

### Story Overview

Experiences of a 16 year veteran of the Australian banking and financial industry. Essential reading for politicians and citizens who want to see the end of criminal and predatory banking practices.

Bank whistleblower, Pieter Van Der Woude exposes the ruthless, crooked and immoral way bankers are trained to work.

### Story Details **Story Of:** Pieter Van Der Woude - Whistleblower

Involving: CBA, St George, RAMS, Wespac, Yellow Brick Road, Colonial State and individual players (including Andrew Thorburn)

**Bank Malpractice Type:** Predatory Lending

Incompetent Business Practices

Corruption

Powermongering & Greed

Unconscionable Conduct

**Year Trouble Began:** 1998



## **Bad Banking Experience - Full Story:**

### **BRN Has A Gut Full - This Is How The Finance System Rips You Off!**

Lid blown by a 16 year veteran of the banking industry. Essential reading for politicians and citizens who want to see the end of criminal and predatory banking. Pieter Van Der Woude exposes the ruthless, crooked and immoral way bankers are trained to work.

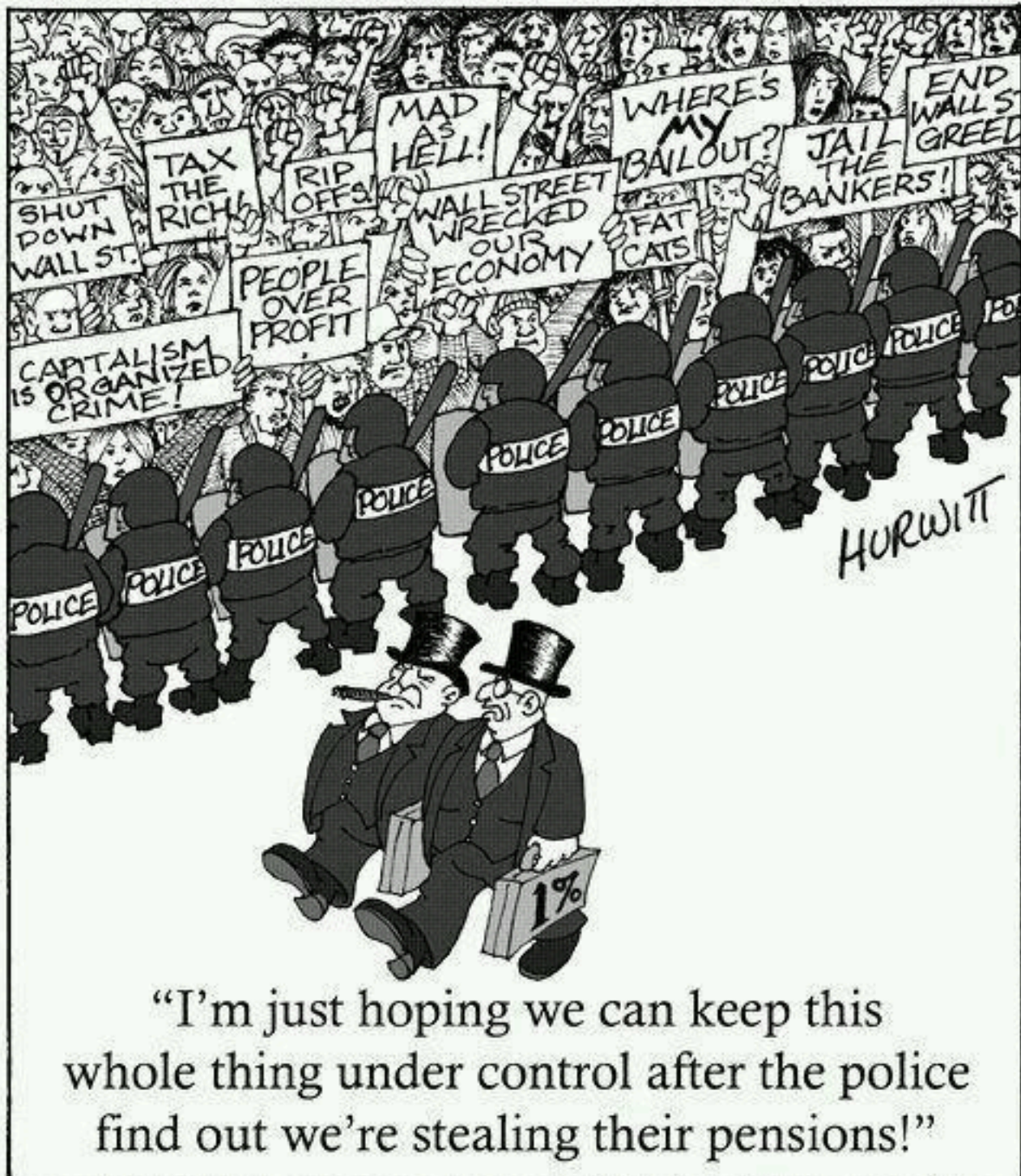
**The game is not to serve the clients but to extract as much of their money as possible ... by hook or by crook.**

