

ASIC investigation into Mayfair 101

ASIC will update this webpage when important steps take place in relation to this matter. We suggest you visit this page regularly for updates.

Latest news

26 May 2022 - ASIC cancels AFS licence of Quattro Capital Group and bans director

ASIC has cancelled the Australian financial services (AFS) licence of Perth-based Quattro Capital Group Pty Ltd (Quattro) and banned its director, Grant Stewart Gibson, from controlling a financial services entity for eight years.

Quattro was the AFS licensee of a number of authorised representatives, including representatives who were part of the Mayfair 101 Group and issued debentures promoted by Mayfair 101. Mr Gibson is the sole director of Quattro and its responsible manager.

ASIC found Quattro failed to:

- maintain the competence to provide financial services;
- properly supervise its representatives and ensure they were adequately trained or competent to provide the financial services covered by Quattro's licence;
- have adequate human and financial resources and risk management systems;
- comply with financial services laws by not lodging its annual financial statements with ASIC for the 2016-2020 financial years in the required timeframe; and
- ensure that the financial services covered by its licence were provided efficiently, honestly and fairly.

ASIC also found that Mr Gibson was involved in Quattro's contraventions of financial services laws and is not competent to control an entity that carries on a financial services business.

The cancellation of Quattro's AFS licence and the banning of Mr Gibson is part of ASIC's work to ensure that licensees adequately supervise their representatives and comply with their obligations.

Mr Gibson's banning is recorded on [ASIC's banned and disqualified register](#).

Quattro and Mr Gibson have the right to seek a review of ASIC's decision in the Administrative Appeals Tribunal.

Background

Quattro has held AFS licence number 334653 since 17 July 2009.

On 23 March 2021, the Federal Court found that four Mayfair 101 Group entities (that were corporate authorised representatives of Quattro) had engaged in misleading or deceptive conduct and made false or misleading representations when promoting Mayfair's debenture products ([21-055MR](#)). On 22 December 2021, the Federal Court ordered the four Mayfair 101 Group entities to pay penalties of \$30 million for misleading advertising ([21-364MR](#)). The Mayfair 101 Group entities have appealed the orders.

On 19 April 2021, the Federal Court restrained Mr James Mawhinney, an individual representative of Quattro, from advertising and soliciting funds in relation to financial products for 20 years ([21-076MR](#)). Mr Mawhinney has appealed those orders.

ASIC has a [dedicated webpage for Mayfair 101 Group investors](#).

For more information please see ASIC's media release issued on 26 May 2022 ([22-117MR](#)).

22 December 2021 - Mayfair 101 Group to pay \$30 million penalty for misleading advertising

The Federal Court has ordered four companies in the Mayfair 101 Group to pay a combined penalty of \$30 million for misleading advertising.

In March 2021, the Court found Mayfair Wealth Partners Pty Ltd and Online Investments Pty Ltd (trading as Mayfair 101), M101 Nominees Pty Ltd and M101 Holdings Pty Ltd engaged in misleading or deceptive conduct and made false or misleading representations when promoting the M+ and M Core Fixed Income Notes ([21-055MR](#)).

Mayfair 101 Group products were advertised in newspapers, on websites and via Google search advertising, when potential investors searched for terms such as 'bank term deposits' and 'best term deposit'.

ASIC Deputy Chair Sarah Court said 'This penalty makes clear that firms must do the right thing by their investors, irrespective of whether they are wholesale or retail investors. Failing to accurately advertise financial products can result in significant penalties for firms.'

The Court found that the Mayfair companies represented that:

- the Notes were comparable to, and of similar risk profile to, bank term deposits, when they were of significantly higher risk,

- the Notes carried no risk of default, when in fact there was a risk that investors could lose some, or all, of their principal investment,
- the principal investment would be repaid in full on maturity, when this might not occur because Mayfair could extend the time for repayment for an indefinite period, and/or
- the M Core Notes were fully secured products when they were not.

