

Statement Submitted by

Victor Diduk

In August, 2018

To The Royal Commission

Into

Misconduct In The Banking, Superannuation And Financial Services Industry

In Respect Of [REDACTED] Superannuation Fund

My Experiences With [REDACTED] Superannuation Fund

This statement sets out my experiences with the [REDACTED] superannuation fund since I joined this fund in October, 2010.

My general experience with [REDACTED] can best be described as extremely unsatisfactory as the fund in my view appears totally disinterested in the welfare of fund members.

My specific concerns are :

My Forced Membership of [REDACTED]

The Offered Total and Permanent Disability (TPD) Cover Charged For But Not Provided

False Rates Of Return Being Shown On The [REDACTED] Website For [REDACTED] Superannuation Earnings

and comments and experiences by other [REDACTED] members as reported on www.productreview.com.au are also identified.

Details of the above issues are set out below and relevant correspondence, etc is attached to this submission.

2.

1. My Forced Membership Of [REDACTED]

I was required by [REDACTED] to join [REDACTED] in October, 2010 when I began working for that firm.

I wanted my [REDACTED] contributions to be paid to my existing superannuation fund but was advised by [REDACTED] that there was a workplace agreement in place with [REDACTED] which required me to join that fund and no other.

My understanding of the superannuation provisions at that time (2010), however, was that employees were able to join a fund of their choice.

I did query the requirement to join [REDACTED] with [REDACTED] management at the time but was unable to get any further explanation.

If I had known just how very poorly [REDACTED] would perform and how superficial was its interest in or its concern for its members I would have pursued the issue.

But unfortunately I did not and I have paid the price for that.

It was also unfortunate that I was unaware at that time of the Product Review website www.productreview.com.au and the comments on that site by [REDACTED] fund members (see 4. below) about its poor performance and high level of charges and its general "don't care" attitude to its members and to achieving good returns on their funds.

My request, therefore, is that the Commission clarify in its report whether employees are able to choose their own fund or whether the provisions of a workplace agreement take precedence and remove any choice.

3.

2. Total and Permanent Disability (TPD) Cover – Charged For But Not Provided

As part of my superannuation membership I was required to also take out TPD cover with [REDACTED] – again I was given no choice.

Payment for this TPD cover was made by [REDACTED] deducting its cost - without any authority from me - from my superannuation account.

But as I have since discovered, however, the TPD cover provided by [REDACTED] is essentially an illusion as the terms and conditions of the TPD cover appear to exclude almost all possible claimants.

In my case, [REDACTED] claims in its letter dated July 20, 2018 (attached) that upon joining I would have been provided with a “Welcome Letter” in 2010 and a member’s PDS that would have provided all the details in relation to the TPD cover.

No such letter nor any details of the TPD cover I was now paying for were provided to me either at my time of joining or subsequently.

My clear impression is that the TPD cover conditions are not being distributed to new members who take the TPD cover and that any changes to the TPD provisions or conditions are also not being advised to members.

If I had received the PDS – and if that PDS made clear that a previous TPD settlement excluded any member from a payment under the [REDACTED] TPD scheme – I would have immediately recognized that I was not covered by the scheme as I had received a TPD settlement in 2000 for a serious work injury.

So whilst [REDACTED] made no effort at all in 2010 or subsequently to ensure that I had received the TPD PDS it has been quite happy to continue deducting the TPD cost from my superannuation over the past 8 years which has significantly reduced my superannuation balance but given me an absolutely nil level of TPD cover.

To date [REDACTED] has made no effort to reimburse me for the contributions made by me since 2010 for this non-existent TPD cover – the silence has been deafening.

The above is not a request for the Commission to review [REDACTED] refusal of my TPD claim.

It is, however, my request that the Commission satisfy itself that [REDACTED] is ensuring that fund members taking up the TPD cover option are in fact eligible for its cover and that any matter that excludes the paying member from its cover is promptly communicated to the member and that deductions for that cover immediately cease.

3. False Claims Of Rates Of Return For [REDACTED] Earnings

The [REDACTED] website sets out the annual results achieved by the fund and up until early July, 2018 it was claiming that the Balanced Fund of which I am a member achieved [REDACTED] for the 2011-2012 financial year.

My annual statement from the fund for that same year, however, showed the results as being just [REDACTED] and the Net Investment Earnings for my account for that year were just \$46.94.

My later annual statements also showed similar alarmingly wide discrepancies between the results claimed on the [REDACTED] website and the actual earnings credited to my account.

In my letter dated October 4, 2017 I asked [REDACTED] to explain why my account for 2011-2012 had not been credited with the [REDACTED] being claimed by [REDACTED]

In a garbled phone conversation with a [REDACTED] staffer later that month I asked for a written response to my letter but nothing was received and my reminder letter dated June 10, 2018 again asked [REDACTED] to provide answers (copies of these letters are attached).

I subsequently received a [REDACTED] written response (an almost incomprehensible letter dated June 22, 2018 and attached) which seeks to blame others (specifically a firm called [REDACTED] for the false rates of return information appearing on the [REDACTED] website.

The letter fails, however, to explain just how it is that the [REDACTED] website has fallen under the control of [REDACTED] or others.

And why [REDACTED] has allowed this to happen when it would or should have been well aware that its website was claiming false rates of return.

Whilst the [REDACTED] website has now (but only after my questions) changed the claimed rate of return for 2011-2012 from the false [REDACTED] to [REDACTED] it must be more than likely that the rates of return being claimed for other years are also false.

My request, therefore, is that the Commission satisfy itself that the rates of return being claimed by [REDACTED] are true and correct.

5.

4. Comments By Other [REDACTED] Members

The www.productreview.com.au website has a category for comments on [REDACTED] and all of the current comments on that website raise serious issues of governance and fund performance by the [REDACTED] management.

Specifically the website reports the comments of current and former [REDACTED] members under the following headings :

Very poor communication and staff

Stole money from me

Worst experience and customer service in AUSTRALIA

Where's my money

Ripped off

Don't do it

Steer Clear of [REDACTED]

Very poor customer service

Exorbitant Fees

Withdrawing super

The Worst Experience Ever !

[REDACTED] took all my funds in insurance fees

Very disappointed in trying to withdraw my super on retirement

Small payout from input

Don't whatever you do ,!!! Dont

Incompetent Fools

Everything you don't want in a super fund

... 6/

6.

which on any test is a quite remarkable collection of adverse comments on the [REDACTED] fund and its performance and treatment of members.

My request, therefore, is that the Commission satisfy itself that the management and governance of [REDACTED] is at a proper and acceptable level and that the best interests of fund members are always the driving force.

* * * * *