CBA, St George, RAMS, Wespac, Yellow Brick Road, Colonial State and a cast of colourful characters including NAB's current CEO Andrew Thorburn in his formative years. It's all here folks.

You'll never walk into a bank or other financial institution the same way again. Our politicians cannot ignore this and the growing calls for a Royal Commission ..... and the genuine reforms we must see implemented.

## Whistleblower Exposes Australia's Finance Sector

### BANKS MUST BE HELD ACCOUNTABLE



I was a senior manager for CBA, St George and a franchisee for Rams (Westpac) and I can unequivocally confirm that the sales culture led to unconscionable sales tactics. Andrew Thorburn is the consummate educated used car salesman who has been brainwashed by Marty Cohen of Cohen Brown, an American Sales coach who both CBA and NAB espouse as God and who paid millions to brainwash their sales staff.

The sales culture pushed upon staff at Westpac, CBA and NAB has contributed to these unfortunate outcomes for customers. I could go on but would be happy to attend a Royal Commission as a witness. The banks must be held accountable and these CEOs and their puppets must pay for their



misleading, deceptive and unconscionable practices.

**1998** - I joined **Colonial State Bank** as a Franchisee, Nth West Sydney, which incorporated the branch network, small business and financial planning. Colonial did not want bank Johnny's (a banking term for career bankers) to run their retail distribution. Colonial had acquired the State Bank of NSW and wanted to effect immediate large scale cultural change and move from a heavily unionised bank service network to a highly incentivised sales force and introduced individual workplace agreements to commence this process.

At least 70% of existing staff were managed over to the new contracts by bullying them or they were managed out (a very commonly used term at the time) and it was in my view the start of creating a toxic sales culture and an introduction of misleading, deceptive and unconscionable practices we have experienced since.

**Feb 2000** - I agreed to become the Franchisee at the Central Coast of NSW (the previous Franchisee had stolen a significant amount of money and had fled back to his native South Africa) please note that Colonial were willing to sweep this under the carpet.

**Mar 2000 - CBA make a takeover bid for Colonial State Bank** which is successful. Settlement would take place in Nov 2000.

During this time I gain firsthand knowledge of a Financial Planner, Narelle Burgess who is deemed to be the best in the nation and she came under my management at Colonial State Bank, Central Coast. Part of my role was to ensure that I clearly understood what was going on in the business and what I experienced was unbelievable.

Narelle Burgess would request branches make at least ten appointments per day with clients deemed suitable (anyone with large sums of cash in their account or super with competitors). **Her strategy then was to meet with every client and persuade them into signing in most cases a blank form authorising her to invest their money into a fund she had already predetermined that the clients money should go (with limited personal information, no fact find and no risk assessment).**

The process adopted by her was a complete shock to me and what was more shocking was that the Regional Manager of Financial Planning at the time and the National Operations Manager, Graham Carney, were turning a blind eye because of her performance.

It was also during this time that the bank required a very proactive sales approach which meant **all staff were now putting severe face to face pressure on customers to take products without any formal sales process.**

Colonial did attempt to address this by introducing a needs based sales process.

**Nov 2000** - I am asked if I would consider moving to another State because CBA had thought that there would be too many Colonial State Bank Franchisees concentrated in NSW and wanted to spread us out and I had agreed to move to Far North Queensland and was looking forward to the challenge and change.