The Court imposed the following penalties:

- Mayfair Wealth Partners: \$10 million
- M101 Holdings: \$8 million
- M101 Nominees (in liquidation): \$8 million
- Online Investments: \$4 million

James Mawhinney is the director of each of the Mayfair companies. In April 2021, the Federal Court restrained Mr Mawhinney from advertising and raising funds through financial products for 20 years ([21-076MR](#)).

In handing down the decision, Justice Anderson found that, ‘the Defendants deliberately mislead investors into investing in the Mayfair Products under the belief that they would be of low risk when in fact the Mayfair Products were highly speculative and carried very substantial risk.’

His Honour also found that Mr Mawhinney had shown no remorse ‘for the loss and harm caused to investors in the Mayfair Products.’

The Court also permanently restrained the companies from using certain words and phrases (such as ‘term deposit’ and ‘certainty’) in any future advertising.

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[Judgment](#)

[Order](#)

Background

The Mayfair 101 Group offered investments in multiple financial products including the M+ and M Core Notes, the IPO Wealth Fund, Australian Property Bonds and IPO Capital. The companies that offered the M Core Notes and the IPO Wealth Fund are in liquidation and redemptions in the remaining products have been suspended since March 2020. Approximately \$211 million is owing to Mayfair 101 Group investors.

On 6 April 2020, the Federal Court made interim orders restraining the promotion of the M+ and M Core Notes ([20-092MR](#)).

On 13 August 2020, the Federal Court granted interim injunctions against Mr Mawhinney and appointed provisional liquidators to M101 Nominees, which issued the M Core Notes ([20-205MR](#)). On 29 January 2021, the Federal Court wound up M101 Nominees on just and equitable grounds, and appointed Said Jahani and Philip Campbell-Wilson as liquidators ([21-012MR](#)).

On 17 September 2020, the Supreme Court of Victoria wound up the entities that operated the IPO Wealth Fund, on the application of the Fund’s trustee. ASIC appeared as a friend of the Court in that matter. Download the [judgment](#).

On 15 November 2021, ASIC commenced proceedings against Mr Mawhinney and related entities for contempt of court ([21-302MR](#)).

ASIC’s investigation into Mr Mawhinney’s conduct is continuing.

ASIC has a [dedicated webpage for Mayfair 101 Group investors](#).

ASIC’s Moneysmart [website](#) has information on investing, including on debentures, secured notes and unsecured notes.

For more information please see [ASIC’s media release issued on 22 December 2021 \(21-364MR\)](#).

17 November 2021 - ASIC files contempt application against James Mawhinney

ASIC has today filed a contempt application in the Federal Court against James Mawhinney, the director of companies in the Mayfair 101 group.

On 19 April 2021 Mr Mawhinney was ordered by the Federal Court to stop raising funds through financial products for 20 years ([21-076MR](#)). ASIC alleges Mr Mawhinney failed to comply with these orders.

ASIC is seeking an order punishing Mr Mawhinney for contempt.

ASIC also issued separate Federal Court proceedings against Mr Mawhinney, Australian-based company Eleuthera Group Pty Ltd and UK-based Eleuthera Group Ltd (together, the Eleuthera Entities).

These proceedings allege Mr Mawhinney and the Eleuthera Entities made false or misleading representations and engaged in misleading or deceptive conduct, or conduct likely to mislead and deceive consumers, by sending emails directly to consumers regarding investment options, terms and rates of return.

ASIC also alleges that Eleuthera Group Pty Ltd carried on a financial services business in Australia without holding an Australian financial services licence when it was required to do so.

ASIC is seeking civil penalties, injunctions preventing Mr Mawhinney and the Eleuthera Entities from promoting or soliciting funds from consumers for purported credit opportunities or similar products, and orders preventing Eleuthera Group Pty Ltd from carrying on a financial services business in Australia.

Previous Mayfair Court action

On 29 January 2021, the Federal Court wound up M101 Nominees Pty Ltd, a company of which Mr Mawhinney was the director, on just and equitable grounds and appointed Said Jahani and Philip Campbell-Wilson as liquidators ([21-012MR](#)).

