

# **Sterling Income Trust – Senate Inquiry**

Submission by  
**Sterling First Action Group**

November 2021

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## About Us

The Sterling First Action Group initially began as a Facebook group, following the collapse of the Sterling Group of entities in May 2019. The group was originally intended to be a place where all victims of the Sterling Group collapse could exchange views, discuss how the collapse had impacted them, and to share information. The group is managed/administrated by a committee of volunteers who have been affected, be it directly or indirectly (i.e., family members acting on behalf of elderly parents).

In the 2½ years since the collapse, the Sterling First Action Group has continued to support victims. This has included assistance with preparation of AFCA complaints and proof of debt lodgements with insolvency administrators; lobbying local, state, and federal MPs; submission of questions to be raised at the PJC on Corporations & Financial Services (September 2019, February 2020, July 2020, March 2021, June 2021); submissions to the Treasury (March 2021 on the *Review of the Australian Financial Complaints Authority*, August 2021 on the proposed *Compensation Scheme of Last Resort*), and raising awareness through the media.

Victims of the Sterling Group collapse can be categorised into three broad categories:

1. **TENANTS WITH STERLING NEW LIFE (SNL) LEASES:** The tenants upfront rental payment (their investment) went into two different funds – either the Sterling Income Trust or the Silverlink Investment Company.
2. **PROPERTY OWNERS/LANDLORDS:** Leased their property to the tenants via a subsidiary of the Sterling Group. Lease arrangements were complex and varied significantly, with many owners not having received rental income for over 2 years.
3. **SHAREHOLDERS:** Invested in a variety of shares or units in different Sterling Group entities. Some shareholders have had their original investment rolled over several times (i.e., Heritage to RMIT, RMIT to Sterling First Australia, Sterling First Australia to SIT).

In some instances, tenants and owners/landlords were also encouraged to invested in shares/units

## Affiliations

In June this year we became aware of a campaign being mounted by consumer advocacy group, CHOICE, calling on the Federal Government to establish the Compensation Scheme of Last Resort (CSLR) as a top priority. As our objectives were identical, the Sterling First Action Group and CHOICE mutually agreed to cooperate and align our campaigns. Since that time, we have been in regular contact and have contributed a variety of materials to their media campaigns.

We have continued to work closely with Senator Louise Pratt, who has repeatedly raised concerns about the Sterling Group and its subsidiaries during Senate proceedings and had used her time to question ASIC in the PJC on Corporations & Financial Services on many occasions.

# Our Response & Recommendations

We thank the Senate Economics References Committee for their invitation to provide a submission to the Inquiry into the Sterling Income Trust and give permission for our submission to be made public. Our response to the Inquiry Terms of Reference, along with a summary of recommendations is provided below.

Please note that due to file size and type, all referenced attachments will be provided as supplementary evidence to this submission.

## List of Recommendations

### **RECOMMENDATION 1**

***ASIC to be held responsible for the losses incurred in the collapse of the Sterling Group due to defective administration in failing to properly regulate the formation and operation of the companies comprising the Sterling Group. Victims who suffered losses as a result to have access to the Scheme for Compensation for Detriment caused by Defective Administration (CDDA Scheme).***

### **RECOMMENDATION 2**

***More rigorous processes to be implemented for the registration of managed investment schemes (MIS), including vetting of officers appointed to any company associated with the proposed responsible entity.***

### **RECOMMENDATION 3**

***All officers associated with the Sterling Group (past and present appointments) to be disqualified from managing corporations for 20 years.***

### **RECOMMENDATION 4**

***Scope of the CSLR to include managed investment schemes. CSLR scope to be clearly prescribed in primary legislation. If this proves to be unviable, eligible AFCA cases and unpaid determinations associated with managed investment schemes that arose between 1 November 2018 and before scheme establishment, to be funded as part of the one-off ‘accumulated unpaid determinations’ levy.***

### **RECOMMENDATION 5**

***Current and prospective members of AFCA to provide a copy of their current PI insurance policy to be deemed eligible for an AFCA membership. Regulatory changes to be implemented giving ASIC the power to enforce AFCA requests for information.***

## ToR1: ASIC's oversight of the Sterling Income Trust

The collapse of the Sterling Group in May 2019 obviously came as a surprise to the hundreds of retirees, property owners and shareholders who had invested in one or more of the group's 12 entities<sup>1</sup>; however, as our subsequent research has revealed, could have been prevented had ASIC taken a more proactive stance on protecting consumers in the financial services industry. Considering the Sterling Group was led by numerous directors who have been involved in multiple high profile company collapses (Bruce Monteath - Monteath Properties; Simon Bell - Westpoint, Finchley; Michael Fenech - Storm Financial; Raymond Jones (Armstrong Jones, Geneva Finance, and many more), we have question serious concerns over ASICs regulatory oversight.