To my amazement I found out afterwards that I was being asked to move because a fellow Franchisee, Avinder Paul had been involved in numerous sexual harassment claims whilst the Franchisee at Chatswood. When I found out I was incredibly angry at the fact that they were choosing to move him rather than tear up his contract. Graham Carney was at the centre of this move and to this day I am annoyed that **the bank had chosen to support an individual committing such terrible offences against his staff.**

I am now **operating under the ownership of CBA which occurred in November 2000 and become aware of their culture and sales processes/systems. CBA have an agreement with Cohen Brown, a US based sales organisation.** At my first meeting with the Queensland state team of CBA, there is an attempt to watch thirteen Cohen Brown training videos (every new staff

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member must undertake this training and this process).

Mike Maloney (a Colonial State Bank Franchisee in Queensland) and I stand up and refuse to watch such utter garbage delivered in this way. We told them that this is not the way to train staff and staff should have face to face training to ensure the messages are clear and the context clear. It was clearly obvious to us what this process of delivering training would do to morale and the client experience or lack of it!

**I was then confronted by John Hoey (who was a long time CBA Area Manager who became State Manager) stating that if I didn't "get on board" with Cohen Brown I should "Fuck Off", I told him I will not be going anywhere yet.**

The Cohen Brown process and its poor delivery created a deeply fragmented understanding of what a good sales culture should be. I was continually arguing with senior management and was deemed a trouble maker for questioning Cohen Brown's & CBA's tactics and strategies. **We were forcing products and services down customer's throats and pressuring customers into purchasing products and services that they didn't necessarily need. It was embarrassing for me to participate in anyway because in my view CBA were totally out of control throughout the entire business - i.e. Retail, Financial Planning and Business.**

The irony was that at this time **Storm Financial was put up as the shining lights of how to do business and we all know where this led to.**

I had decided that I needed to get out of this toxic business environment. So I had approached CBA to move me back to Sydney so I could continue my career and also seek change and **by this time, Gail Kelly had joined St George and Andrew Thorburn** had gone with her. I approached Andrew Thorburn for a Regional Manager or State Manager role with St George because I felt that the St George culture would be more suited to my management style (that of collaboration and team performance, not dog eat dog individuals).

**2002 - I join St George as State Manager, Retail (incorporating Branches, small business and financial planning). We report to Andrew Thorburn until the National Head of Retail is recruited and at this stage I genuinely think that Andrew Thorburn would be great to work for and with (well wasn't I naive).**

Andrew Thorburn appoints one of his mates from New Zealand, Tony Pescott who is also ex CBA (ASB New Zealand) and my first experience was shock and horror. Tony Pescott brings an entire division from ASB (all CBA trained and very aggressive in every aspect of business) who are introduced to us at the Hunter Valley of NSW and it was like meeting an Army Colonel who obviously had been poorly trained. Tony had told us in the meeting verbatim that it was his way or nothing and we should "Fuck off immediately" if we think differently. Tony told us that there was a new sales process provider coming although he immediately **adopted the Cohen Brown process which he had used at ASB/CBA.**

**Enact/ACT was the new sales system and it was clear that it was going to be another disaster. It was purely sales over service and value over volume which actually meant that we would purge low value customers and I found these tactics and strategies to fly in the face of excellent customer experiences.**

St George had been a wonderful culture, one of team work and excellent customer experience and Andrew Thorburn and Tony Pescott were about to change that .... and from day one.

I unfortunately locked horns with Tony Pescott because of his totally autocratic and forceful style and his determination not to let anything whatsoever get in the way. Tony - and his team - work relentlessly on rolling out Enact and the staff are starting to get a taste and feel for what is coming down the pipeline and everyone is getting nervous. **The thought of classifying customers, purging the low value ones and introducing forceful sales tactics is quickly ruining the culture and fabric of St George.**

**July 2004** - I have just about had enough, in a National Meeting held every week by way of telephone conference I make my concerns known to the entire team. The next day Tony Pescott arrives at my office at Felix Street Brisbane to tell me that if I didn't agree with him completely I should "fuck off immediately." He spent approximately 2 minutes in my office and then flew immediately back to Sydney. I then phone Brett Wright who is the GM of Human Resources in Sydney and he advised me that my concerns were becoming a common theme and he flew up to see me to discuss the issues around the management style of Tony and his team.

