Case Summary
Aussie farmers are among the best in the world. Tough and resilient - up to a point! What do farmers need from their bank? A fair go. Farmers are running a business that needs appropriate funding. The Commonwealth Bank of Australia (CBA) appears not to understand that some seasons are good and some are bad.

A reputable bank will not bleed a farmer dry when seasons and markets are tough. Craig Perry is a 5th Generation Australian farmer from near Wycheproof in Victoria. He would have no trouble servicing his loans if the bank was not so keen and determined to screw him for every buck they can get out of his business and family.

Story Details**Story Of:** Craig Perry
Bank Involved: CBA
Bank Malpractice Type: Corruption
Powermongering & Greed
Unconscionable Conduct

Video - Extend Banking Royal Commission:

Bank Victim Story Craig Perry - Commonwealth Bank of Australia (CBA)

Video of Bank Victim Story Craig Perry - Commonwealth Bank of Australia (CBA)

Overview Of Bank Victim's Case

Bank Story Overview:

Banks Bleeding farmers dry when seasons and markets are tough

Craig Perry (CP), 5th Generation farmer near Wycheproof, Vic – Commonwealth Bank of Australia (CBA)

Case Summary

History

- CBA loan in 2009 and extended in 2010 with a land purchase at 62% Loan to Value Ratio (LVR)
- 2016 Summer 2010/11 was an extremely rare flood. Bank saw this as a way to increase the loan risk. Interest increased 4%

CBA squeezing CP dry

- **Interest rates soon reached a maximum of 10%, and other fees increased. Bank designed a very complicated package. Line fees order 5, 6, $7000, per month was there from the word go. Could not understand them.**
- **Finance approvals delayed, impacting production.**
- **CBA advised us to make the creditors carry farm input costs.**
- 2016 no bank funds to plant a crop, but gained support from creditors for a crop. Amazing

year - managed to paid 3 years worth of creditors.

- **2017 CBA still not giving crop finance.** CP reluctant to create bills with creditors again. The season was quite good, but our crop was half sown very late (due to no bank funds).
- Requested crop finance in Feb 17 for an April start to seeding. Have a letter from bank 31st June (seeding window long gone) offering to consider to loan $500,000 for the crop and charging a $25,000 (5%) fee for doing so. We didn't take them up on this offer.

Mediation

- Nov – Farm debt mediation disaster. **Severe bullying by both CBA and the mediator**
- Have been through a long series of debt advisors / consumer advocates, various government bodies and direct negotiation trying to solve the problem.

Outcome

- **CBA wanted to sell the whole farm with them in charge because we paid unsecured creditors, not CBA.**
- Farm completely closed down for several years. No personal income whatsoever for over 3 years. Living on my parent's household support package. Stress-related health issues. 2018 no crop to speak of. Now income at the earliest will be the end of 2019.
- CBA's still wants us to sell with LVR of 90% at their valuation. On a conservative valuation, it would be at 70%.

Transcript - Video Q&A Interview

Leon Ashby (LA) Asks...:

Banks Bleeding farmers dry when seasons and markets are tough.

Extract From Video - Craig Perry (CP), 5th Generation farmer Victoria – CBA

Interview with Leon Ashby (LA) 14th August 2018 - Extending The Bank Royal Commission, recorded at Parliament House, Canberra ACT Australia.

LA: For the last seven years has CBA been continually making your farm business less profitable with interest rates reaching 15% increasing fees and delaying cropping finance approvals?
CP: Yes

LA: For the last three years has CBA given you any crop finance?
CP: No. CBA has advised us to make all our other unsecured creditors carry our farm input costs.

LA: What is your LVR now?
CP: By current land prices 70% but by the bank's valuation 90%

LA: What was the result of a recent Farm Debt Mediation?
CP: It resulted in severe bullying by both CBA, and the mediator and CBA want to sell the whole farm with them in charge because we paid unsecured creditors, not CBA.

LA: Have you been through a long series of debt advisors/ consumer advocates, various government bodies trying to solve the problem?
CP: Yes and very few are doing a fair job, most appear to be stooges for the banks.

LA: Would selling some land solve the problem?
CP: No because at 70% LVR that is not the problem. Timely crop finance is what is needed.

Other Notes & Commentry

Notes:

Commonwealth Bank of Australia (CBA) Banks Bleeding farmers dry when seasons and markets are tough Craig Perry (CP), 5th Generation farmer near Wycheproof, Vic – CBA

Banks need to change their business model. The current way of doing business has more in common with a Mafia organised crime ring than a reputable business servicing valued customers. Lure victims in. Slug them when their down. Extort protection money and usurious interest rates out of them at every opportunity with no consideration at all about what is ethically and morally right.

No care. No responsibility. No heart.

Is that what we want our children to have to face when they are trying to make a living?

The Royal Commission must be made longer & stronger >> Cast a vote and sign the petition today! >www.bankreform.com.au/petition

More Information:

Bank Victims Horror Stories - Extend RC Series
Sign Petition For Extended Banking Royal Commission

Related Links:

What Can I Do? Banking RC
What's Missing From Banking RC ?

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