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# NOTICE OF WRONGDOING

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## Royal Commission into Misconduct in Banking and Financial Services 2018

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### A. INTRODUCTION

1. When a bank has wronged a consumer and equitable relief is sought, a *power imbalance* in favour of a bank, due to vast finances and resources, often denies a consumer basic human rights, natural justice and restitution.
2. Whilst this imbalance has been apparent to consumers for decades, it was evidenced in Parliament last year on 10 May 2017 when the then PM Malcolm Turnbull suggested to Opposition Leader Bill Shorten,

**“...the banks are not scared of a royal commission, sunshine.  
They have got plenty of lawyers and big law firms.”**

As a former barrister, global investment and *Goldman Sachs* banker, Mr Turnbull’s remarks must be held to carry great insight and weight highlighting the unconscionable disparity between consumers and banks.

3. If banks are not afraid of the Royal Commission with former High Court judge Kenneth Hayne at the helm, what hope of fairness and equity do ordinary citizens and vulnerable lay people have against a bank?

**The ‘*imbalance in power*’ is the true and inherent misconduct.**

4. To restore public *trust* and *confidence* in our financial institutions, this power imbalance needs to be realigned in favour of the consumer. Bodies like FOS and more of the same under the Ramsay report just won't cut it.

*'... only some of the people can be fooled all the time...'* - Abraham Lincoln

5. Hence, proper redress is required from the Australian Government to eradicate this damaging, draconian, and unconscionable 'power imbalance' between banks and countless thousands of consumers, once and for all.

## **B. NATIONAL AUSTRALIA BANK MISCONDUCT**

6. Mr Sime Juric is Croatian and migrated to Australia in 1961. He worked in real estate for some 26 years and is 77 years old.
7. Between 1968 and 1988 Mr Juric acquired 6 properties which he owned outright. These are listed below:
  - a) Lot 1 Henry Road Pakenham, 108 acre farm and home
  - b) 70 acres in Safety Beach
  - c) 160 acres in Bunyip (100 cattle & vealers)
  - d) Vacant land for 2 units, Whitehaven Cres, Noble Park North
  - e) 9 & 15 Ruddock St, Dandenong (Plaza)
8. In 1989 Mr Juric purchased a 28 acre chicken farm in Somerville for \$1.2M. For security NAB put a mortgage on his property.
9. Whilst NAB knew Mr Juric's assets were substantial having the ability to service any capitalised interest arrangement with the bank, NAB however chose to take advantage of Mr Juric and betray his trust and confidence by unlawfully taking possession of all his 6 properties referred above, through using a mortgage instrument or otherwise.
10. NAB also knew the Loan to Value Ratio did not require all, if any, of Mr Juric's properties be held as security but again took advantage of Mr Juric, with NAB not adhering to any proper LVR practice, procedure or regulation.

11. Once all Mr Juric's properties were under NAB's control the bank placed themselves in a position of power and unfair advantage over Mr Juric, conferring rights upon themselves they were not entitled to.
12. NAB of course knew the risks they were about to place Mr Juric under in the Somerville deal, yet failed in their duty to disclose these to Mr Juric and also failed in ensuring he had obtained proper legal advice.
13. NAB further knew of Mr Juric's language difficulties and cultural barriers yet failed in their duty to ensure an interpreter was present during all discussions before the signing of any agreements or documents affording Mr Juric a proper understanding of any arrangements and terms.
14. The presumed undue influence by NAB prior the Somerville deal gave rise to no true consent being given by Mr Juric, having the effect of voiding the transaction.
15. As little as a few short weeks after settlement of the Somerville property, NAB outright refused and denied Mr Juric's respective requests and right to trade, sell or make any capital improvements to the properties he owned.
16. Upon NABs betrayal Mr Juric sought refinance and legal advice.
17. However, NAB knew once they seized control of all Mr Juric's properties they would then proceed to 'black ban' and 'blacklist' his credit rating, making it impossible for him to refinance through any accredited lender.
18. As will become apparent, without refinance and any legal remedy through the courts, NAB was able to steal Mr Juric's properties, wealth and life.
19. NAB also knew of Mr Juric's property investment plans, disclosed to NAB in confidence, which included forecasted substantial gains from the sale of his Ruddock Street properties to Dandenong Plaza Complex. NAB breached confidentiality by sharing privileged information and joined with third parties (refer par. 66 herein) to their advantage and detriment of Mr Juric.
20. While Mr Juric vigorously pursued competent legal counsel to repudiate any contract and receive damages, the power imbalance that existed in

favour of NAB and their lawyers denied Mr Juric of any proper opportunity to be heard, receive any fair hearing or chance of restitution.

