"Weary" Dunlop's Sons & the Perpetual Scandal

Summary:
This case demands a review of Perpetual's lending history. Retrospective justice must be visited upon all of the disabled souls deliberately targeted by rogue finance brokers commissioned and encouraged by Perpetual. What sort of country has Australia become? Where rogues can steal without penalty from anyone they target even a war hero such as Sir "Weary" Dunlop.

It gets worse - Geoff Lloyd, the CEO of Perpetual, was recently appointed to Chair the Financial Services Council - the body overseeing Australia's $2.6 trillion wealth management industry. This is a classic example of how the system is rigged with players in the industry manipulating regulatory agencies and government.

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Weary's family takes fight for farm to Supreme Court

The family of war hero Sir Edward ''Weary'' Dunlop has lost a long-running legal battle to save his farm. The Dunlops are now seeking compensation from a mortgage broker.

In what could be a test of new national consumer credit laws, the Dunlops are seeking to recoup some of the value of their lost assets and more than $100,000 in legal costs from a Toorak mortgage broker.

The family has alleged, in Supreme Court proceedings, that **Nathan Alan Paul Stewart of Adelaide-based NAP Finance preyed on a vulnerable Dr Alexander Dunlop, 62, tricking him into signing loan applications totaling $826,000.**

Dr Dunlop, formerly a surgeon like his father, suffers from chronic schizophrenia and alcoholism, and survives on a disability pension of about $300 a fortnight, the court heard last year. He now lives in a nursing home and also has Alzheimer's disease, his brother John Dunlop said.

After a two-year fight, the family had lost the Yarra Ranges farm Sir Edward bought 50 years ago, John Dunlop confirmed to The Age.

State Trustees is selling the property, at Smiths Gully, to pay off creditors.

''Alexander's life has been destroyed,'' John Dunlop said. ''My father spent much of his life in the service of other people and would have fought to correct this social injustice of a subprime crisis here in Australia that everyone ignores. It's not just NAP Finance but other mortgage brokers as well.''

The National Consumer Credit legislation that takes effect in July requires mortgage brokers for consumer loans to be registered.

Mortgage brokers face fines of up to $1.1 million and two-year jail terms for breaching the new laws against irresponsible lending.

However, the Dunlops are unlikely to recoup the value of their inheritance even if they win the compensation case because Mr Stewart is in financial strife. Some of his companies that trade as **The NAP Group, NAP Finance or NAP Financial Services, are being deregistered, the**

Toorak office has been closed and some assets are in the hands of administrators.

Mr Stewart's mansion in South Yarra will go to a mortgagee auction today, with the same lender, Perpetual Trustees, and two other parties seeking funds.

Mr Stewart, 35, was previously lauded as a financial whiz-kid and in 2002 bought the naming rights for the home ground of South Australian National Football League team the Central District Bulldogs.

The deal for NAP Oval - the initials are from his first names, Nathan Alan Paul - fell over not long after he **appeared in the Adelaide Magistrates Court on money-laundering charges. The five counts were later dismissed.**

He then moved to Melbourne and bought the South Yarra property at 32-34 Park Street that could fetch about $4 million at auction today.

Mr Stewart has twice been convicted and fined under the Corporations Act. The Adelaide Magistrates Court said another charge was outstanding.

Despite his history, there was **nothing to prevent Mr Stewart from practising as a mortgage broker in Victoria because those who negotiate consumer credit for a fee previously did not require a licence.**

John Dunlop said the new laws did not go far enough and **banks and institutions should also be accountable for loans brokers sold on their behalf.**

Mr Dunlop said **top-100 company Perpetual Trustees had shirked responsibility for its loan to his brother and instead focused on recouping the money.**

''Banks hide behind the mortgage broker, but in my opinion, in cases like Alexander's, the mortgage should be invalidated and written off as an insured event. How can Alexander be held responsible for debts he didn't have the mental capacity to understand?''

A spokesman for Perpetual Trustees said: ''Perpetual Trustees is neither aware nor responsible for commencing legal proceedings. It is related to a securitisation matter.''

Chief executive of the Consumer Action Law Centre, Carolyn Bond, said the new laws would reduce predatory lending, but would have been more effective had they covered lenders as well as brokers. **''Having a mortgage broker involved can allow lenders to make some pretty unscrupulous loans,'' she said. ''As long as there's equity in the home, they are protected and can sell someone up.''**

The Age left messages for Mr Stewart at the Adelaide office of NAP Finance, which is not a member of the Mortgage and Finance Association. He did not respond.

BRN thinks Geoff Lloyd - Perpetual CEO and Chair of the Financial Services Council - has a duty to either resign from both positions or clean up the Perpetual mess that we will be detailing over the coming weeks and months. He can start with the Dunlop family. This issue is "officially" not going away. It will not fade. Perpetual has profited from systematic abuses of vulnerable clients. Regulators and politicians need to understand we live in a different world now - the people are taking action .... and we will win.

This newspaper article was written in 2010 - Please see more details of the Dunlop family story published 2017 here:
[>> Perpetual Steals From War Hero's Family]

Websites For More Information: Source: The Age - Weary's Family Takes Fight For Farm To

Supreme Court
http://www.theage.com.au/victoria/wearys-family-takes-fight-for-farm-to-supreme-court-20100528-wlkf.html

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