It was clear that Andrew Thorburn was deflecting concerns regarding his mate Tony and was not acting. I told Brett that I would resign and he requested that I stay because he would ensure that things changed. Brett Wright conducted a cultural survey which confirmed that Andrew and Tony were destroying the culture at St George. I left St George and later found out that the entire division - Tony and his team - were made redundant (I was also advised that I missed out on over \$100,000 of redundancy which didn't really bother me. That is just how these issues are handled by the big banks. Instead of managing people to expectations the bankers pay people to move on. **Andrew Thorburn had provided glowing references to these fools who were then able to carry on in the industry elsewhere.**

**Oct 2004** - I enter into an agreement with RAMS (then the Kinghorn family owned business) and as a franchisee I finally feel that I can run a business as I see fit, employ the right people, engage them in every aspect of the business and provide great client outcomes. Well here we go again, **RAMS is just another big bank only with less business acumen. The National Franchise Managers mantra is verbatim "just put the loan on the books."**

RAMS were the low doc, no doc masters and franchisees throughout the network were selling mainly low doc or no doc loans because it was the path of least resistance. Franchisees and **mortgage sales people were also providing self-certification documentation which had been tampered with (incorrect income statements and no verification whatsoever). They were providing loans to pensioners and people who obviously couldn't afford to take out the loan in the first place. Loan docs were faxed to RAMS credit and credit did not require the originals. Hence the massive fraud taking place.**

**Sept 2008 - The GFC arrives thanks to worldwide wide subprime practices similar to those mentioned above. RAMS are funded by Goldman Sachs** and we were advised that funding will not continue beyond the current facility provided by Goldman Sachs (who were at the centre of the subprime crisis).

**Nov 2008 - RAMS distribution is acquired by Westpac - clearly without due diligence.** The majority of Franchisees threaten to take Rams/Westpac to the ACCC with a list of approximately 70 issues that breached the franchise code. The issues are resolved in time with Westpac offering a compensation package which most franchisees accept.

**2009** - We are now operating under Westpac with little change in culture. A franchisee operating the North Brisbane Area, David Grey, decides to recruit a mortgage manager - Jodie Hillary, who had just been managed out (which means given a payment to go away) from St George for what happened to be **numerous instances of serious fraud by changing customers loan application details pertaining to assets/liabilities, incomes, employment letters etc. The crazy thing is that Jodie Hillary was terminated by a RAMS franchisee for doing exactly that. Then goes to St George (a subsidiary of Westpac) and then comes back to RAMS (Westpac).** When I found out about this I absolutely hit the roof and phoned numerous Franchisees to request support. I then phoned RAMS management, Paul Herbert and Clive Kirkpatrick, who chose not to do anything about it. Here is a known crook who was terminated by St George owned by Westpac who then gets a job with a RAMS (owned by Westpac) franchisee who clearly understands the history of this individual and no-one does anything about it! Jodie Hillary would become one of the stars at RAMS until she is finally caught out again for her fraudulent conduct.

**2010** - I have decided to get out because I can't cope with the ongoing issues within these Banks. I sell my RAMS franchise and take a short much needed break of six months.

**2011** - After consultation with my then partner we decide to move back to Sydney, I needed income and Queensland had limited opportunities for senior managers in the financial services sector. A sales manager job is available at Aussie, I apply and am successful.

After approximately one year I become senior manager of Direct Distribution (non face to face sales) the experience was great and **Aussie is, or was (they were taken over by CBA) a very ethical company** guided by a very strong human resource department.

**2012 - A State Manager role at Yellow Brick Road (a company founded by Mark Bouris who also established Wizard home loans) comes up. The decision to join YBR was my worst by a long way and I was warned by James Symonds (John Symond nephew) from Aussie that this would be the case and he was spot on. The company is very poorly run without infrastructure, no clear direction, no moral compass, limited ethical corporate governance and an internal culture that defied belief.**

In one national teleconference, with approximately twenty people on the line, I was told by Dan Carini who was the national operations manager that because I did not understand my numbers well enough that I should - verbatim "get off the fucking phone, cancel every fucking appointment that day and fucking report to me at 3pm with revised forecasts" - and this would become a common theme. The processes, systems, culture and management at YBR was the worst I had ever seen or experienced in my career. YBR are operating as a licensed operation when it should have been operating as a Franchisor under the franchise code. It has since changed this strategy because **it had become clear even to YBR that they were operating in conflict with the law.**

The recruitment of licensees was the major focus of YBR and carried out in a very loose manner with limited or no scrutiny. One example of this was the recruitment of a Casey Jarrett who was then a branch manager for Westpac and introduced by Suzy Butterworth a current YBR licensee at West End Brisbane.