In July 2019 we conducted a background check into the directors of the Sterling Group and uncovered some shocking statistics. As an example, a director search on Mr. Jones revealed that since 1976 he has been the director, alternate director, or secretary of 127 different companies. At the time of study, we identified that of the 127 companies, 110 were deregistered, 9 were under external administration and 8 were still registered (with Mr. Jones having resigned as director). We identified irregularities in the information Mr. Jones used to register each of the 127 companies, including the use of 4 different dates of birth, incorrect spelling on street addresses, and suburbs not matching the registered address. Please refer to Attachment 1 for more information.

Another prominent director of the Sterling Group, Mr. Simon Bell, we identified as having been the director, alternate director, or secretary of 84 different companies, of which only 4 are still operational. Similar to the inconsistencies in the information provided by Mr. Jones when he registered his 127 different companies, Mr. Bell also provided conflicting data such as 3 different dates of birth, Please refer to Attachment 2 for more information. We have also identified a variety of other companies linked to the Sterling Group (either by name or with the same directors), some of which (at the time of our research) were still currently registered. Please refer Attachment 3 for more information.

The Sterling Group raised funds using a managed investment scheme (the Sterling Income Trust – SIT), and Theta Asset Management were the responsible entity. As we now know, red flags surrounding the Sterling Group lifetime lease scheme were first identified by WA regulators in late 2016 and referred to ASIC in March 2017. Reports indicate that ASIC had also received other complaints about the scheme being marketed to retirees in 2016 (Coburn, 2020). However, it was not until September 2017<sup>2</sup> (some seven months later) that ASIC issued an interim stop order on the PDS for the SIT. This prevented directors from selling the product under the stop order, however they then restructured and commenced selling basically the same product under a revised PDS in October 2017. The Sterling Group continued to market the SIT and the funds managed under the scheme grew from approximately \$420,000 in 2017, to approximately \$15 million in 2018 (Coburn, 2020).

In December 2017 a new structure was created under the name of Silverlink, with Silverlink Securities and the Silverlink Investment Company being registered as new entities of the Sterling Group. The directors launched the sale of preference shares in the Silverlink Investment Company, without a PDS. With funds now coming in from Silverlink, the directors closed the SIT in April 2018 and withdrew the revised PDS. A further \$6.8 million in investment funds was collected by the Sterling Group under the banner of Silverlink, until December 2018, when ASIC finally shut it down. Please refer Attachment 4 for more detailed information on the Sterling Group of companies and ASICs involvement.

It is also important to note that ASIC representatives made house calls to a small group of WA based tenants in mid-2018 to discuss their lifetime lease arrangements. At no stage did the ASIC representatives provide any indication or warning that they were actively undertaking surveillance activities of the responsible entity (Theta). Several of the tenants asked if they should be concerned about the rent that they had paid in advance to the Sterling Group; the ASIC representatives said not to worry. The unannounced visits prompted Mr. Jones to send a letter out to all tenants in July 2018, in which he indicated their money was safe, and backed this up

<sup>1</sup> KPMG, *Sterling First (Aust) Limited*, <https://home.kpmg/au/en/home/creditors/sterling-first-aust-limited.html>

<sup>2</sup> ASIC, *17-316MR ASIC issues stop order on Theta product disclosure statements*, <https://asic.gov.au/about-asic/news-centre/find-a-media-release/2017-releases/17-316mr-asic-issues-stop-order-on-theta-product-disclosure-statements/>

with the promotion of an ASX listing (with the reasoning that it would further enhance the Sterling Group's financial position). Please refer to Attachment 5 for a copy of the letter.

The above summary alone should have been enough to warrant a more immediate ASIC investigation, yet there is even more staggering evidence to indicate that ASICs oversight of the Sterling Group was, at best – substandard, and at worst, grossly negligent.

Our research<sup>3,4</sup> has found evidence of Sterling Group subsidiaries (or affiliated companies) promoting their plans to list on the ASX as early as 2012 and continuing through until ASIC finally took action in December 2018. Shareholders<sup>5,6</sup> who invested in the Sterling Group (or earlier versions of the company in 2013/2014), have reported their shares being rolled over (or phoenixed) from company to company, never being able to extract their capital. Please refer to Attachment 6 for an example letter sent to a shareholder in 2014, informing them their shares were being “restructured” from Heritage Acquisition Limited to Sterling First Group.

