to us.

My husband attended a meeting in Perth in October 2013 with the Banks hoping to come to some future arrangement to continue farming/financing. Offering family money and potential crop funds to go towards the debt.

He requested that the interest rates be lowered.

Instead they were increased from 7.62% to 13.62 %.

Also the receivers were present at that meeting although not yet being in receivership.

That happened in November 2013. The receivers were representing my husband and also the banks (conflict of interest).

Maximum pressure was applied when put into receivership, with a barrage of demands which included, emails (when we could get them), phone calls threats of taking us to court etc. It was harvest time. They tried to stop the harvest, my husband was working 15 hours days trying to get the crop off, I was working full time shift work. We had no lawyer at this stage. My husband had no mobile phone coverage where he was harvesting and the

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Computer was on the fritz. It was a nightmare. Would safely say was the worst week of my life. Like we had committed some terrible crime.

Finally our then appointed lawyer bought us some time and harvest continued with the receivers locking the CBH load net (basically so they could track everything harvested).

The pressure resumed in February 2014.

We attended a family wedding in Asia in February 2014. Flew in at 2.00am. Notified by our lawyer at 08.00 that we were to attend Court that day. We had no prior notice, and our lawyer will attest that the banks were aware of our absence from the country.

The court stated we had no defense. The bank/receivers wanted us off the property in 28 days the court gave us 48 days.

We were evicted in April 2014 to a rental in town and the argy bargy continued. [REDACTED] desperately trying to get finance somewhere to pay back the bank.

The receivers lodged affidavits to the Supreme Court saying eviction was necessary as "there was an urgency to market and sell the properties". They also swore "they wanted best farming practise for preparatory work to be performed such as summer weed spraying, fertilising the farm, spreading lime, sand and gypsum to improve soil quality and grading of seed wheat, barley and canola into silos in preparation for the seeding program".

We were given to understand that they were going to prepare and put a crop in.

This never happened. They never set foot on the properties.

There`s a whole other story about the fact that the sheep were left as well.

The receivers took approximately \$600,000.00 out of [REDACTED] bank account for not doing any of these things which included appointee fees and their own legal fees.

When we questioned why they had stated they would do all these things, and had ultimately lied to the courts, they were then willing to negotiate a deal.

So backwards and forwards again. Finance was impossible when in receivership. So in the end it was family that helped. A deal was struck, we felt we had no option to buy back one third of the property (the home farm since 1912) without going back to the courts. Debt was cleared but it was all on the proviso that [REDACTED] sign a gag order also a proviso he had to waive all his rights of ever coming back at the banks.

There were no other choices on the table and the deed of settlement was signed late October 2014. We were grateful to be back in our home and we realise despite the ordeal that we are one of the lucky ones. Although it certainly didn't feel like that at the time.

The remaining 5500 acres of farming land is in the receivers hands.

They have repeated the same behaviour and have not marketed the property, have in no way maintained the property in keeping with standard farming practise eg weed

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Control, fire breaks etc. since 2013. Have refused all offers from my husband over this time to lease the property NO to lease the property NO.

My husband had one window of opportunity for finance in 2016 and offered to buy back the remaining property. THE LAND IS NOT FOR SALE.

In 2018 the receivers changed their minds and said the LAND IS NOW FOR SALE.

Unfortunately the opportunity for finance was lost.

One as to ask what was the purpose of this exercise with the banks/receivers?

We are convinced hearing other people`s stories since and being in a proactive group called the bank warriors and follow bank reform now. That it wouldn`t have mattered what we tried to do, they simply did not want us on the books.

#### TERMS OF REFERENCE

a.

i. There was no fairness reflected in our case to resolve disputes. There was zero mediation. There was no hardship provision offered, no repayment plan, no plan to reconcile or opportunity to trade your way out of debt. They also increased the interest rates when already under pressure, they apply more. They shifted the management of the accounts from local to Perth and then to Sydney New South Wales. We live in rural Western Australia? In our case they used the legal system for their own benefit. To evict us off the property stating it was necessary as "there was an urgency to market and sell the properties"

WHY???? No one was buying.....It`s was at that time a depressed market. Nothing had sold in years.

ii. We felt enormous pressure to accept the only deal that was offered to us because of financial constraints, fear of losing our home and the family farm. We accepted a settlement knowing that they had lied to the Supreme Court because they hadn`t complied with their affidavits and to waive any further rights to take them to Court for contempt. We did this not whole heartedly, but because we were advised by our legal that it was a good deal and it was the only one on offer. The prospect of taking them to court may not find in our favour (according to our legal) and could cause financial hardship. Basically we didn`t have the money and we were not encouraged to go down this path.

iii. Why would a bank have to silence you?

We have tried multiple times by email phone etc. to have a meeting with the CEO of the bank but have been denied at every turn.

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We have even approached the CEO in person as recently as earlier this month in Parliament House in Canberra to request a meeting. These said CEO`s stated at the Banking Royal commission that they would meet aggrieved customers. Not true in our case.

Does that meet community standards? I don't think so.

b.

iii. The cost risks and the risks of an unfavourable outcome is paramount in the decision of whether to pursue the banks/receivers in the court system. It goes without saying. Historically the courts find in favour of the banks. The banks/receivers have power and they have money and they have time. They are ruthless. The ordinary person doesn't have a chance and the banks know it.

We as many others have really suffered at the hands of the banks. They have deliberately orchestrated defaults in thousands of people, there is mention of fraud, changing paper work, forged signatures etc. It's criminal behaviour. In Iceland they go to jail. The receivers are diabolical as well, the enormous fees they charge are massively inflated, for largely no service, they are just as bad. They too should have been investigated in the Banking Royal commission.

I do hope that you will consider accepting my submission, we are just one of many.

Kind Regards