On 23 March 2021, the Federal Court found companies in the Mayfair 101 Group, of which Mr Mawhinney was also the director, made statements that were false, misleading or deceptive in advertisements for its debenture products ([21-055MR](#)).

Background

ASIC has a [dedicated webpage for Mayfair 101 Group investors](#).

ASIC's [Moneysmart website](#) has information on investing in a variety of financial products, including debentures, secured notes and unsecured notes.

For more information please see [ASIC's media release issued on 16 November 2021 \(21-302MR\)](#).

19 April 2021 - ASIC secures 20-year ban for Mayfair 101 director James Mawhinney from fundraising and promoting investment products

The Federal Court has restrained Mayfair 101 director James Mawhinney from promoting and raising funds through financial products for 20 years following proceedings brought by ASIC on 7 August 2020.

The Mayfair 101 Group offered investments in multiple financial products including M Core Fixed Income Notes (Core Notes), M+ Fixed Income Notes (M+ Notes), the IPO Wealth Fund, Australian Property Bonds and IPO Capital. The companies that offered the Core Notes and the IPO Wealth Fund are in liquidation and redemptions in the remaining products have been suspended since March 2020. Approximately \$211 million is owing to Mayfair 101 Group investors.

Justice Anderson found Mr Mawhinney has been 'involved in multiple contraventions'. Mr Mawhinney's conduct can be characterised as 'serious, incompetent and reckless and displaying a propensity for conduct in disregard of the requirements of financial services laws.'

His Honour was satisfied that there is a high likelihood that Mr Mawhinney, or entities controlled by him, will engage in similar conduct if not prevented by the Court from doing so. His Honour found 'Mr Mawhinney's conduct can accurately be described as reprehensible conduct which demonstrates a complete disregard for financial services laws and, as a consequence, places the public at great risk of financial loss should Mr Mawhinney not be restrained by the form of injunction sought by ASIC.'

Justice Anderson found Mr Mawhinney engaged in conduct that entailed 'inherently problematic, risky and fatally flawed' investment schemes in relation to the IPO Capital, Core Notes, M+ Notes and IPO Wealth Fund products. His Honour also found Mr Mawhinney 'has expressed no contrition or remorse for the very significant loss of investors' funds'.

His Honour also found Mayfair Wealth Partners, which promoted the Australian Property Bonds, took \$100,000 from an investor without issuing the investor with the product or contacting the investor. Justice Anderson noted that 'such conduct is reprehensible. No competent, fair or reasonable financial services provider takes money from an investor without having proper administrative procedures in place to ensure the relevant product is issued to the relevant investor.'

The Court restrained Mr Mawhinney (himself, or through any company of which he is an officer or shareholder) from advertising investments and seeking or accepting funds from the public in connection with any financial product, for 20 years. The injunctions will prevent Mr Mawhinney from advertising and raising further funds through both the existing Mayfair 101 products as well as any new financial products in future.

The Court also restrained Mr Mawhinney from removing from Australia any assets acquired with funds received from the public for investments in financial products for 20 years, without a court order.

This follows the 23 March 2021 decision of the Federal Court that found that companies in the Mayfair 101 Group made statements that were false, misleading or deceptive in advertisements for its debenture products ([21-055MR](#)). A penalty hearing for that proceeding has been listed for 20 July 2021.

ASIC Deputy Chair Karen Chester said 'ASIC has succeeded in its cases against both Mayfair 101 and Mr Mawhinney, after a successful outcome in the Federal Court in March this year on misleading and deceptive advertising.

'These are large investor losses, approximately \$211 million, on the back of multiple product failures across the Mayfair 101 Group. This action is one of several under ASIC's 'True to Label' project targeting investment managers and issuers of other financial products who have lured unsophisticated

investors into high risk products via misleading marketing.

'This case demonstrates that ASIC's true to label expectations are enforceable. It also demonstrates ASIC is both willing and able to take action not only against the companies involved but also their senior executives. Justice Anderson's decision makes clear why ASIC brought this action and that the business models for these products were flawed from the outset. The responsibility for the losses and the egregious harm to investors is, as the judgment makes clear, all down to the contumelious actions of Mr Mawhinney.'

