

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

19 – 20 October 2011

Question No: SBT 815

Topic: Theft and fraud in Trio

Hansard Page: Thursday 20 October 2011, Page 79

Senator Bushby asked:

Senator BUSHBY: How did APRA become aware that theft or fraud had occurred in Trio? Was it APRA auditors, media reports, police information? What alerted you to the fact that that had actually occurred?

Mr Jones: I am not quite certain what the trigger event was in late 2009. I would guess it was that they were unable to make redemptions, but I am not 100 per cent certain what the trigger was.

Senator BUSHBY: If you could take that on notice, I would appreciate it.

Mr Jones: I am sure it will be in our submission.

Answer:

815 APRA placed a freeze order on the assets of Trio's four superannuation funds in October 2009. This order followed an ASIC stop order preventing further funds being received by a number of managed investments schemes in which the superannuation funds had invested. These actions were taken as concerns were held by both regulators at this time that the valuation of the superannuation assets may no longer be valid as the assets may have been stolen.