21. In about 1994 NAB then fraudulently bankrupted Mr Juric.
22. In accordance with his faith and good conscience, Mr Juric took action, sought assistance and pursued justice every way he knew how: privately, publicly and politically. He took to the streets protesting the harm and corruption received (Annexure A). He joined community action groups and aided in the petitioning of a Royal Commission to remedy the wrongs, not only for himself, but for a great number of other vulnerable people who were also dealing with bank corruption. Countless hours have and continue to be spent on raising public awareness in the front of Courts, Parliament House and other key locations around Melbourne and internationally.
23. NAB's reprisals were vicious which led to the incarceration and bashings of Mr Juric in prison (Annexure B). He has suffered considerable harm and grievances as a result of NAB's abhorrent misconduct.
24. Mr Juric has made attempts to settle matters with NAB but to no avail. Letters and correspondence to John Stewart (NAB UK) and CEO Don Argus (NAB Australia) are contained herein (Annexures C & E).
25. From some 30 years of experience of corruption, Mr Juric fully agrees with UK Police & Crime Commissioner Stansfeld (Reference A) stating,

**“I think the banks have got into a mindset now that they're  
ABOVE the LAW and they can get away with it.”**

### **C. MISCONDUCT OF OTHER LENDERS**

26. In an earnest effort to refinance Mr Juric attended some 16 lenders, brokers and lawyers. Details of these experiences and further acts of misconduct are as follows:

27. Mr Juric paid \$6k upfront to Russell Kennedy lawyers (RK) to broker \$1.5M to refinance the Somerville property and \$6M to buy Kmart Burwood. Having waited some 4 months, Mr Juric neither received any loan funds nor was his \$6k returned.

Some years later in 1997, Mr Juric discovered RK had unlawfully placed a caveat over 9 Ruddock Street (the bigger of the 2 blocks) on 11/4/91 pursuant to a Charge to the Contract & Finance House dated 19/1/1991 for a bogus sum of \$36k.

RK not only brokered for Mr Juric, they also acted for NAB against Mr Juric and partnered with NAB through Dullam Pty Ltd, gorging on the spoils of Mr Juric's properties presenting as a serious conflict of interest and impropriety, at the very least. Mr Ewen Stafford, NAB Chief of Finance, was the Director of Dullam (Annexure D).

28. Mr Juric paid \$10k upfront to Moreland Bank (MB) to broker \$1.5M plus other funds for a Shopping Centre and six hotels. However, after 2 months of waiting for money MB said NO to funds. Whilst the agreement stipulated the \$10k would be returned in full upon no deal within 12 months, only \$6k was ever returned.

29. Mr Juric paid \$6k upfront to a Doncaster Broker, who dealt in old people's homes, to obtain \$1.5M and \$4.8M to buy Coles and 6 shops in Port Melbourne. Mr Juric waited 4 months and then was told NO. He subsequently went to Bulleen to get \$6k back but was threatened by the broker. Investigation revealed Partners of Doncaster Broker took his idea and bought Coles & shops.

30. Mr Juric paid \$6k upfront to Quest Royal Finance Brokers (Freehills lawyers in Carlton) to broker \$6M and \$12M for shopping centre and hotels. They assured Mr Juric they had good connections with Citibank in William St Melbourne. No loan was received nor was the upfront fee returned.

31. Mr Juric paid \$3k upfront to John Bishop Brokers Finance to broker \$1.5M and funds for Monash Hotel. Said YES but 2mths later said NO money. Broker refused to refund upfront fee.

32. Mr Juric paid \$2k upfront to Fellman's lawyers and lenders, 199 Toorak Rd. Agreement was so unfair that 10th generation of his children would not be able to pay back if in default. 3 mths delay.
33. Mr Juric paid \$4k to a Queensland broker who came recommended to broker \$13M to purchase a Cairns shopping centre. Lendlease (NAB) was selling it. Agent said was run down. Waited 2 months for answer. No loan and no refund.
34. Mr Juric paid \$5k to Meyer, McKenzie & Co Finance in Heidelberg who informed him he would obtain a \$2M loan from Werribee South. When there was no loan or refund, Mr Juric through verbal discourse and making a court application had his deposit returned.
35. Mr Juric gave \$6k upfront to Jim Tzouvelis, Senior partner of Melbourne Business Consortium, to broker funds. No loan and refused to return deposit. An application to the Magistrates Court was made to recover the money with this man also threatening to kill Mr Juric.
36. Mr Juric attended upon the Manager at ANZ Hastings. The following discourse not only showed a breach of confidentiality but confirmed that Mr Juric had been well and truly blacklisted.  
  