'In Justice Anderson's decision, we hear loud and clear the voices of eight Australian investors who've lost hundreds of thousands of hard-earned savings. The average age of those eight voices is a retirement age of 67 years, beginning with the voice of one young 29-year-old investor through to the voice of an 84-year-old gentleman. Banning Mr Mawhinney from offering financial products for two decades matters for the many other investors that Mr Mawhinney may otherwise have lured into these risky investment products.'

Mr Mawhinney was ordered to pay ASIC's costs of the application for the injunction.

ASIC's investigation into Mr Mawhinney's conduct is continuing.

Download

› Judgment

For more information please see [ASIC's media release issued on 19 April 2021 \(21-076MR\)](#).

23 March 2021 - ASIC succeeds in Court action against Mayfair 101 for misleading and deceptive advertising

The Federal Court has found companies in the Mayfair 101 Group made statements that were false, misleading or deceptive in advertisements for its debenture products, following proceedings brought by ASIC in April 2020.

The Court found Mayfair Wealth Partners Pty Ltd and Online Investments Pty Ltd trading as Mayfair 101, M101 Nominees Pty Ltd and M101 Holdings Pty Ltd, engaged in misleading or deceptive conduct, and made false or misleading representations, by representing that:

- Mayfair's debenture products were comparable to, and of similar risk profile to, bank term deposits, when Mayfair's debenture products exposed investors to significantly higher risk than bank term deposits (Bank Term Deposit Representation);
- the principal investment would be repaid in full on maturity, when investors might not receive capital repayments on maturity, or at all, as Mayfair could elect to extend the time for repayment for an indefinite period of time; and
- Mayfair's debenture products were specifically designed for investors seeking certainty and confidence in their investments and therefore carried no risk of default, when there was a risk that investors could lose some, or all, of their principal investment.

The Court also found Mayfair 101 and M101 Nominees engaged in misleading or deceptive conduct and made false or misleading representations by representing that the M Core Fixed Income Notes were fully secured financial products, when funds invested were:

- lent to a related party and not secured by first-ranking, unencumbered asset security or on a dollar-for-dollar basis or at all;
- used to pay deposits on properties prior to any security interest being registered; and
- used to purchase assets that were not secured by first-ranking, unencumbered asset security.

In his judgment, Justice Anderson found that the Bank Term Deposit Representation 'was misleading or deceptive and created a false and misleading impression that the Mayfair Products were comparable to, and of similar risk profile to, bank term deposits... In light of the evidence relied on by ASIC, the Mayfair Products are not comparable to, or a proper alternative to, bank term deposits.'

Justice Anderson noted, in relation to the use of sponsored link internet advertising, that 'it is tolerably clear that the Defendants' marketing strategy was addressed to persons searching for a term deposit in order to divert them to the Defendants' websites.'

Justice Anderson also stated 'I am satisfied that the Mayfair Products have been, in fact, designed by the Defendants to produce a result which is uncertain for investors and could not on any reasonable view be described as an investment with no risk of default.'

Justice Anderson found that 'Mr Mawhinney was the directing mind and will, and the ultimate beneficiary, of each of the Defendants'.

ASIC Deputy Chair Karen Chester said 'ASIC's success in Court today demonstrates firms need to do the right thing by their investors, even when they are wholesale investors. They need to make sure they accurately describe their products when advertising. The Court has shown that Mayfair 101 engaged in misleading and deceptive conduct by claiming its products were comparable to bank term deposits, when they were not.'

'Our 'True to Label' project that we commenced in late 2019 identified 30 funds with over \$10 billion across these funds, that are misleading investors through online advertising, especially when investors are seeking yield in a low interest rate economy. The online advertising is misleading by claiming to offer products that involve less risk, when in reality, investors could lose some or all of their investments. Advertisements also claimed investors could get their invested money out when they wanted but that was not the case. This case is a warning that ASIC will not only take action where investments are marketed as safer, lower risk, or more liquid when they are not, but when search engines are used in a misleading or deceptive way to entice investors to products they are not searching for.'