Tenants signing up for a lifetime lease were actively encouraged to also invest in units/shares. Throughout 2017 and 2018 at least 10 tenants were convinced to invest additional funds into shares, with amounts ranging from \$2,000 to \$75,000. Mr. Bell made contact with several tenants as late as December 2018, proposing the purchase of units in ART (Australian Rental Trust) and Gage Management Ltd. In addition to promoting the ASX listing, he also advised the Sterling Group was expecting millions of dollars to be coming in from overseas investors within the next week. Given that the Administrators of the Sterling Group believe they were insolvent in/or around January 2019<sup>7</sup>, we question the ethics of Mr. Bell seeking funds from vulnerable, elderly tenants in a period where it is probable the Sterling Group were already insolvent.

Considering several directors of the Sterling Group have either been bankrupt (Mr. Jones was discharged from bankruptcy in February 2015), or close to bankruptcy<sup>8</sup>, many are linked to previous catastrophic collapses (Monteath Properties ≈ \$35 million; Westpoint ≈ \$388 million; Finchley ≈ \$45 million; Storm Financial ≈ \$3 billion; Geneva Finance ≈ \$30 million), and ASICs prior involvement in court proceedings against Mr. Jones (AFR, 1993), it is clear to us that ASIC have failed in their regulatory oversight of the Sterling Group.

## **RECOMMENDATION 1**

ASIC to be held responsible for the losses incurred in the collapse of the Sterling Group due to defective administration in failing to properly regulate the formation and operation of the companies comprising the Sterling Group. Victims who suffered losses as a result to have access to the Scheme for Compensation for Detriment caused by Defective Administration (CDDA Scheme).

## **ToR2: Legislative and regulatory reform to prevent future losses**

As highlighted above, the history of the directors involved with the Sterling Group should have prevented them from establishing yet another company (or web of companies) that allowed them to collect funds from vulnerable investors. With over \$3.5 billion in cumulative losses from corporate collapses over the past 30 years, a history of bankruptcies' and prior court proceedings for breaches of corporations legislation, it beggars belief that ASIC was unable to identify, investigate and prevent these individuals from doing the same thing over and over again.

<sup>3</sup> Finance News Network, *Rental Management Investment Trust (RMIT)*, <https://www.finnewsnetwork.com.au/CompanyReports/RMA-Group/0>

<sup>4</sup> Gordon Capital Research, *Rental Management Investment Trust*, <https://rmaproperty.com.au/sc/Property%20Rights/Gordon%20Capital%20Research%20RMIT%20Report.pdf>

<sup>5</sup> Hot Copper Forums, *Sterling First Pre IPO*, <https://hotcopper.com.au/threads/sterling-first-pre-ipo.3351345/>

<sup>6</sup> Whirlpool Forums, *Sterling First (Aust) Limited*, <https://forums.whirlpool.net.au/thread/9mn2vx23>

<sup>7</sup> KPMG, *Voluntary Administrators Report - Sterling First (Aust) Limited*, pg 5

<sup>8</sup> AFR, *Monteath may have traded while insolvent*, <https://www.afr.com/property/monteath-may-have-traded-while-insolvent-20010405-k0zah>

Whilst we note that the introduction of the Director Identification Number to prevent false and fraudulent director identities has been recently introduced (Commins, 2021), had this basic safeguard had been in place when the Sterling Group of companies were first registered, then the questionable background of the directors would have warranted further investigation and the subsequent losses could perhaps have been avoided.

There are however still challenges with the current legislative framework and access to funding to enable ASIC to take action against directors with a history of illegal phoenix activity or repeated company insolvencies. As highlighted in the 2015 Senate Inquiry into insolvency in the Australian construction industry, if evidence indicates that criminal or civil misconduct is connected to insolvencies, ASIC has the power to disqualify the directors concerned under Section 206F of the Corporations Act. Yet for ASIC to take this action, substantive evidence must be provided by the liquidator in the form of a supplementary report to support the allegations made in their initial report<sup>9</sup>. In the case of the Sterling Group, the liquidators KPMG were provided with \$440,000 from the Assetless Administration Fund (AA Fund). This reliance on the liquidators of an insolvent company to provide evidence of misconduct results in reactive regulatory action by ASIC, feeding the culture of low-level enforcement and mild consequences. If the history of the Sterling Group directors is anything to go by, it is clear the current legislative and regulatory framework is failing.

In addition, the release of the draft legislation of the proposed (CSLR) has dealt another blow to the Sterling Group victims. It is proposed that the CSLR will be limited to five financial products and services: personal advice on relevant financial products to retail clients; credit intermediation; securities dealing; credit provision; and insurance product distribution. However, it is also proposed that managed investment schemes (MIS) are to be excluded from the scope of the CSLR. This directly contradicts the Ramsey Review recommendations<sup>10</sup> and the Federal Government commitment to implement a CSLR consistent with the recommendations of the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry<sup>11</sup>. AFCA also support the inclusion of MIS in the CSLR, in particular the issue of fairness and potential for consumer confusion if specific financial services are excluded.

