



**MEDIA RELEASE: January 31, 2009**

## **Dollarforce investors appeal to ASIC for help**

More than 30 small investors in the failed property development group, Dollarforce, are appealing to the corporate watchdog, ASIC, to freeze \$10 million in assets before they are potentially used by a former director.

Despite ASIC investigating Dollarforce's founder and director, Clestus Weerappah, it has so far refused to take legal action to protect the assets in Weerappah companies that are not in voluntary administration.

Rod Cunich, Senior Slater & Gordon Lawyer says ASIC is letting down the investors by failing to protect the assets.

"If ASIC doesn't move soon there won't be any assets left for investors to try to recover following the collapse which has left investors \$10 million out of pocket," Mr Cunich said.

From around July 2000 to September 2008, Clestus Weerappah, through various corporate entities raised approximately \$30 million from some 300 predominantly Victorian mum and dad investors to fund residential property developments.

Dollarforce Financial Services Pty Limited and its sister company, Alamanda Property Investments No 2 Pty Limited provided investment advice to unsophisticated investors without having the appropriate licences and authorities. The investors were encouraged to use the equity in their homes to fund the investments.

Liquidators were voluntarily appointed to both companies in December 2008 and investors are now faced with the possible loss of both their investments and their homes.

No investor redemptions or interest payments have been made by the Dollarforce Group since July 2008.

"The Dollarforce Group raised money by making false and misleading claims and at times operating without appropriate licences," Mr. Cunich said.

"We are calling on ASIC to urgently take steps so that investors at least have a chance to get some of their money back from these assets. Our clients are concerned that if steps are not taken soon, those assets will be gone."

### **For more information**

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