Bank: We heard about you. Don't want to do business with you. We talk.  
Mr Juric: Where's confidentiality  
Bank: In toilet
37. Mr Juric attended Westpac to broker \$1.5M + funds for Hotels. 4mth delay.
38. Mr Juric attended ANZ Dandenong which took 3 months then said NO.
39. Mr Juric paid \$300 to Bendigo Bank in Frankston. Took 3 weeks and then said no. Then went to AMP brokers in Lilydale. Said No but no money was exchanged.
40. Doug Johnson, Financial Advisor for Johnson Accounting & Colonial State Bank authorised agent Financial Brokers in Cranbourne and John Hinchkiff Broker (Associates of Johnson Accounting above) defrauded and stole \$46k

from Mr Juric. Refer to attached letter dated 24 February 2005 to the Victorian Attorney General Rob Hulls MP (Annexure D). The same contents of this letter dated the same day was also sent to the Commonwealth Attorney General Phillip Maxwell Ruddock MP.

41. Lawyers Williams & Williams Mornington who challenged John Selimi about stealing Mr Juric's home and farm in Henry Rd Pakenham charged Mr Juric some \$100k which he paid in cash. However, Mr Juric was given a receipt for only \$50k.

#### **D: INSURANCE MISCONDUCT**

42. In about 1968 Mr Juric began a life insurance policy with Tower Australia. The policy was the type where regular payments made by Mr Juric plus company bonuses received accrued and was paid out to beneficiaries in the event of Mr Juric's death. Subsequent company name changes included National Mutual in 1995 (ANZ group), TAL Insurance and AMP.
43. In about 2008 due to the deterioration of his life and finances caused by the misconduct of NAB and other lenders, Mr Juric was unable to continue paying the premium of \$452 per year and attempted to renegotiate the terms to a lesser amount. However, TAL Insurance reassured Mr Juric by telling him:

***“Not to worry you've got plenty of money in your policy, we'll take care of it”.***

At this time the policy contained some forty thousand dollars. However, some 6 years later in about 2015 the policy (no: 8418924) was cancelled without consent from Mr Juric or any just reason. Mr Juric learnt that 10.5% per day in interest had been charged and compounded eroding all funds accrued. Such an unjust term was never disclosed or agreed to by Mr Juric, deceiving and unfairly depriving him the benefit of these funds.

## **E. CONCLUSION**

44. From 1989 NAB swindled Mr Juric of his wealth. Mr Juric gave NAB and their agents his trust and confidence, in return, they rewarded him with misconduct, discrimination and left him destitute.
45. In essence, Mr Juric was unlawfully stripped of his assets by NAB and other parties in a very clever network of collusion. He was then forced into an unfounded bankruptcy and was then subjected to further harm by a judicial system that was corrupted affording him not a skerrick of justice.
46. NAB and their agent's overall conduct was abhorrent, violent and capricious unbecoming of an institution where trust is the cornerstone people rely upon. NAB have acted without conscience and caused irreparable harm, loss and injury to Mr Juric and his family.
47. Mr Juric having put his faith and confidence in NAB, had them breach agreement and trust, steal from him, collude with others against him, black ban him from getting refinance and with NAB making no honourable attempt to remedy such wrongs, among others, can only be seen as unconscionable and reprehensible acts of dishonesty of the highest order.
48. NAB had actual and constructive knowledge that Mr Juric was at a disadvantage and the Somerville transaction was neither fair nor bona fide.
49. NAB with deliberate foresight and cunning entrapped Mr Juric with the primary intention to steal his properties and his wealth, which they did.
50. NAB without any proper right seized and transferred to joint parties and interests every property Mr Juric owned.
51. NAB deprived Mr Juric of the means to capital improve or sell any of his properties and pay NAB out.
52. NAB blacklisted Mr Juric and corrupted his credit rating depriving him of any opportunity to refinance causing him even further loss and hardship.