Of note is AFCA's comment on the importance of the CSLR covering MIS due to *"the involvement of other financial firms or their subsidiaries in the funding, distribution or other arrangements with MIS"* (Australian Financial Complaints Authority, 2020). This is of critical importance to Sterling Group victims, as the vast majority were not aware that they were investing in a MIS; they believed they were paying rent in advance into a secure trust account. It is also important to note that Sterling Group investors relied on financial advice that was misleading and deceptive<sup>12</sup> and were provided with defective product disclosure statements that contained misleading or deceptive information<sup>13</sup>. This again highlights the lack of regulatory oversight of the Sterling Group, and ASICs failure to protect consumers from dodgy company directors.

## **RECOMMENDATION 2**

More rigorous processes to be implemented for the registration of managed investment schemes (MIS), including vetting of officers appointed to any company associated with the proposed responsible entity.

## **RECOMMENDATION 3**

All officers associated with the Sterling Group (past and present appointments) to be disqualified from managing corporations for 20 years.

<sup>9</sup> Insolvency in the Australian construction industry Report, para 7.6

<sup>10</sup> Ramsay Review Supplementary Final Report, para 4.59

<sup>11</sup> Government response to Royal Commission, pg 36

<sup>12</sup> AFCA Case Determinations 667682 and 655484

<sup>13</sup> Australian Securities and Investments Commission v Theta Asset Management Limited [2020] FCA 1894

## **RECOMMENDATION 4**

Scope of the CSLR to include managed investment schemes. CSLR scope to be clearly prescribed in primary legislation. If this proves to be unviable, eligible AFCA cases and unpaid determinations associated with managed investment schemes that arose between 1 November 2018 and before scheme establishment, to be funded as part of the one-off 'accumulated unpaid determinations' levy.

### **ToR3: Justice and redress for victims of SIT collapse**

With little hope of recouping funds through the liquidation process, victims of the Sterling Group collapse who have been repeatedly advised by Treasury, DMIRS (WA Consumer Protection), and ASIC to seek compensation through AFCA and then, when that proved inadequate, to wait for the introduction of the Compensation Scheme of Last Resort (CSLR). More specifically from ASIC that *"it is in the interests of investors in the Sterling Group of Companies to lodge and maintain their complaints with AFCA"* (ASIC, 2020).

On over 40 occasions victims to seek redress through AFCA. The Sterling Group collapse has also been examined by the Parliamentary Joint Committee on Corporations and Financial Services on numerous occasions with victims being encouraged to lodge a complaint with AFCA. Refer to Appendix 1 for a comprehensive timeline of referrals to lodge complaints with AFCA. This proved, in the overwhelming majority of cases, to be a complete waste of time.

AFCA Case 667682 (against Theta Asset Management Ltd) is a very good example of lack of justice and redress for Sterling Group victims. In March 2020 a determination was made in favour of the complainant, with the financial firm ordered to pay compensation of \$118,957.60 for losses suffered due to the authorised representatives misleading and deceptive conduct. As the responsible entity for the Sterling Group, Theta Asset Management should have been responsible for paying the determination, however they declared insolvency in December 2019, with Worrells Solvency & Forensic Accountants appointed as the administrators. As a result, the complainants were required to liaise directly with Worrells to make a claim against Theta's PI insurance policy. The claim was successful, however an amount of \$100,000 was deducted, with the insurer claiming this was the amount of excess stipulated in the policy. Therefore, the actual amount of compensation that was paid was reduced to \$18,957.60 from which the liquidator then deducted a \$614.60 administration fee.

Despite enquiries by AFCA and lawyers representing the complainants, the insurer has refused to provide a copy of the PI insurance policy (citing confidentiality), so we have been unable to verify the veracity of the excess amount. They have however, confirmed that the excess clause would be applied against every claim made. Correspondence from the Chief Operating Officer of AFCA indicates he had requested ASIC to ascertain details of the PI insurance policy, however the liquidator declined the request. This is a clear miscarriage of justice, reveals a potential opportunity for financial firms to avoid paying compensation, and demonstrates yet another loophole in the regulatory framework in ASICs oversight of the financial services industry. Please refer to Attachment 7 for a copy of this letter.

