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4,648	-0.26%	4,591	-0.36%	1.0769	-0.04%

MarketWatch at Sun 3rd Jul 9:51am AEST

Markets Closed Markets Open

# Westpoint founder Norm Carey faces ASIC criminal charges

- Andrew Burrell
- From: [The Australian](#)
- July 02, 2011 12:00AM

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Norm Carey, who founded and led Westpoint until it was wound up in 2006, says he will vigorously defend the charges. Picture: Andy Tyndall. *Source:* The Australian

**FIVE years after the \$400 million collapse of the Westpoint property empire left investors reeling, the group's figurehead, Norm Carey, has been charged with two criminal offences that carry a maximum penalty of 10 years' prison.**

The Australian Securities & Investments Commission said yesterday it would allege that Mr Carey and Westpoint chief financial controller Graeme Rundle breached their duties as officers of Westpoint.

The Australian reported in April that ASIC had laid the charges against Mr Carey but the story could not be published in NSW or Western Australia due to a suppression order. That order was lifted last week.

ASIC claimed yesterday that the latest charges related to alleged breaches of the Corporations Act.

It alleged Mr Carey and Mr Rundle executed deeds extending the time for Westpoint Corporation to exercise an option to purchase the Warnbro Fair Shopping Centre in Perth and adjoining land.

Start of sidebar. [Skip to end of sidebar.](#)

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The breaches also involved a transfer of the option to buy Warnbro Fair to Bowesco, a company linked to Mr Carey. It is the first charge to be laid by ASIC against Mr Carey over the Westpoint collapse.

The Commonwealth Director of Public Prosecutions is prosecuting the case, which will return to Perth Magistrates Court on July 15.

Mr Carey, who founded and led Westpoint until it was wound up by ASIC in early 2006, said yesterday that he would vigorously defend the charges, which each carry a maximum penalty of five years' jail.

He questioned why ASIC was taking action on the matter now despite knowing about it for more than five years.

Mr Carey claimed the charges were a "knee-jerk reaction" by ASIC before his misfeasance case against the regulator was heard in the Federal Court in November.

The collapse of Westpoint led to criticism of ASIC's role.

The regulator has been steadily recouping investors' funds and last year reached a \$67m settlement with accounting firm KPMG over allegations that its auditing was negligent.

Investors are expected to see a return of about \$170m of the \$388m that was lost when the Perth-based Westpoint collapsed.

Many Westpoint investors lost their life savings and have struggled since.

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## ASX 200 Top Gainers & Losers

Company Name	PriceChange	%Change
<a href="#">Eastern Star Gas</a>	0.64 +0.03 UP	+5.78%
<a href="#">Bow Energy</a>	0.96 +0.05 UP	+5.52%
<a href="#">Transpacific...</a>	0.85 +0.03 UP	+4.29%

<a href="#">Mirabela Nickel...</a>	1.82	+0.07	UP	+4.28%
<a href="#">Panoramic Resources ...</a>	1.82	+0.07	UP	+4.0%
<a href="#">Sundance Resources ...</a>	0.32	-0.02	Down	-4.42%
<a href="#">Alacer Gold Corp.</a>	7.80	-0.25	Down	-3.11%
<a href="#">GUD Holdings</a>	8.82	-0.28	Down	-3.08%
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12:00AM AEDT



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