ASIC is seeking pecuniary penalties, injunctions and corrective advertising. A penalty hearing is yet to be listed by the Court.

Download

➤ [Judgment \(PDF 25 MB\)](#)

For more information please see [ASIC's media release issued on 23 March 2021 \(21-055MR\)](#).

31 January 2021 – ASIC succeeds in winding-up Mayfair 101 debenture issuer

Following an application by ASIC, the Federal Court has ordered the winding up of M101 Nominees Pty Ltd, which issued secured debentures promoted by Mayfair 101 known as M Core Fixed Income Notes.

This is the first final outcome arising from ASIC's court actions issued against Mayfair 101 Group companies and their director James Mawhinney. In this action, ASIC sought to protect the assets of M101 Nominees and the interests of M Core noteholders in circumstances where:

- the product issuer had informed current investors of a liquidity event;
- there appeared to be insufficient funds to repay investors; and
- external administrators appointed to other products issued by the Mayfair 101 Group had raised concerns about how the investments had been dealt with to the detriment of investors.

On 29 January 2021, the Court ordered that M101 Nominees be wound up on just and equitable grounds, and appointed Said Jahani and Philip Campbell-Wilson of Grant Thornton as liquidators, after having previously appointed them as provisional liquidators in order to preserve the assets of the company pending the determination of ASIC's winding up application ([20-205MR](#)).

M101 Nominees raised approximately \$67 million from investors during 2019 and 2020 based on representations that funds invested would be fully secured, when they were not. M101 Nominees stopped repaying funds to investors in March 2020 and froze interest payments to investors from June 2020.

On 24 September 2020, the provisional liquidators concluded that:

- M101 Nominees had been insolvent since it began in October 2019;
- the business model of M101 Nominees was unsustainable because it was raising funds from M Core noteholders on a short-term basis (predominantly 6-12 months) and on-lending to a related entity, Eleuthera Group Pty Ltd, for a term of 10 years. On this basis, M101 Nominees would not have adequate funds to repay noteholders as their investments fell due;
- distributions and redemptions paid to M Core noteholders were funded from money raised from other M Core noteholders, or to a lesser extent, from investors in unsecured debentures promoted by Mayfair 101 known as M+ Fixed Income Notes;
- the security provided to the Security Trustee on behalf of the M Core noteholders holds little value as it specifically excluded real estate assets, which were the only tangible assets held by the Mayfair 101 Group entities and trusts giving the security; and
- the realisable value of M101 Nominees' assets is negligible and insufficient to repay M Core noteholders' investments.

The defendants consented to the orders made by the Court. The Court will publish reasons for its decision at a later date.

The Mayfair 101 Group owes approximately \$211 million to those who invested in its various products, including the M Core Fixed Income Notes, M+ Fixed Income Notes, the IPO Wealth Fund, IPO Capital and Australian Property Bonds.

ASIC Acting Chair, Karen Chester stated, 'ASIC moved decisively early last year, directly and then ultimately through the courts, to restrain Mayfair from promoting these allegedly misleading products and to protect not only potential new investors but also the interests of existing investors. This action is one of several we have underway (under our project True to Label) targeting fund managers not doing the right thing by investors. Especially those fund managers preying on unsophisticated investors, such as older Australians and retirees in regional Australia.'

ASIC is also seeking orders that Mr Mawhinney, be permanently restrained from certain activities, including advertising any financial product and soliciting funds in connection with any financial product ([20-205MR](#)). That matter will be heard by the Court on 15 February 2021.

Download

- [Court order](#)
- Provisional liquidators' [report](#) dated 24 September 2020
- [Reasons for judgment](#)

For more information please see [ASIC's media release issued on 31 January 2021 \(21-012MR\)](#).