Insolvency is not the only issue to consider. AFCA Case 655484 (against Libertas Financial Planning Pty Ltd) is another example of the inadequacies in accessing redress for victims of the Sterling Group. Case 655484 was related to the Silverlink Investment Company and the sale of S Preference Shares, where AFCA found in favour of the complainant. The transactions were carried out by the Sterling Group as an agent of Libertas Financial Planning Pty Ltd, who hold a financial services provider license. Libertas disputed the recommendation, and it was escalated to the Ombudsman, who also found in favour of the complainant. In August 2020 a final determination was made in favour of the complainant, with Libertas ordered to pay compensation of \$268,207.57 for losses suffered because of the authorised representatives misleading and deceptive conduct.

Following the ombudsman decision, several other complaints against Libertas proceeded to the initial recommendation and loss calculation stage. However, Libertas continued to dispute these recommendations,



using NSW Supreme Court decision<sup>14</sup> in support of their refusal to comply with AFCA’s determinations. All complaints against Libertas were ceased as a result, and AFCAs Rules were changed as a result of the DH Flinders ruling. Following this, 15 of the 19 complaints against Libertas were then determined to be outside of AFCAs rules and the cases were closed. Consequently, the 15 victims now have no access to the only external dispute resolution scheme within Australia, and the ability to obtain compensation through the CSLR has been eliminated.

## **RECOMMENDATION 5**

Current and prospective members of AFCA to provide a copy of their current PI insurance policy to be deemed eligible for an AFCA membership. Regulatory changes to be implemented giving ASIC the power to enforce AFCA requests for information.

## **ToR4: Novelty of the products of the Sterling Income Trust**

### **TENANTS PERSPECTIVE**

The Sterling Group offered what it described and marketed as an affordable alternative to traditional retirement villages. In exchange for a lump sum payment, which would generally be an investor’s life savings (usually hundreds of thousands of dollars), the Sterling Group offered a lifetime lease arrangement marketed as a Sterling New Life (SNL) Lease. These lease arrangements ranged from 20-year leases (broken into a 5-year term with 3 further 5-year options) to 40-year leases (broken into a 5-year term with 7 further 5-year options). The monies paid was to be invested into a Sterling Fund, with the monthly distribution from the investment used to pay rent for the duration of the lease.

The SNL product was primarily marketed to seniors and retirees looking to downsize, as an alternative to retirement villages or aged care living arrangements, with promotion occurring at retirement expos, in local and senior specific newspapers and a variety of other forums. Promotional materials spruiked the SNL product as “*the SMART way to retire*”, with benefits such as no ongoing rental payments, no exit fees, no council or water rates, no weekly facility fees, no refurbishment costs, and so on. The key selling points were that once the initial investment was made, no further payments would be required, and security of tenure was guaranteed, regardless of who owned the property (Sterling Group or a private investor). If the owner sold the property, or it was repossessed by a lender, Sterling assured prospective tenants they could not be evicted, as their lifetime lease would stay with the property and would be assigned to a new owner as the ownership passed (Sterling New Life, 2018). In addition, if the tenants elected to terminate the lease, they could redeem their investment by providing 180 days’ notice.

The product appeared to fill a gap in the market (with regard to the availability and affordability of retirement living options) and was an appealing option to those who wanted to downsize. Promotional materials included information on how to sell your existing home, payout your mortgage and then use the funds to “invest” in a secure, lifetime lease arrangement. In some instances, the Sterling Group purchased the investors’ home, and then signed them up to a lifetime lease a lease in their own home (now owned by the Sterling Group or one of its associated entities), for which the investors then handed over the proceeds from the sale of their own property. Please refer to Attachment 8 for copies of the promotional materials.

### **OWNERS/LANDLORD PERSPECTIVE**

There are two classes of investment property owners who have suffered losses as a result of the Sterling Group collapse. Firstly, we have those with established or partially constructed investment properties looking to secure tenants. Rental Management Australia (as part of the Sterling Group) promoted the SNL leases as an alternative to a traditional lease/tenancy arrangement, with the owner securing a long term tenant for their property. The tenant would pay a sum equal to 60% of the purchase price of the property into the Sterling

<sup>14</sup> DH Flinders Pty Limited v Australian Financial Complaints Authority Limited [2020] NSWSC 1690

Income Trust<sup>15</sup>. This amount was intended to act as a bond, with the income paying the agreed rental amount back to the owners.

Secondly, we have owners who signed up for the Sterling Investor Buy Back Program. In this instance the owners were responsible for construction of the investment property, with Sterling required to purchase the property from the owners after an agreed period of time. SNL leases were arranged by Sterling, with similar rental payment arrangements to owners as mentioned above. Upon the collapse of the Sterling Group, rental payments from the SIT ceased, and owners were left with a property in which the tenants had paid all of the rent to the Sterling Group. Please refer to Attachment 9 for copies of promotional materials and buy-back contracts.

