

# BusinessSpectator

## NEWS

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### Court approves Westpoint settlement

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By a staff reporter

Financial advisers Bongiorno Financial Advisers Pty Ltd and Bongiorno Financial Advisers (Aust) Ltd have been ordered to pay clients which they advised to invest in a Westpoint group company a total \$2.6 million in compensation.

The Federal Court of Australia has approved the settlement of the compensation claim, which was initiated by the Australian Securities and Investments Commission (ASIC), ordering Bongiorno pay a total \$2,559,760 to eligible investors.

Under the deal, group members will recover 43 and 62 per cent of their invested capital in York Street Mezzanine Pty Ltd.

Bongiorno has until December 30 to pay the sum.

The corporate watchdog has also agreed to settle another class action which also relates to a company in the failed Westpoint group, Market Street Mezzanine Ltd.

ASIC has agreed to settle the class action against Melbourne-based trustee company, State Trustees Ltd (State Trustees) for \$13.5 million, subject to court approval.

The action, initiated in the Federal Court, relates to investments made in mezzanine notes issued by Market Street Mezzanine.

ASIC said it was the fourth settlement, following earlier agreements with Masu Financial Management Pty Ltd, Professional Investment Services Pty Ltd, and Bongiorno Financial Advisers Pty Ltd and Bongiorno Financial Advisers (Aust) Ltd.

<http://www.businessspectator.com.au/bs.nsf/Article/Court-approves-Westpoint-settlement-pd20091216-Y58FH?OpenDocument&src=hp15>