2 September 2020 - ASIC obtains interim injunctions against James Mawhinney and appointment of provisional liquidators to Mayfair debenture issuer

ASIC has obtained interim orders in the Federal Court of Australia against companies in the Mayfair 101 group and their director, James Peter Mawhinney, including the appointment of provisional liquidators to M101 Nominees Pty Ltd, the issuer of the M Core Fixed Income Notes promoted

by Mayfair 101.

On 13 August 2020, the Court appointed Said Jahani and Philip Campbell-Wilson of Grant Thornton as provisional liquidators of M101 Nominees, pending an application by ASIC to wind up M101 Nominees on just and equitable grounds. ASIC alleges that M101 Nominees has been involved in breaches of the corporations legislation, and there is a justifiable lack of confidence in the conduct and management of its affairs that gives rise to a risk to the public that warrants protection.

In particular, ASIC alleges that M101 Nominees raised approximately \$67 million from investors through debentures called the M Core Fixed Income Notes, based on representations that there would be security for the full amount invested. ASIC further alleges that those funds were not fully secured, and consequently, M Core Fixed Income Note investors may be unable to recover the full amount of their principal investment.

The provisional liquidators will provide a report to the Court by 24 September 2020 about the provisional liquidation of M101 Nominees, including identifying its assets and their value, and providing an opinion as to solvency and the likely return to creditors if the company is wound up.

On 13 August 2020, the Court made additional interim orders restraining Mr Mawhinney, and any company of which he is an officer or shareholder, from:

- Receiving or soliciting funds in connection with any financial product;
- Advertising or promoting any financial product; and
- Removing from Australia any assets acquired with funds received in connection with any financial product.

These orders apply to all products currently offered by Mayfair 101, including the M Core Fixed Income Notes, the M+ Fixed Income Notes and Australian Property Bonds, as well as any other financial product.

The Court also restrained Mr Mawhinney from leaving Australia until further order.

The Court made interim orders restraining Sunseeker Holdings Pty Ltd, of which Mr Mawhinney is a director, from dealing with the units in 14 trusts which hold property at Mission Beach and Dunk Island in Queensland. The units in those trusts are part of the security held on behalf of investors in the M Core Fixed Income Notes.

At a hearing on 2 September 2020, the matter was adjourned for a further case management hearing on a date to be fixed.

ASIC's investigation is ongoing.

Download

- [Originating Process](#)
- [Interim Orders Judgment](#)

For more information please see [ASIC's media release issued on 2 September 2020 \(20-205MR\)](#).

17 April 2020 – Federal court restrains Mayfair 101 and Mayfair Platinum from promoting debenture products and using prohibited phrases in advertising

On 16 April 2020, the Federal Court made interim orders restraining Mayfair Wealth Partners Pty Ltd (Mayfair Platinum) and Online Investments Pty Ltd (Mayfair 101) from promoting their debenture products and prohibiting the use of specific words and phrases in their advertising.

Mayfair Platinum and Mayfair 101 promote M+ Fixed Income Notes and M Core Fixed Income Notes, their debenture products available to wholesale investors (Mayfair debenture products). Payment of redemptions of capital to investors in the Mayfair debenture products was suspended on 11 March 2020 due to liquidity issues.

On 16 April 2020, Justice Anderson of the Federal Court restrained Mayfair Platinum and Mayfair 101, until further order, from:

- All advertising, promotion and marketing of the Mayfair debenture products; and
- Using the below prohibited phrases in any advertising, promotion or marketing of any products, including on their websites and through sponsored link advertising, including, via Google AdWords and Bing Ads:
 - “term deposit”;
 - “bank deposit”;
 - “capital growth”;
 - “certainty”;
 - “fixed term”; and
 - “term investment”.