53. NAB was irresponsible and unconscionable in its lending practices, including fraud and theft of Mr Juric's 7 properties. NAB and its agents were complicit in the violence and harm perpetrated upon Mr Juric over many years in their attempts to conceal the crimes they had committed.
54. Mr Juric verily believes NAB has committed a number of wrongs and shown mischief in contractual dealings, including dishonesty, breach of trust and agreement, fraud, theft, malfeasance, bribery, misrepresentation, misleading & deceptive conduct, asset lending, securities fraud, insider trading, conflict of interest, collusion, breach of confidentiality & privacy, hindering & obstruction of justice, assault, menacing, attempted murder, money laundering, obtaining a financial advantage or property by deception, stalking, attempting to pervert the course of justice and other acts stemming from NAB's fraud which led to harm, including the wrongful imprisonment and desecration of his family, reputation and life.
55. Mr Juric believes NAB has breached numerous codes of conduct, ethical standards and banking practices demonstrating extreme unconscionability.
56. Mr Juric believes NAB has unjustly enriched itself and should not profit from crime pursuant to the crimes and other relevant acts.
57. NAB had a 'duty to act fairly' in its dealings with Mr Juric yet failed to do so. NAB has avoided any responsibility or liability to compensate Mr Juric for injury and loss. Rather NAB chose to portray him as the 'bad guy' doing everything in their power to discredit him and divert people's attention from the real misconduct being perpetrated by NAB.
58. The more Mr Juric tried to obtain fairness, equity and justice, through legal, political and public exposure, the more NAB hit back with violence in trying to silence him, including he believes permanently. NAB's arsenal included contempt proceedings, injunctions, stalking, intimidation, threats and other harsh penalties resulting in imprisonment, bashings, pressure on his wife and children and the bugging of his home, telephone and car.
59. For almost 30 years, Mr Juric has been constantly thwarted by a 'power imbalance' between him and the bank, its lawyers, brokers and other lenders, with him receiving an irreparable detriment through losing

practically everything, including his marriage, home, family, livelihood, financial resources, good health, reputation, dignity and almost losing his life on multiple occasions.

60. It must be understood that proper legal representation is non-existent for consumers when challenging banks, with many stories reinforcing this lack. In the main, lawyers remain elusive, unaffordable, are prone to conflict of interest issues and say banks will attack them vigorously; bankrupting them and their clients, cause delay upon delay and pull out all the stops in any attempt to deprive the consumer of legal protection. Individuals and lawyers are unable to take banks on due to the costs of litigation, time consuming nature of the battle and are under resourced compared with banks. The banks rarely settle, deny, deny and deny, even when the truth is as obvious as the nose on one's face. Then there's the extreme difficulty for consumers to find, let alone retain, any honest and competent lawyer for the long haul, even if one has spare cash to splash. Then there are dishonest lawyers who simply mislead and milk their clients under the guise of success. Again, the imbalance in power scenario arises whether the battle ensues in court or agencies like FOS.
61. Mr Juric, having spoken with countless people over two decades suffering the same inequities and unjust enrichment by the banks as Mr Juric, it is clear that until the 'imbalance in power' issue between a consumer and bank is properly resolved once and for all, according to good conscience, TRUST & CONFIDENCE, standards and performance will all continue to decline, while rates of hardship and social decay will increase.
62. Consumers are screaming out not to be left without proper recourse as has been the case to date. When challenging a bank, media reports of legal costs ranging from \$300k to \$1M, which is clearly prohibitive, especially when the chances of success are not guaranteed or extremely low. A consumer going to court without any proper counsel has even less chance of any restorative value. Hence, the absence of any true recourse is unfair and unacceptable, presenting to the consumer as a clear barrier to equity and justice and further sign of unconscionability.
63. At age 77, Mr Juric's tenacious pursuit of natural justice remains in full force today as a result of NAB's failure to act fairly.

64. Mr Juric deserves and seeks to be afforded a competent legal team, a proper opportunity to be heard in a court of competent jurisdiction to have all his matters fairly canvassed, affording him equity and restitution.
65. Mr Juric and his family have suffered an abhorrent loss and trauma that no-one should ever experience. An elderly man, having a case with merit and long overdue for remedy, Mr Juric deserves proper respect, dignity and peace from the burden carried for some 30 years – a whole generation. It is believed that only a Royal Commission can make recommendations that will afford him the relief needed to alleviate his accruing detriment.
66. With limited resources Mr Juric discovered NAB had transferred interests in his properties to others, namely Russell Kennedy lawyers, Lendlease, Perpetual Trustees, Contra Finance, Flagstaff Finance, Contract & Finance House, Lord Finance, Freehill Lawyers, Macquarie Group (Refer Annexures D & F), Avni Selimi (property developer) and John Selimi (lawyer).
67. Mr Juric believes other lenders mentioned herein have also committed acts of misconduct, like NAB but to a lesser degree.
68. Mr Juric believes he has been denied basic human rights and natural justice in contravention of national and international law. Mr Juric has been denied any proper legal counsel affording him an opportunity to be heard in a court of competent jurisdiction. Denied due process and any fair hearing with a jury. Denied equity, restitution and charges to be laid against all those who have committed wrongs and conspired.
69. Mr Juric REQUIRES a legal remedy to cause the return of all his properties and commence restitution for injury sustained over 30 years.
70. Mr Juric REQUIRES all those who have caused him any wrongdoing be fully investigated, sanctioned and accordingly charged for summary and indictable offences.
71. In the name of fair and truthful dealings, upholding the administration of justice, Mr Juric should be afforded a competent legal team to have his matter fully canvassed to either reach a proper settlement with NAB, or

have matters properly presented in a court of competent jurisdiction with a jury.

