

APPENDIX 1

CHRONOLOGY OF EVENTS LEADING TO THE COLLAPSE OF COMMERCIAL NOMINEES OF AUSTRALIA PTY. LIMITED

- Commercial Nominees of Australia Pty. Limited's Enhanced Cash Management Trust (ECMT) was established by a Deed dated 30 June 1998¹ and acted as the trustee of approximately 500 small APRA funds (SAFs), a master trust known as the Confidens Investment Trust (Confident), two trusts known as Enhanced Equity Fund (EEF) and the Enhanced Cash Management Trust (ECMT), and a number of public offer superannuation funds.
- In March 2000 APRA commenced investigations of CNA in relation to the prospect that three public offer superannuation funds (of which CNA was the trustee) may suffer substantial losses as a result of investments by those funds in the ECMT. The three funds were the Australian Workforce Eligible Rollover Fund (AWERF), the Network Superannuation Fund and the Midas Superannuation Fund.
- In April 2000, APRA required CNA to engage an investigator (PricewaterhouseCoopers) to undertake an independent review of the financial affairs of the three funds.
- The Board of CNA froze all withdrawals from the ECMT on 7 November 2000.
- In December 2000, after receiving the independent review, APRA removed CNA as the trustee of those three funds
- APRA, working closely with ASIC, removed CNA as the trustee of those three funds.
- On 13 February 2001, ASIC obtained orders to appoint a receiver to control the assets of Confidens, who has since indicated that he is confident he will recover at least 80 cents in the dollar on behalf of the trust's investors.
- ASIC also facilitated the appointment of a new trustee for the ECMT and the EEF, which will work closely with ASIC to maximise the recovery of assets to both funds.
- On 14 February 2001, APRA revoked CNA's approval as an approved trustee and removed CNA as the trustee of the 500 or so SAFs.
- On 20 March 2001, APRA appointed KPMG to investigate the SAFs that had invested with the ECMT, in order to gather evidence to assist APRA in any recovery action that APRA may undertake on behalf of fund members.

1 Submission Ferrier Hodgson, Annex C, p. 2

- On 29 March 2001, APRA removed CNA as trustee of two closed public offer superannuation funds.

On 10 May 2001, CNA was placed into liquidation.²

2 Senate Hansard, 28 June 2001, p. 25104