## **ToR5: Why the scheme collapsed and here the money went**

The lack of information from the government and KMPG acting as liquidators of the Sterling Group means the victims have been kept in the dark about where their money went. KPMG have indicated the following underlying causes of failure:

- Complexity of the organisational and operational structure which ultimately resulted in higher operational costs and a level of dysfunctionality
- Uncommercial pricing structure under the Master Deed of Assignments which as a result of a reduction in rental income failed to reflect the cost to run RMA's business (putting it into a loss-making position); and
- The reliance on capital raising to fund operations.

We understand that there was a significant flow of funds through Rental Management Australia (one of the Sterling group of companies) estimated to be approximately \$600,000 per month but this asset was sold off by the liquidators.

There has been mention of unfavourable market conditions but just what this relates to we are unsure. The fact that the scheme collapsed after only 3 years of operation would seem to indicate that funds were misused but in the absence of evidence from the liquidator this remains pure speculation.

## **ToR6: Any related matters**

Since the collapse of the Sterling Group, we have collected hundreds of pieces of documentation that may be beneficial to this inquiry. Any evidence not already referred to above can be found in Attachment 10.

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<sup>15</sup> Sterling First Limited (SFL), *February 2016 Update*, pg 2

## Appendix 1 – AFCA Referrals Timeline

Since the collapse of the Sterling Group in May 2019, victims who suffered financial losses have been repeatedly urged to pursue compensation by lodging a complaint with AFCA. The table below provides examples of the instances when this advice was provided. Links have been supplied to any online sources; electronic or hard-copies of other sources can be supplied (with personal or identifying information redacted) can be obtained by emailing [cath.dall@bigpond.com](mailto:cath.dall@bigpond.com)

Date	Originator	Subject Matter	Notes
09/05/2019	Theta Asset Management	SIT unit holder update; information on lodging an AFCA complaint	Email attachment
14/06/2019	Theta Asset Management	SIT unit holder update; information on lodging an AFCA complaint	Email attachment
21/06/2019	6PR	Interview with Federal Assistant Treasurer Michael Sukkar; discusses AFCA complaints (00:09:20 timestamp)	<a href="https://www.6pr.com.au/podcast/asic-launches-investigation-over-its-handling-of-sterling-first/?fbclid=IwAR1iiqNihNHwOxG8tVogYBKQaizol8pCc-STwE-ZsTa4Kjnz3qJRc_3R8ZE">https://www.6pr.com.au/podcast/asic-launches-investigation-over-its-handling-of-sterling-first/?fbclid=IwAR1iiqNihNHwOxG8tVogYBKQaizol8pCc-STwE-ZsTa4Kjnz3qJRc_3R8ZE</a>
02/07/2019	Mark McGowan	Response to letter from Sterling Group victim; information on lodging an AFCA complaint	Email attachment
25/07/2019	Theta Asset Management	SIT unit holder update; information on lodging an AFCA complaint	Email attachment
26/07/2019	ASIC	Update from ASIC regarding Sterling Group investigation; information on lodging an AFCA complaint	Website snapshot
31/07/2019	WA Consumer Protection (DMIRS)	Response to enquiry from Sterling Group victim; information on lodging an AFCA complaint	Email with above snapshot attached
02/08/2019	ASIC – Sterling Investigation Team	Response to letter from Sterling Group victim	Letter with ASIC website update snapshot
16/09/2019	House of Representatives	Motion by Andrew Hastie MP about the Sterling Group collapse; recommendation to lodge AFCA complaint. Seconded by Madeline King MP.	<a href="https://www.aph.gov.au/Parliamentary_Business/Hansard/Hansard_Display?bid=chamber/hansardr/6cd30e15-83c4-4db4-bebc-e1033048fb66/&amp;sid=0290">https://www.aph.gov.au/Parliamentary_Business/Hansard/Hansard_Display?bid=chamber/hansardr/6cd30e15-83c4-4db4-bebc-e1033048fb66/&amp;sid=0290</a>
17/09/2019	The West Australian	Report on Andrew Hastie MP and Madeline King MP addressing parliament; recommendations to lodge AFCA complaint received bipartisan support	<a href="https://www.pressreader.com/australia/the-west-australian/20190917/281543702629548">https://www.pressreader.com/australia/the-west-australian/20190917/281543702629548</a>
21/10/2019	The Treasury	Response to letter from Sterling Group victim; information on lodging a complaint with Commonwealth Ombudsman	Letter
11/12/2019	ASIC	Update from ASIC regarding Sterling Group investigation; information on lodging an AFCA complaint	<a href="https://asic.gov.au/about-asic/news-centre/key-matters/update-from-asic-regarding-sterling-group-investigation/">https://asic.gov.au/about-asic/news-centre/key-matters/update-from-asic-regarding-sterling-group-investigation/</a>
Sept 2019	AFCA	Advice to Sterling Group investors on making a complaint	<a href="https://www.afca.org.au/news/current-matters/sterling-group-investors/september-2019">https://www.afca.org.au/news/current-matters/sterling-group-investors/september-2019</a>

