

I welcome the opportunity to lodge a submission to the second round of the FSI to further vent my outrage over two issues, both equally sinister from my perspective and why I strongly believe the only out for the good of everybody and our country is for an urgent Royal Commission into our banking industry.

PROPOSED BAIL - IN PLANS

To know this has been going on behind doors in secret to enable a new means of allowing banks to get off the hook and assist with their chronic gambling debts is an outrage. From my understanding a critical aspect of what bail-in really means is to **prioritise** the payment of banks' derivatives obligations to each other, ***ahead of depositors i.e. a pre-meditated and wilful plan to steal funds from customers bank accounts!***

Customers with bank deposits are not who have chosen to gamble, nor are customers the cause of bank problems. Bank customers expect funds they deposit in bank accounts to be protected as they should be. As much as our banks and regulators would prefer to not have to face up to and admit the reality that our banks have become chronic gamblers who freely help themselves to what they should NOT be allowed to help themselves to nothing will ever change. As Julie Bishop herself said to looters after the tragic shooting down of the Malaysian Plane over the Ukraine "what you stole is not yours, it belongs to the families of the people it has been stolen from! Likewise banks need to be suitably admonished, forced to return what is not rightfully theirs and be held accountable for what they are responsible for doing. Instead banks seem to have become a protected species, given carte blanche to continue gambling away our money and our very economic future.

Banks and regulators appear to deem "theft by deception" to mean "*ensuring financial system stability*". It is equally apparent banks believe the regulatory interpretation of "*Global bank liquidity framework*" to mean "***just another devious way to prop up insolvent banks by enabling them to help themselves to other people's money and further impoverish every unfortunate customer who just might have some funds left after having their homes, superannuation and investment funds already stolen from them***".

The very dangerous speculative gambling habit our banks have developed called Derivatives has already starved the physical economy of much needed investment in manufacturing, agriculture, infrastructure, small business and other tangible wealth; all equally important factors which allow for natural growth in the size of the population, and an increase in its living standards in any country. No wonder we have to import foreign capital to keep up the façade and the need to continue to sell off our farms, our businesses, our mines and government owned assets which really belong to the Australian people! Not to mention selling off our homes to foreign investors to prop up a gigantic property bubble and outsourcing a huge percentage of Australian jobs in secret to "cut costs" which do nothing more than contribute to further unrest and unemployment and create further cost to the Government by adding to the pool of unemployed people!

And now plans are being hatched behind closed doors to steal customer bank deposits to help banks cover their massive gambling debts! What kind of regulators do we have that give carte blanche for that kind of behaviour and what future are we setting up for our children?

Banks have become a threat to their own very existence. The massive financial problems our banks and slack regulators are responsible for creating has not only compromised our entire financial system stability but has become an intractable problem, a problem which will continue to worsen unless properly addressed and dealt with..

The financial system needs to be replaced with a fair and ethical financial system that puts an end to boom and bust cycles, a system that recognises it is not possible to grow a country from the financial sector but very possible to do by the very middle class who are being destroyed who are the real back-bone of any country just as customers are the real backbone of any bank.

Banks need to seriously digest the lessons of history and acknowledge (as proven in the US between 1933 and 1999) that completely separating all retail banking from investment banking dramatically **decreases** risks bank deposits are exposed to and admit that the abolition of Glass Steagall is the very core of all existing banking problems!

Surely it must be obvious to the FSI committee that to implement bail-in will merely ruin the very banking system bail-in plans are trying to save by completely destroying what is left of consumer confidence and trust in major banks, the loss of such confidence and trust the responsibility of banks themselves which they have managed to seriously erode.

From all I have deduced in devouring information and reports on Glass-Steagall standards our four major banks are an utter disaster just waiting to happen. A report from the IMF I have recently read clearly states ***the level to which our domestic financial system is concentrated in the four banks who jointly hold 80 per cent of Australian residents' assets makes them systemic.*** I hardly feel there is any need for me to further elaborate!