The Court also ordered that Mayfair Platinum and Mayfair 101 must post the following notice on their websites, and give a copy of the following notice to each prospective new investor in the Mayfair debenture products:

“The Mayfair 101 Group of companies reminds investors prior to investing in the products offered by the Mayfair 101 Group that:

1. *Mayfair 101 is not a bank, and nor are any of the companies in the Mayfair 101 Group. Therefore, the Mayfair 101 Group is not regulated by the Australian Prudential Regulation Authority (APRA) and investment in its products is not covered by the Australian Government's Financial Claims Scheme (colloquially known as the 'Government Bank Guarantee' which covers deposits up to A\$250,000 per depositor, per bank).*
2. *As with all investment products, there are risks in investing in the Mayfair 101 Group's products.*
3. *Investing in the products offered by the Mayfair 101 Group is not the same as depositing money in a term deposit offered by a bank. Investing in Mayfair 101 Group products has a higher level of risk compared to investing in a bank term deposit.*
4. *In certain circumstances, the Mayfair 101 Group can exercise the right to suspend some or all redemptions at the end of the fixed term. The Mayfair 101 Group exercised this right on 11 March 2020. As such, all redemptions are currently suspended until such time as management agrees to lift the suspension and process redemptions. Your investment in the products offered by the Mayfair 101 Group may also be subject to suspension of some or all redemptions at the end of the fixed term. This is a risk that you should take into account."*

For more information:

- [Read ASIC's media release published 17 April 2020 \(20-092MR\)](#)
- [Download the Court's judgment](#)

6 April 2020 – ASIC commences proceedings against Mayfair 101 and Mayfair Platinum for misleading or deceptive advertising

On 3 April 2020, ASIC commenced proceedings in the Federal Court of Australia against companies in the Mayfair 101 group, alleging that its advertisements, promoted on Mayfair's websites and in online media, are misleading or deceptive.

Mayfair Wealth Partners Pty Ltd, trading as Mayfair Platinum, and Online Investments Pty Ltd, trading as Mayfair 101, promote two debenture products to wholesale investors (Mayfair debenture products):

- M+ Fixed Income Notes, which are unsecured promissory notes issued by M101 Holdings Pty Ltd; and
- M Core Fixed Income Notes, which are secured promissory notes issued by M101 Nominees Pty Ltd.

ASIC alleges that Mayfair Platinum and Mayfair 101 made statements that were false, misleading or deceptive by representing that:

- Mayfair debenture products are comparable to bank terms deposits, and have a similar risk profile to bank term deposits, when they are debentures with a significantly higher risk profile;
- the principal investment will be repaid in full on maturity, when investors may not receive capital repayments on maturity or at all, and because Mayfair could elect to extend the time for repayment for an indefinite period;
- Mayfair debenture products were specifically designed for people seeking "certainty and confidence in their investments", when investors may not receive interest and/or capital repayments, and could lose some, or all, of their investment; and
- Mayfair debenture products provide capital growth opportunities, when they do not.

ASIC is seeking injunctions to restrain the publication of statements of this kind, and pecuniary penalties in relation to the alleged false or misleading representations.

On 11 March 2020, Mayfair Platinum suspended payment of capital redemptions to investors in the Mayfair debenture products due to liquidity issues. In light of this, ASIC is also seeking an interim injunction to restrain the defendants from promoting and issuing the Mayfair products while redemptions to existing investors remain suspended. ASIC's application for an injunction will be heard by the Federal Court on 14 April 2020 at 9.30am.

For more information please see [ASIC's media release issued on 6 April 2020 \(20-080MR\)](#).

Download ASIC's [Amended Concise Statement](#) and [Amended Originating Process](#) filed with the Court. ASIC does not press the claim against the defendants in relation to the Capital Growth Representations, as referred to in paragraphs 4 and 7(d) of the Amended Originating Process.

