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## Westpoint spruiker tied to Fincorp

### Online Super caught in Fincorp mess

By Madeleine Collins  
Friday 30 March 2007

At least one advice firm that channelled millions of investor funds into Westpoint also promoted fallen property syndicate Fincorp.



## ASX Adviser Roadshow

### April to May 2007

Tax features of Instalments in a Portfolio or SMSF

ASX and Ernst & Young will present on the features, risks and considerations for investors using ASX Quoted Instalments in their portfolio or SMSF and more. Note: CPD Points: 1.0 and a light lunch will be provided

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At least one advice firm that channelled millions of investor funds into Westpoint also promoted Fincorp as a safe haven for investors.

Sydney-based Online Super Legal allocated financial planners to help retirees set up self-managed super funds to invest in Westpoint, Fincorp and other property schemes.

Online Super Legal's website was shut down by the regulator late last year after investors complained and it was found to be operating without a license.

Westpoint Investors Group President Graham MacAulay, who lost \$300,000 in Westpoint through Online Super and Westpoint's Kebbell Group, also invested in Fincorp but took his money out when Westpoint began to collapse.

MacAulay said seven members of his lobby group also had money tied up in Fincorp, investing on average \$50,000 in the property syndicate. Fincorp was put into administration last week owing 7800 investors \$200 million.

"Online Super advertised Fincorp for four or five months in 2003," MacAulay said.

"It's an old familiar story. [ASIC] made no effort to find out what the real situation was [with Westpoint] and you'll find the same thing will happen with Fincorp."

The regulator allowed Fincorp to continue operating after it forced the company to fix misleading advertising in 2002 and made it give

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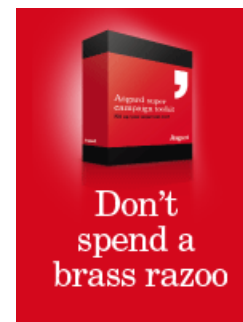
Who has the greatest right to a client - the dealer or the planner?... [read more »](#)



### Money on the move

#### HESTA puts \$300m towards long/short

Industry fund allocates 10 per cent of total



\$75 million back to investors in 2005.

"What is happening across the board is that high risk funds are being offered by a range of companies that suggest they are low risk products to vulnerable retirees," litigation funder IMF's special projects officer Denise Brailey said.

Brailey said with both Westpoint and Fincorp ASIC stands accused of not shutting down dishonest financial services operators.

"ASIC knew the river was teeming with sharks but it put up a sign saying it's safe to swim here."

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