



21 November 2016

The Hon. Barnaby Joyce, MP  
Deputy Prime Minister,  
Minister for Agriculture and Water Resources  
Member for New England, New South Wales  
PO Box 963  
TAMWORTH NSW 2340

Dear Deputy Prime Minister,

### **BANKS CONCEALING DOCUMENTS**

Bank Victims refers you to the Agricultural Competitiveness Taskforce submission (the submission) of 10 December 2014.

### **Important Letters**

Bank Victims believes that the submission (attached) is important. It suggests the Nationals were briefed on banking practices that were allegedly both dishonest and corrupt two years ago. It notes that the subscribing banks had, for ten years, been selling loan contracts to farmers without full disclosure.

A second letter was sent to the Deputy Prime Minister in relation to this matter. This letter of 19 August 2016 identifies serial systemic flaws in banking self-regulation. It notes that a failure by federal regulators to prosecute corrupt banking practices and any dishonest bankers meant that several million complaints were sent to bank by their customers with virtually no bank being found guilty for code breaches.

### **FOS Involvement**

We understand that the Nationals have referred allegations of the banks concealing documents to the FOS. The Financial Ombudsman's mandate is part of the banking code and its role is set out in clause 36. This clause outlines the banks promises to "*have available to [customers] an external impartial process (emphasis added) for resolving disputes*".

However, clause 34(a) in the code suggests the Financial Ombudsman was never impartial, as the FOS co-appointed the Code Compliance Monitoring Committee (CCMC). As outlined in the submission, the FOS had, since 2004, been appointing

the CCMC bound by a constitution that limits its authority to investigate allegations that banks breached the code. Therefore, the Financial Ombudsman approved or was complicit with the unfair arrangement, and since 2004 was incapable of being impartial.

This lack of objectivity and independence by the Financial Ombudsman meant it had a conflict of interest and may have failed to disclose this to bank customers using its services

### **Consequence**

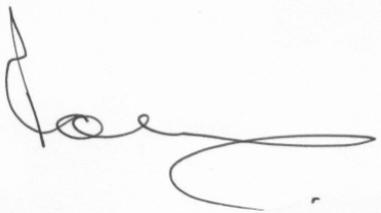
The Nationals failure to advise constituents about problematic loan contracts has the potential to destroy its charter with Australian farmers.

Events in the UK and USA have demonstrated the high cost to political parties that fail to act in the community's interest. The neglected rural voters by the mainstream political parties in the US changed the fortunes of Democrats and Republicans.

Like rural voters in the US, Australian farmers in future State and Federal elections could believe they have been forgotten despite being traditionally conservative.

Should you require further information, please contact the writer.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Russell Cousins', with a long horizontal flourish extending to the right.

Russell Cousins

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