Prawn farmer Sam fights for justice against ANZ

Summary:
"How come a business worth $6.5 million could sell for only $1.55 million? When a bank and liquidator decide to strip a company of value and sell it off in such a way that the borrower loses all equity ... that's how come. In many cases insider mates of bankers, lawyers or receivers buy the property at a bargain price. These are the types of crimes our Prime Minister doesn't care about. There is no excuse. Mr Turnbull .... Bring on a Royal Commission!

Article Information**Category:** Banking News
Banking Company: ANZ
Bank Malpractice Type: Unconscionable Conduct
Author: Julian Tomlinson
Source: The Cairns Post
Date First Published: 11 Feb 2017

Posted ByPeter Brandson
11 Feb 2017 - 10:59pm





Cardwell man Sam Sciacca fights banks to save home

A WHEELCHAIR-bound Cardwell man is fighting money lenders to stop his home being repossessed amid claims of poor management at his prawn farm by bank-appointed receivers.

© Bank Reform Now™ - Australian Non Profit Organsiation - campaigning to put a stop to predatory, unconscionable banking practices.

Sam Sciacca has joined a growing group demanding a royal commission into the Australian finance and banking sectors and has received strong backing from Kennedy MP Bob Katter.

His home is all he has left after going into debt to finance the Aussea prawn farm at Cardwell and a prawn hatchery at Mission Beach.

La Trobe Financial recently gave him until March 1 to vacate the property.

Cyclone Larry in 2006 caused significant damage to the farm and hatchery that led to an application for funding from another financier.

Mr Sciacca said **a $1.8 million loan with Landmark Finance had never been in default** and he didn't think there would be a problem applying for another $200,000 to aid a cyclone-caused cash-flow deficiency.

This request was denied by Landmark, so the directors contributed their own funds.

Mr Sciacca said the Landmark debt was transferred to Permanent Custodians Ltd, an offshoot of the ANZ Bank, without his knowledge.

Aussea had never held an account with the ANZ.

But despite Mr Sciacca maintaining he was meeting interest payments, **Permanent Custodians appointed receivers PPB Advisory in December 2008, just prior to harvest.**

Mr Sciacca had a stroke in 2006 and was confined to a wheelchair but still lent his expertise to running Aussea.

He is adamant the farm could have stayed open but for the management decisions of PPB Advisory that resulted in millions of dollars worth of prawns dying and the farm being sold in 2010 for a price not high enough to cover the outstanding debts of $1.8 million. PPB denies these claims.

The Cairns Post has seen a statutory declaration from former farm employee Peter Ganya stating PPB ignored advice and failed to replace mildewy prawn food, causing an estimated $2.4 million worth of prawns to die or become sick.

"PPB were absolute cowboys," said Mr Sciacca. "$1.8 million (of debt) was about 28 per cent of the total value of the business, we had $2.4 million worth of prawns and they all died or got sick and the farm was sold for a pittance.

"How come a business worth $6.5 million could sell for only $1.55 million? That is proof of how much PPB ran the place into the ground.

"My life has been ruined because the banks moved in prematurely and for no reason.

"There are plenty of other people in the same situation, and that's why there needs to be a royal commission.

Source URL (modified on 11 Feb 2017 - 11:43pm): https://mail.reformnow.com.au/node/330