72. Mr Juric has paid an extremely high price, not only through misconduct but his valiant attempts to bring this misconduct to light decades ago when the authorities would not take notice or assist him. Accordingly he deserves a fair hearing for damages and make wrongdoers accountable. The message that must be conveyed to the banks and all Australians is that ordinary hard working people do matter and should at all times be afforded fairness, dignity and full protection of life and property.

## **F. RECOMMENDATIONS FOR ROYAL COMMISSION**

73. In the public interest Mr Juric **REQUIRES** the Commission recommend:

- a. Proper legal assistance and force be afforded Mr Juric and other victims to pursue stolen property and individuals personally liable for the theft;
- b. The Commission's time be extended say 12 months to allow all consumers and victims of wrongdoing to be properly heard before the Commission via full and complete evidence; submissions, in person or otherwise. Time needs to be afforded those still traumatised and have difficulty in placing matters before the Commission. Anything less is simply a bandaid, not proper redress;
- c. A strong mechanism and deterrent to immediately **STOP** banks and agents perpetuating loss and injury to millions of consumers and prevented from ever causing any detriment to consumers again;
- d. Proper solutions that address and overcome the **'imbalance in power'** that exists in favour of banks, enabling consumers to obtain true equity and restitution at an affordable cost and in a reasonable time;
- e. Equality and Fairness; consumers require a true level playing field that affords them rights, due process, discovery, representation and relief;

- f. Proper legal advice, resources and counsel equal to that of banks and associated power structures be afforded consumers;
- g. Proper accountability and liability for malfeasance and other offences. The public requires not only justice to be done, but seen to be done;
- h. Consumers REQUIRE a body founded solely for consumers. Any new body must incorporate equal resources and protections comparable with a bank so any dispute can be resolved equitably, in or out of court;
- i. Consumers REQUIRE full transparency, accountability and participation in any body formed. Any independent body setup, unlike FOS, must not fail consumers and incorporate a strong customer advocacy personnel that is involved in all phases of operation, management, monitoring, feedback, policy making and be represented on any governing board;
- j. Proper compensation for bank victims;
- k. Further evidence of the *'imbalance in power'* existing with banks and sections of the legal system and recommendations can be gleaned from UK Police & Crime Commissioner Stansfeld (Reference A); and
- l. Any body setup must have powers to reach deep into the 'belly of the beast' to investigate the full depth and gravity of what has occurred over the past generation, to safeguard against its reoccurrence to protect future generations from the carnage that continues to unravel. As a Royal Commission into Banking and Financial industry has been a long time coming and may not eventuate again for some time, it is mandatory that the root of the problem with any proper fix is established and done well this time round, so the time is now:

*"Whatever is **worth doing** at all, is **worth doing well**. The knowledge of the world is only to be acquired in the world, and not in a closet."*

– Philip Stanhope, 4th Earl of Chesterfield

## **G. NOTES**

74. This document has been prepared by a consumer advocate (non-legal) assisting Mr Juric to place before the Commission issues of serious misconduct by NAB and other lenders commencing some 30 years ago.
75. Although the above brief may contain inaccuracies and be incomplete due to a lack of time, resources and expertise, it has been drafted in good faith.
76. Despite his age, Mr Juric is available to provide clarification, further details and give oral evidence before the Commission, and whilst somewhat traumatised by events, he does appear to have a very good recollection of events and information pertinent to justice.

## **H. ANNEXURES**

- A: Photo of Mr Juric took NAB's misconduct public (2000).  
B: Photo of Mr Juric beaten close to death in Ararat prison (2002).  
C: Letter to CEO John Stewart, NAB London (22/4/2004) [6 pages].  
D: Letter to Attorney General Rob Hulls MP (24/2/2005) [4 pages].  
E: Application to settle with CEO Don Argus, NAB Australia (2012) [4 pages].

## **I. REFERENCES**

- A: International Tribunal of Natural Justice video of UK Police & Crime Commissioner Anthony Stansfeld (June 2018)  
<https://www.youtube.com/watch?v=XRS-pum5ovA> (23 mins)  
<https://www.youtube.com/watch?v=V4fKJ6u-ngY> (Full 2 hr version)

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