

AGAG SENATE INQUIRY SUBMISSION TIMBERCORP MIS FAILURE 2008

Ralph and Alison Groth

Year of Project: 2008

Loan Amount: \$ 150,000.00

Interest Rate: Unknown as we have no paperwork

We were advised by [REDACTED] from [REDACTED] (our accountant at the time) to invest in Timbercorp to help minimise our tax in June 2008. He did not mention his commission at the time (\$8800 as we know now). We paid Timbercorp for 18 months and by that time they were in breach of the tax laws (being 18 months to get our plantation underway) and in receivership. As we were never going to get trees planted we took advice from McPherson and Kelly and stopped our payments to Timbercorp.

Timbercorp now claim we owe them almost \$250 000.00. Our contract was for 51 timber lots and they never planted a single tree in our name, so how can they justify that when they, not us, breached the contract. Since Timbercorp went in to receivership we have been paying legal fees every year and still no closer to resolution and as we are 2008 investors, the legal fees continue.

This whole saga has been a nightmare for us, with the horrendous interest rates we are being charged, God only knows what we may finish up being expected to pay, if we are able. We are in our early 60's and with this hanging over our heads, the extreme financial hardship it is putting us in and husband working 7 days a week, how long can his health last. If [REDACTED] had been honest and upfront about Timbercorp's financial position, part of which he was aware (as per follow up phone calls made to him by us when bad press releases started) we would have paid the tax and the Hell with Timbercorp.

Since when do you have to pay \$ 250,000.00 for absolutely nothing, putting every day hard working people's lives in chaos and financial hardship. We are hoping common sense and justice will prevail and we can put this behind us and pray maybe in a few years we are able to have some sort of retirement.

Yours Sincerely,

Ralph and Alison Groth