<b>Date</b>	<b>Originator</b>	<b>Subject Matter</b>	<b>Notes</b>
13/09/2019	PJC on Corporations & Financial Services; Oversight of ASIC	Patrick Gorman MP; John Price (ASIC Commissioner) Questions about Sterling Group, recommendation to lodge AFCA complaint	<a href="https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Corporations_and_Financial_Services/No1of46thParliament/Public_Hearings">https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Corporations_and_Financial_Services/No1of46thParliament/Public_Hearings</a>
21/12/2019	The West Australian	Report on ASIC court case against Theta Asset Management and ASICs recommendation of lodging AFCA complaints	<a href="https://www.pressreader.com/australia/the-west-australian/20191221/282170768051147">https://www.pressreader.com/australia/the-west-australian/20191221/282170768051147</a>
31/01/2020	Worrell's Solvency & Forensic Accountants	Report to Creditors - Theta Asset Management Ltd; information on lodging an AFCA complaint	Email attachment
31/01/2020	Clayton Utz	Forwarding copy of Worrells Report to Creditors	Email with above report attached
Feb 2020	AFCA	Advice to Sterling Group investors on making a complaint	<a href="https://www.afca.org.au/news/current-matters/sterling-group-investors/february-2020">https://www.afca.org.au/news/current-matters/sterling-group-investors/february-2020</a>
28/02/2020	PJC on Corporations & Financial Services; Oversight of ASIC	Senator Louise Pratt; John Price (ASIC Commissioner) Questions about Sterling Group, recommendation to lodge AFCA complaint	<a href="https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Corporations_and_Financial_Services/No1of46thParliament/Public_Hearings">https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Corporations_and_Financial_Services/No1of46thParliament/Public_Hearings</a>
27/03/2020	AFCA	Statement on Sterling complaints	<a href="https://www.afca.org.au/news/latest-news/statement-on-sterling-complaints">https://www.afca.org.au/news/latest-news/statement-on-sterling-complaints</a>
15/04/2020	ASIC	Update from ASIC regarding Sterling Group investigation; information on lodging an AFCA complaint	<a href="https://asic.gov.au/about-asic/news-centre/key-matters/update-from-asic-regarding-sterling-group-investigation/">https://asic.gov.au/about-asic/news-centre/key-matters/update-from-asic-regarding-sterling-group-investigation/</a>
23/04/2020	Finance Feeds	Report on ASICs recommendation of lodging AFCA complaints	<a href="https://financefeeds.com/asic-insists-interest-sterling-group-investors-lodge-complaints-afca/">https://financefeeds.com/asic-insists-interest-sterling-group-investors-lodge-complaints-afca/</a>
09/05/2020	The West Australian	Report on Sterling Collapse, AFCA determination for SIT complainant, reiterated ASIC advice to lodge AFCA complaint	<a href="https://thewest.com.au/business/sterling-first-fight-rages-on-for-elderly-victims-ng-b881542023z">https://thewest.com.au/business/sterling-first-fight-rages-on-for-elderly-victims-ng-b881542023z</a>
20/07/2020	AFCA	Advice to Sterling Group investors on making a complaint	<a href="https://www.afca.org.au/news/current-matters/sterling-group-investors/july-2020">https://www.afca.org.au/news/current-matters/sterling-group-investors/july-2020</a>
15/07/2020	PJC on Corporations & Financial Services; Oversight of ASIC	Senator Louise Pratt; Cathie Armour (ASIC Commissioner); Karen Chester (ASIC Deputy Chair); Daniel Crennan (ASIC Deputy Chair); Warren Day (ASIC Executive Director); James Shipton (ASIC Chair) Questions about Sterling Group, recommendation to lodge AFCA complaint	<a href="https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Corporations_and_Financial_Services/No1of46thParliament/Public_Hearings">https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Corporations_and_Financial_Services/No1of46thParliament/Public_Hearings</a>
04/08/2020	Mandurah Mail	Report on court cases; comments from Consumer Protection commissioner Lanie Chopping – coordinating with AFCA for compensation claims for loss of investment money.	<a href="https://www.mandurahmail.com.au/story/6861824/i-can-actually-hear-my-wife-sobbing-peel-residents-face-court-to-get-their-life-savings-back/?fbclid=IwAR2kEDEYUE668g0QU38sZqBVoXEkx3RvEUokN6LofaW23EIOKC RspJ9HDGc">https://www.mandurahmail.com.au/story/6861824/i-can-actually-hear-my-wife-sobbing-peel-residents-face-court-to-get-their-life-savings-back/?fbclid=IwAR2kEDEYUE668g0QU38sZqBVoXEkx3RvEUokN6LofaW23EIOKC RspJ9HDGc</a>

