

**Senate Select Committee on  
Superannuation and Financial Services**

**Main Inquiry  
Reference (a)**

**Submission No. 97**

**Submittor:** Mr & Ms R D & M I Gregg  
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**R & M Gregg Superannuation Fund**

21 March 2001

To Sue Morton Secretary Senate Select Committee.  
On Superannuation and Financial Services  
Parliament House Canberra

**RE: Fraud, which appears to have taken place within our Superannuation Fund the R & M Gregg Superannuation Fund by CNA.**

CNA were appointed as the trustees of our Super Fund in March 2000 after advice from our Financial Adviser and a reading of the **Key Features Statement**.

We received a letter dated 15 November 2000 from CNA informing us that our **cash**, which they referred to as **assets** in the ECMT had been temporarily suspended. Our **Key Features Statement** states that our **cash** will be held in the CMT (page 3) and has always been referred to as **CASH AT BANK**, please note that CNA changed it to the ECMT.

We received a letter dated 15 February 2001 from Ferrier Hodgson the new appointed trustee of the ECMT by APRA, addressed "TO THE UNITHOLDERS". Our superannuation fund does not have any **units** in the ECMT nor do we know anything about these bad investments made by CNA. Another letter received from Ferrier Hodgson 3 March 2001 has confirmed that our Super Fund is not a unit holder in the ECMT.

Refer **Hansard** of the 21-22 February 2001, APRA and ASIC were obviously aware of a problem with CNA and the ECMT in 1999 before we appointed CNA and negligently concealed this from the public. We hold ASIC and APRA responsible, as our safe guard they have **failed miserably**.

**Briefly**

On the Quarterly Report as at 31 March 2000, the Statement of Financial Position – produced by CNA – lists "Total Assets" of a sum of money, of which was "**Cash at Bank**". Much of this was later invested in other investments by CNA at our request, based on separate investment advice we obtained.

A further amount was deposited to our superannuation fund on the 17/April/2000. This was placed as "**cash at bank**" and some more investments, which we authorised, with advice from our adviser were made from this source but we should not have been at any risk with the balance in the CMT.

On the Quarterly Report as at 30 June 2000, CNA Statement of Financial Position to us lists "**Cash at Bank**" which amounts to approximately \$25000, 14% of Total Assets, this money has gone missing.

We are not concerned as to where the money comes from to **replace** the money **wrongly taken** by CNA from our **CASH ACCOUNT** but look forward to a **prompt return** of it.

Yours faithfully

Members  
R D Gregg

M I Gregg

**FERRIER HODGSON MANAGEMENT SERVICES PTY LIMITED**  
ACN: 085 839 651

13 March 2001

Ref: pmw/192705/2001/c

RD & MI Gregg  
2 Dunstall Court  
GOOLWA SA 5214

Dear Sir/Madam

**Enhanced Cash Management Trust**

I refer to your letter dated 20 February 2001.

I confirm that your superfund is not a unitholder of Enhanced Cash Management Trust ("ECMT"). It would appear that Commercial Nominees of Australia Limited ("CNA") was the trustee of your fund and was the legal unitholder of ECMT on your behalf.

In relation to your queries I would recommend that you contact CNA to find out the new trustee of your superfund as I currently hold no information to assist you.

My investigations in relation to ECMT are continuing and I shall report to all unitholders regarding the outcome of my investigations.

Should you have any queries please contact Kenneth Fung of this office.

Yours faithfully

**Ferrier Hodgson Management Services Pty Limited**

**P M Walker**  
Director

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