What Does Proper Bank Victim Compensation Look Like?

Summary:
The old bank routine of Deny - Delay - Deceive no longer works. It has been flattened by Evidence - Logic - Facts - according to Bank Reform Now CEO Dr Peter Brandson. Now bankers accept remediation payments are to be paid but many want to diddle victims once again. BRN reveals today the formula for remediation that the banks don't want you to know about. Study it and spread it around. Proper remediation puts a bank client into the position they would be enjoying if the crime had not been committed.

The bank warriors are on the march. Australian politicians and bankers that don't wake up and see that the world has changed will be toasted, roasted and ousted. Corruption and finance sector rip offs are now front of mind for voters.

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Bankers do not want you to know what genuine remediation looks like

Victims of bank crimes and misconduct must be fully compensated. This was a key goal right from

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the start of the BRN movement. There were two main reasons. First - it was fair. Second - if banks could get away with zero or small compo payments they would still be profiting from the misconduct. There would be no disincentive to continuing with predatory business tactics. The culture can only be changed if penalties and remediation are made equal to or greater than the proceeds of the crime. Simple.

Many people are right now settling with the bank that ripped them off. It is surprising how similar all the banks are in their approach. There are exceptions - one particular banker BRN is negotiating with is very helpful and understanding. Good results are being achieved.

Some bankers still don't get it

The environment has changed and it has changed forever. Many bankers just do not understand this fact. The old days are over. The banks will never go back to business as usual. If a bank tries to hold back they will cause themselves great harm. The first bank that genuinely changes and yields to the reform process will have a great advantage in the market.

The 3Ds of Banking Versus The ELF

Right now the **banks work in 3D** - their preferred way of handling every complaint - no matter how serious - is to **DENY - DELAY - DECEIVE.**

Fortunately BRN and other warriors have been effective in using the E.L.F to neutralise the 3D routine.

3D loses effectiveness very quickly once countered with EVIDENCE - LOGIC - FACTS.

A thought Experiment - a couple of CEOs have enjoyed in discussion with BRN

"If you place your wallet on the table and I take it & leave. What have I done? Clearly - I have stolen your wallet. You do not need a court or a code of conduct to prove what I did to you?"

The people BRN advocates for know exactly what was done to them. They know how the law was abused. They know how bank staff took advantage of the power imbalance in the relationship. Some of these people have lived with the damage for decades.

BRN has had bankers - even a CEO - pooh pooh and dismiss a case without even reading the evidence sent to them. BRN was born when an underling working for then NAB CEO Cameron Clyne did just that. An email trail exists which proves he dismissed the case before the documents required had arrived at his desk.

One CEO dismissed cases with the classic line - "it's too old - it's been through the courts - we won't look at it again unless there is compelling new evidence."

These responses from the banks look like form letters - the same form letter .... from different banks..!!! AND in many cases this was again done before they actually reviewed the files. They wanted to tear victims and advocates down before even looking at their own material let alone the E.L.F.

The country is in a new and very different environment now with people powered momentum building daily victims are finding that E.L.F works and wins. Dr Brandson suggests it is just a matter of perseverance and diligent research.

What happens when the ELF overcomes the 3Ds of banking?

First - the banker realises that the jig is up and they will have to compensate the victims. What does the clever banker want to do next?

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He wants to diddle the clients yet again by bullying them into taking a fraction of the damages. Typically a banker or their agent will try to get away with offering 10 or 20%. BRN has recently been contacted by a bank whistleblower who revealed the following classic example.

One of the big four offered 20% of a tens of millions of dollars asset stripping operation. The victims had no choice but accept .... on legal advice .... and then the legal adviser took 60% of the compo. Dr B responds - Can you believe this racket? In this game you never quite know who your own lawyer is working for.

If the bank is caught out with evidence, logic and facts they really do eventually come to realise that they must pay compensation. However, they will try very hard to limit that payment one way or another. If they abuse their power and bully the victim into accepting say 20% the bank is laughing. That 20% payment is considered a tax deductible cost of doing business and the bank will likely get an insurance payment out of it too. Even if the bank gives the client 50% of the damages they may still make a profit from the interaction.

Banks well understand and play on the fact that the victim does not have equality of arms in the legal arena and therefore has bugger all chance of success if they were silly enough to take on the bank in a court. [See links below - Unconscionable Banking Laid Bare - for the calculations banks use when they set up a client and Equal Legal Power - It's Time].

Is the old compo diddle still a goer for the banks?

No way..!!

The reform network of bank warriors is now well established with media and political reach. **Many cases involve heinous criminal conduct and corruption. Any one of those cases if not properly settled could threaten a bank's license to operate. Once given the evidence a CEO would be at risk if it was covered up. It is only a matter of time before a senior banker is jailed. Who will be the first?**

The banks can afford to pay proper compensation and that is exactly what they will do. If bad will is displayed by a bank the network will respond and it will not be pretty. There are honest journalists and brave whistleblowers ready & willing to expose the truth .... unlike the rigged Royal Commission authorised by the banks.

