

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates, 31 May to 2 June 2005

Question: Bud 93

Topic: ASIC – HIH (Recoveries of Moneys)

Hansard Page: E58

Senator Watson asked:

What recoveries of moneys have taken place against individuals as opposed to corporations?

Can you take that on notice. I know it is not directly your responsibility; it is the liquidator's. But we are interested to see what sort of recovery action has been taken against some of these people as opposed to some of the corporations, from which quite a considerable amount of money has been recovered.

Answer:

ASIC has taken action against Rodney Adler, Adler Corporation Pty Ltd and Raymond Williams for civil penalty proceedings for inter alia breach of directors' duties seeking compensation. The compensation to the HIH Liquidator was \$7,049,931 and \$1,155,000 in pecuniary penalties.

ASIC has taken action against a number of General Re Australia Limited (formerly General & Cologne Re Australia Limited) ("GRA") officers resulting in the refund of premiums paid by FAI General Insurance Ltd for reinsurance with GCRA in 1998. \$27.2 million paid to HIH Liquidator.

The Liquidator has taken action against a number of parties and, where there has been a negotiated settlement in that matter, the terms of the settlement remain confidential to the parties.

The HIH Taskforce has a close working relationship with the Liquidator and where the law permits is assisting the Liquidator in a number of actions that he has on foot.