MORTGAGE FRAUD AUSTRALIAN STYLE

As an innocent victim who lost her home along with all hope of ever being able to afford a new home I am completely outraged knowing what funds were salvaged from sale proceeds look to now be given carte blanche for the very same bank to further help themselves to which is a disgrace and not acceptable. To continue to deny our banks were not into predatory lending is folly when there is so much evidence to prove to the contrary, a very serious issue indeed which must be addressed as a matter of the utmost urgency before untold more innocent people are turfed out in the street to add to the ever growing pile of homeless people at the very stage in their lives they should be able to enjoy the comfort of the home they have worked so very hard to attain and made untold sacrifices to do so.

For banks and regulators to continue to deny our banks were not into any kind of risky mortgage lending does no more than further arouse sinister suspicions that there is a lot more to this problem than meets the eye. Such denial and cover-up would not of course be necessary if the fault is small scale and no more than unfortunate bank error. If I am not correct why do banks not only continue to deny and refuse to compensate victims who have lost their homes and are able to prove fraudulent lending practices aided and abetted of course by bank internal secret service calculators? Denial does no more than make a complete mockery of their own code of ethics and the Code of Banking Practice Rules they have committed to and profess to comply with, just as the denial of who bank agents are, who train them and who reward such agents with commission for sourcing new bank business.

Banks are well aware of what they have been up to and what they are responsible for and it is high time for guilty banks to be forced to face up, own up, clean up their corrupt products and systems and return what has been stolen to their victims. Instead when they are fined by regulators the money goes straight into Government coffers! The system as it stands is an insult, all victims of bank mortgage fraud should be compensated back to the financial position they were in before having fraudulent mortgages approved and then some added for all the suffering and indignity they have had to endure. Nothing can compensate for losing your home and no Government should **be allowed to profit from mortgage fraud!**

To expect people to believe our banks were not into the very same kind of corrupt lending practices overseas banks were right into (albeit with a bit of a twist to the plot) fools nobody when we live in a global world. It's all about chasing tails, playing follow the leader and concocting spin to further hide very unpleasant truths from ever being discovered.

I personally would not wish all the despair and anguish I have had to endure since losing my home along with all my sense of belonging, having to deal with a divided family who hold me responsible for the loss of the family home and have to now accept that in choosing to re-finance for security with my own personal bank after my husband died unexpectedly and for no reason other than to have his name removed from the existing mortgage as the last step in winding up his affairs has resulted in the situation I have been left in. Even worse is being expected to accept it was my fault for the re-finance having been approved by the bank on the false information showing on the 11 LAF pages I managed to obtain a copy of which had most certainly not been provided by me at the time of loan application. Had I been earning the kind of income showing I would have no need to have had a mortgage!

CONCLUSION

Banks have proven they are incapable of regulating themselves and no longer have any regard for their customers. Banks need to be reminded that unhappy and deceived customers can very quickly lead to having no customers!

Our entire financial system needs to be replaced with a fair and ethical financial system, a system that condones misleading and deceptive bank practice, a system capable of weeding out all the bad apples within and capable of doing what must be done to restore respect and trust in our banking system. Once upon a time bank staff were rewarded for detecting fraud, now bank staff are rewarded for encouraging fraudulent behaviour in the name of profit for the bank at any cost and are penalised if they dare to defy or protest which is very disturbing.

Surely it must be obvious to the FSI committee that to implement bail-in will merely put the final nail in the coffin and completely destroy the very banking system bail-in is trying to save and put paid to what is left of consumer confidence by further destroying all trust in banks, more so when everybody was so cleverly conned into believing our major banks were as safe as houses, nor involved in risky lending of any kind when the GFC hit! Customers deposit their money into banks expecting it to be safe and most certainly do not expect to be penalised for having bank deposits and have to wear the cost of helping banks with their ingrained speculative gambling habit just as customers who take out mortgages with banks do not expect to be deceived and have mortgages approved that should not ever be approved and certainly not to be approved on false information aided and abetted by internal bank secret service calculators!

A Royal Commission into our banking system is long overdue and is sorely needed to get to the bottom of what has been going on and wipe the slate clean for there are some very serious and clouded issues banks need to face up to and which need to be dealt with and I am certain I am not the only one who strongly feels our major banks have an awful lot to both answer and atone for!

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