Alone ... bank victims had no chance. **They would be chewed up and spat out with the 3D treatment, the phony regulators and the corrupted judicial system.** Now they are organised. Many people, activists and groups are in the BRN orbit - sharing information, discussing strategies and cases. It is an exciting time because changing the banking system changes everything. Bank crimes are political. It is an election issue. **People are sick of being fleeced from cradle to grave .... and beyond.** Voters fed up with a two party circus in Canberra that has had decades to sort out corruption and finance sector skullduggery. **People know that politicians get paid when they leave office for deeds done when they were supposed to be serving the people and country. Most people are not stupid. They know why a Clayton's Corruption Commission is being proposed.**

What is genuine remediation?

BRN firmly advocates for 100% compensation because compensation (and sometimes other penalties) must negate the profit. That is how the culture and behaviour of bankers will be made to change. That is what reform is all about. **People want their bank to behave honestly and ethically. The economy, country, people and democracy is harmed when citizens lose faith in important institutions.**

Right now it looks like bankers need to be taught what proper remediation looks like.

Here is a simple example.

Let's say a banker engages in misconduct ten years ago. The result is that a client is $10 million dollars out of pocket. To **put the client back into the position they would be enjoying today - if the theft had not occurred** - the bank would be required to pay back the $10 million and add compound interest over the ten year period. If there were flow on consequences then those should also be taken into account e.g if properties were lost as a result - their current value (and the lost rental income) / If the usual work could not be performed then lost wages and perhaps other lost income must be factored in / lost super / legal fees / non-economic losses such as pain & suffering / out of pocket costs such as rent, storage / lost opportunities etc

All these must be considered in the calculation. It is pretty simple. Bankers don't like it. Tough ... that's how it must be from now on. **The House Economics Committee agrees and will be wanting to see evidence and facts next year showing that banks are properly remediating aggrieved customers. It is also important to note that deceiving in a Court or a Government inquiry is also know as perjury - a criminal offense. Bank warriors have evidence of senior bankers and their lawyers breaking the law in just this way.**

Much of the misconduct has breached the bankers' own Code of Practice, the Uniform Consumer Credit Code (since superseded by the National Consumer Credit Protection Act - NCCPA) and the Criminal Code Act. Banks have engaged in serious breaches of law. (Can you hear the warriors Mr Hayne?)

On top of this the finance sector creates financial crises such as the GFC (or Great Recession). Banks risk their solvency but use taxpayers and deposit holders to bail them out and in. For some reason at these times anything goes. Banks engage in asset stripping to improve their bottom line. The flow on effects are real, significant and to some extent able to be compensated.

The bank are not too big to fail. It seems that people and government do not realise that the Constitution makes Australia a currency sovereign. The country's wealth is not digits on the international banking cartel's computer screens or fiat notes and coins. The Australian people's wealth is the nation's resources and its people. The financial and monetary system must be tweaked to recognise this. [Link to Marginal Seat Campaign below - only vote for pollies that support you and your country].

How can the culture of banks be changed?

Several key points bank warriors have been advocating for would change the culture and business practices of banks and bankers. The Royal Commission may come up with something similar ... but it is doubtful.

1. Axe pay and bonus schemes that provide perverse incentives.

2. Banks must not indemnify lawyers, liquidators & other agents used to do their dirty work.

3. When a banker breaks the law - take their assets, take their freedom (where appropriate) and fully compensate their victims.

4. A CEO or Director may not have been directly involved in a crime but if they are involved in a cover up they should be held accountable.

5. Equality of Arms - Legislation to establish an independent bank funded specialist legal aid cell to represent bank victims when they are subject to legal action by a bank - consistent with the human rights principle "Equality of Arms." This will require banks to be responsible for their clients' legal expenses. Banks should no longer be able to use this country’s justice system as a weapon. Bank victims must have timely, proportional, and equitable legal support. Banks may have to be forced

into becoming "model litigants." Abuse of the law and legal processes as a weapon to financially decimate their aggrieved clients is no longer tolerable.

6. Whistleblowers must be highly regarded, protected and rewarded.

These ideas may seem radical but **what seemed radical and unachievable five years ago when BRN first called for a Royal Commission seems to be quite reasonable now - perhaps even self-evident.**

People are devastated by finance sector crimes and misconduct. Governments and regulators have let the people down for decades on this. The Royal Commission has only exposed the tip of the iceberg.

What do BRN and concerned voters want?

A longer and stronger Royal Commission. All politicians must publicly call for just that .... right now. [Link to Petition below]

All the banks to begin full and proper remediation programs. One bank has started. What are the others doing?

A fair dinkum Federal Corruption Fighting Commission.

There is no turning back now. If systemic and structural reform is required so be it.

If politicians need to be turfed out to cleanse the Canberra billabong ..... bring it on...!!

Election 2019 - There Are No Safe Seats.

File Attachments:	Attachment	Size
	10 Reasons to extend the Banking Royal Commission	265.73 KB

Websites For More Information: Sign the Petition today - Extend & Enhance the Banks RC
https://www.bankreformnow.com.au/petition

Related Links: Unconscionable Banking Laid Bare
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