Information for Mayfair 101 Group investors

1. What should I do if I have invested in the M Core Fixed Income Notes?

- On 29 January 2021, the Federal Court ordered that M101 Nominees Pty Ltd be wound up on just and equitable grounds, and appointed Said Jahani and Philip Campbell-Wilson of Grant Thornton as liquidators ([21-012MR](#)). M101 Nominees issued the M Core Fixed Income Notes.
- Mr Jahani and Mr Campbell-Wilson had previously been appointed by the Court as provisional liquidators of M101 Nominees in August 2020 to preserve the company's assets until ASIC's winding up application was determined ([20-205MR](#)).
- On 24 September 2020, the provisional liquidators provided their report to the Court about the provisional liquidation of M101 Nominees. A [copy of the report](#) can be downloaded from Grant Thornton's website.
- The liquidators will publish [updates about the liquidation](#) on Grant Thornton's website.
- M Core Fixed Income Note investors can direct any queries to the liquidators by email to M101@au.gt.com

2. What should I do if I have invested in the M+ Fixed Income Notes?

- You should consider whether the investment continues to be suitable for your circumstances. You may wish to seek independent financial advice.
- Investors are advised to be wary of investments that claim they are an alternative to a bank 'term deposit'. If an investment provides higher returns than a term deposit, it is likely to be higher risk.
- If you wish to redeem your investment:
 - Contact the product issuer, Mayfair 101.
 - You should ensure you fully understand how to end the investment and the deadline for giving any notice to do so.
 - From March 2020, Mayfair 101 has suspended redemptions of the M+ Fixed Income Notes for investors whose investments have matured. It is up to Mayfair 101 to decide when it will resume paying redemptions.
 - Investors can still make a request to Mayfair 101 to exit their investment despite redemptions having been suspended.

3. What should I do if I have invested in the IPO Wealth Fund?

- The IPO Wealth Fund was an unregistered managed investment scheme promoted by Mayfair 101.
- Money invested into the IPO Wealth Fund was loaned to IPO Wealth Holdings Pty Ltd, then on-loaned to various special purpose vehicles (SPVs) which invested in different products and entities.
- On 22 May 2020, Hamish MacKinnon and Nicholas Giasoumi of Dye & Co were appointed as receivers and managers of the business and assets of IPO Wealth Holdings Pty Ltd and the SPVs on the application of Vasco Trustees Ltd, the trustee of the IPO Wealth Fund.
- On 29 May 2020, Vasco and the receivers applied to wind up IPO Wealth Holdings Pty Ltd and the SPVs, and to appoint the receivers as provisional liquidators.
- On 2 July 2020, the Supreme Court of Victoria appointed Hamish MacKinnon and Nicholas Giasoumi of Dye & Co as provisional liquidators of IPO Wealth Holdings Pty Ltd and the SPVs.
- On 27 August 2020, the provisional liquidators provided a report to the Court about the provisional liquidation of the companies, including identifying the assets and liabilities of the companies, and providing an opinion as to solvency and the likely return to creditors if the companies are wound up.
- On 17 September 2020, the Supreme Court of Victoria ordered that IPO Wealth Holdings Pty Ltd and the SPVs be wound up in insolvency and on just and equitable grounds, and appointed Hamish MacKinnon and Nicholas Giasoumi of Dye & Co as liquidators.

4. What should I do if I have invested in Australian Property Bonds?

- You should consider whether the investment continues to be suitable for your circumstances. You may wish to seek independent financial advice.
- If you wish to redeem your investment:
 - Contact the product issuer, Australian Income Solutions Pty Ltd trading as Australian Property Bonds.
 - You should ensure you fully understand how to end the investment and the deadline for giving any notice to do so.

5. Can I complain to the Australian Financial Complaints Authority (AFCA)?

If you invested in the IPO Wealth Fund – yes. The licensee of the IPO Wealth Fund, DH Flinders Pty Ltd, is a member of AFCA, therefore AFCA has the power to hear complaints about that product. AFCA can be contacted on 1800 931 678. The service is free to access.

If you invested in the M+ Fixed Income Notes, M Core Fixed Income Notes or Australian Property Bonds – no. The licensee of those products, Quattro Capital Group Pty Ltd, ceased being a member of AFCA on 4 March 2021, therefore AFCA no longer has the power to hear complaints about those products.

For more information, please refer to [ASIC Information Sheet 174 Disputes with Financial Firms](#).

Reporting information to ASIC

Consumers that have concerns about their dealings with the Mayfair 101 group can [lodge a report of misconduct with ASIC](#).