Casey was a personal friend of Suzy and had already been known to me because Suzy had completed a home loan for him through Suncorp and had falsified the application. When I found out about this I had alerted Brad Seymour, National Manager of Distribution and Marketing for YBR and a close ally of Mark Bouris (Brad had helped establish Wizard and YBR with Bouris) who, although showed initial concern had **advised me to sweep it under the carpet.**

It was by coincidence that during the application process with YBR that a previous colleague of mine at RAMS, Mark Harvey phoned me to ask if I know of a Casey Jarrett. I said, yes and he suggested we meet. Mark had found out about Casey's application to YBR to become a licensee and Mark advised me to carefully scrutinise Casey Jarrett because he is of questionable character and that Casey had **misrepresented loan applications with RAMS and Westpac.** He was also involved in several disputes at Westpac where he **blackmailed customers and coerced them into giving him money.**

Casey Jarrett was also in arrears on his home loan with RAMS by more than 12 months and Westpac and RAMS were doing nothing about this. I also get the impression that Casey had some kind of hold over Mark in regard to Casey's loan application at RAMS. So at this point I request a face to face meeting with Brad Seymour at Paddington in Brisbane to advise him of my knowledge and concern and at the meeting and to my astonishment Brad advises me that this meeting never happened and that I know nothing of Casey Jarrett's character. Brad's desire to please Bouris by **recruiting licensees to report numbers to the board was put before any regard for good corporate governance.**

Casey subsequently becomes a licensee at Nundah (North Brisbane) in partnership with Suzy Butterworth. The relationship quickly sours and Brad Seymour is involved in attempting to resolve the dispute. Suzy was actually bullied out of the partnership by Brad Seymour in his relentless attempt to keep the number of licensees up. I have since found out that Casey Jarrett is involved in numerous issues relating to RAMS, Westpac and YBR. What astounds me is that everyone at every organisation mentioned here knew about Casey Jarrett but **chose to do nothing because everyone puts KPIs and bonuses above all else and it is continuing in exactly that manner**

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to this very day.

On another occasion I was driving my car on the motorway south of Brisbane and I receive a phone call from Brad Seymour advising me to pick up numerous loan files from several licensees, Fabian Restaino - Gold Coast, Mehmet Tavli - Gold Coast, Ian Birtles-Crute - Brisbane and a couple of others and I am not given any context whatsoever. I am told later that day that there **could be serious breaches which could lead to termination and further action**. I was also advised that this had come from mortgage insurers who had raised red flags regarding information provided. Some days later I am advised that Fabian Restaino had obtained a **letter from his accountant brother to substantiate an application for a client which may have been false**.

Mehmet Tavli had a **falsified letter from another accountant regarding a home loan application for another relative which was absolutely false. It stated that his nephew was working in a business that did not exist with an ABN number that did not match in a state that he did not reside**.

Ian Birtles-Crute also had a letter from an accountant on the Sunshine Coast which was questionable. **Very serious matters and I was told that there would be an internal investigation and I honestly thought that the licensees involved would be terminated but that did not happen**.

**YBR made it look like a serious internal investigation and not surprising the licensees were slapped on the wrist and it went away** and I think that is the note that I will complete this on because this is what is happening in too many cases in the financial services industry and **it must be brought to an end and a Royal Commission will be the only vehicle with the power to uncover thousands of similar stories to mine. A properly implemented Royal Commission will have the resources and powers required to permanently change the industry for the better**.

**2014** - I decide that I no longer have a place in the industry and commence a carpentry course of which I completed last month. I will finalise my building/construction course soon which will enable me to become a licensed builder.

*By Pieter Van Der Woude - March 2017*

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#### **Bank Reform Now (BRN) Comment:**

Multiply the types of abuses that Pieter details here by thousands and it becomes clear how and why people are being exploited by the finance industry. Clearly the sector is out of control. There are other whistleblowers who have their own stories to tell. It is a pity that they have to get out of the industry to be able to tell their stories.

We salute Pieter and the other whistleblowers with the knowledge and the guts to expose the racket. There is no excuse to delay a proper investigation. Our country will be far better off if we clean up business ..... and politics.

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