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## Westpoint cases to be tried together

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**Herald Sun**

Ben Butler

August 09, 2008 12:00am

**A FEDERAL Court judge yesterday called for eight separate cases against the directors of failed property group Westpoint to be rolled into one.**

The cases have been brought by the [Australian Securities and Investments Commission](http://www.asic.gov.au/asic/asic.nsf) (<http://www.asic.gov.au/asic/asic.nsf>) against five directors of companies in the Westpoint group, including founder Norm Carey.

Westpoint collapsed in 2005 owing 4000 investors about \$320 million.

Of that, [ASIC seeks](http://www.asic.gov.au/asic/asic.nsf/byheadline/Westpoint+bulletin?openDocument) (<http://www.asic.gov.au/asic/asic.nsf/byheadline/Westpoint+bulletin?openDocument>) to recover about \$250 million through the court cases.

Justice Ray Finkelstein asked the eight lawyers representing parties to the legal actions whether it would be possible to run one test case.

"It's going to be a terrible mess to run them all," Justice Finkelstein said.

"A judge could spend the rest of his life doing these."

ASIC alleges Mr Carey and company directors Richard Beck, Graeme Rundle, John Dixon and Lynette Schifan breached their duties as directors of eight mezzanine companies in the Westpoint group which were used to raise money from investors.

It also alleges three companies in the group wrongfully received commissions obtained through breaches of trust.

Making the case more complex, not all the defendants were directors of all the mezzanine companies.

James Peters, SC, representing Mr Carey, told the court that filing eight different defences would be "oppressive".

Justice Finkelstein urged Mr Peters to "pick your best case" for trial.

He ordered the parties to consult on which case should proceed before a directions hearing on October 10.

He said he would consider whether any trial should be held in Perth or Melbourne.

Noting the large number of lawyers involved, he said: "The choice I had in mind was between Telstra Dome and the WACA."

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