Date	Originator	Subject Matter	Notes
07/08/2020	Money Management	Report on PJC, ASIC recommendations to lodge AFCA complaints	<a href="https://www.moneymanagement.com.au/news/policy-regulation/asic-urges-continuing-complaints-despite-afca-pause">https://www.moneymanagement.com.au/news/policy-regulation/asic-urges-continuing-complaints-despite-afca-pause</a>
24/08/2020	AFCA	Advice to Sterling Group investors on making a complaint	<a href="https://www.afca.org.au/news/current-matters/sterling-group-investors/august-2020">https://www.afca.org.au/news/current-matters/sterling-group-investors/august-2020</a>
26/08/2020	ASIC	Update from ASIC regarding Sterling Group investigation; information on lodging an AFCA complaint	<a href="https://asic.gov.au/about-asic/news-centre/key-matters/update-from-asic-regarding-sterling-group-investigation/">https://asic.gov.au/about-asic/news-centre/key-matters/update-from-asic-regarding-sterling-group-investigation/</a>
09/09/2020	AFCA – Justin Untersteiner	References the Government commitment to establish CSLR, discusses CSLR scope.	Response to letter sent by Sterling First Action Group
17/09/2020	Heritage Radio	Interview with Andrew Hastie MP, recommendation to lodge AFCA complaints (00:02:51 timestamp)	Audio recording available upon request
14/10/2020	ABC 7.30 Report	Report on CSLR delays, ASIC recommendations	<a href="https://www.abc.net.au/news/2020-10-14/the-people-left-waiting-for-new-compensation-scheme/12726518">https://www.abc.net.au/news/2020-10-14/the-people-left-waiting-for-new-compensation-scheme/12726518</a> <a href="https://www.abc.net.au/7.30/people-left-in-limbo-waiting-for-new-compensation/12767788">https://www.abc.net.au/7.30/people-left-in-limbo-waiting-for-new-compensation/12767788</a>
20/11/2020	AFCA	Advice to Sterling Group investors on making a complaint	<a href="https://www.afca.org.au/news/current-matters/sterling-group-investors/august-2020">https://www.afca.org.au/news/current-matters/sterling-group-investors/august-2020</a>
18/01/2021	ASIC – Sterling Investigation Team	Recommendation to contact AFCA	Response to letter sent by Sterling First Action Group
19/03/2021	PJC on Corporations & Financial Services; Oversight of ASIC	Senator Louise Pratt; Cathie Armour (ASIC Commissioner); Karen Chester (ASIC Deputy Chair) Questions about Sterling Group, recommendation to lodge AFCA complaint	<a href="https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Corporations_and_Financial_Services/No1of46thParliament/Public_Hearings">https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Corporations_and_Financial_Services/No1of46thParliament/Public_Hearings</a>
19/03/2021	Senator Jane Hume (Minister for Superannuation, Financial Service, and the Digital Economy)	References the Government commitment to establish CSLR	Email response to letter sent by Sterling First Action Group
25/03/2021	Independent Financial Advisor	Report on PJC, Armour and Chester recommendations to lodge AFCA complaints	<a href="https://www.ifa.com.au/news/29347-cslr-delays-keep-scam-victims-waiting">https://www.ifa.com.au/news/29347-cslr-delays-keep-scam-victims-waiting</a>
12/04/2021		Reiterated Government commitment to establish CSLR; encouraged lodgement of AFCA complaints	Teleconference with committee members of Sterling First Action Group
04/06/2021	WA Consumer Affairs	Encouraged all Sterling Group victims to lodge AFCA complaint	Phone call with committee member of Sterling First Action Group

Date	Originator	Subject Matter	Notes
18/06/2021	PJC on Corporations & Financial Services; Oversight of ASIC	Senator Louise Pratt; Justin Untersteiner (COO AFCA); David Locke (CEO AFCA); Dr June Smith (Deputy Chief Ombudsman AFCA); Cathie Armour (Commissioner ASIC)  Questions about Sterling Group, recommendation to lodge AFCA complaint	<a href="https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Corporations_and_Financial_Services/No1of46thParliament/Public_Hearings">https://www.aph.gov.au/Parliamentary_Business/Committees/Joint/Corporations_and_Financial_Services/No1of46thParliament/Public_Hearings</a>
23/07/2021	AFCA – Justin Untersteiner	References the Government commitment to establish CSLR, discusses CSLR scope.	Response to letter sent by Sterling First Action Group

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