

TO : Mr John Murphy Federal Member for Lowe

FROM : Graham MacAulay



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Dear John,

This is a personal note to thank you for the time you spent at our demonstration on Saturday, May 13.

It is unfortunate that matters involving ASIC will become highly politicised. as it has implications for every investor in the Australian marketplace. I find it sad that consumers of ASIC regulated financial products cannot currently rely on the promised protection.

While it is impossible for ASIC to protect investors from bad decision making, it is possible for them to provide a degree of ongoing protection without holding the hands of consumers . Many falsely claim ASIC can only bring wrongdoers to account after the event. But catching the criminal after the crime does not provide the victim with protection. There is a better system.

Consumer protection requires proper research by ASIC before the issuing of an Information Memorandum, or a Prospectus, and once it is released into the marketplace, it needs monitoring at regular intervals. It requires very little change in existing laws for this to be put into practice. The savings involved in maintaining such a system far outweigh the costs of legal redress after the event. The required systems are not overly complex, nor are they costly to implement and maintain.

Attached are two recent media releases. Their content gives clear evidence of the scandalous current lack of ethical behaviour and professional diligence by ASIC.

I will ensure that your office receives future media releases.

Again I thank you for your interest, and if you feel I can help you in your endeavours, please contact me.

Yours Sincerely

Graham MacAulay
President, Westpoint Action Group

