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# MEDIA RELEASE

## NULIS begins independent Assurance Review

NAB's superannuation trustee, NULIS, has commissioned an independent Assurance Review into its superannuation business.

This follows an agreement with the corporate regulator, the Australian Securities and Investments Commission (ASIC), that the Review will be the subject of additional conditions on the Trustee's licence.

NAB has worked cooperatively with ASIC throughout this process, with a combined focus on doing the right thing by our customers.

Acting Executive General Manager, Wealth Products, Garry Mulcahy said: "We support the Assurance Review as it will give our customers further confidence in the systems and processes supporting our superannuation business, following a period of significant transformation.

"Over the past five years, we've made substantial changes to upgrade and simplify our superannuation business to better serve our customers' needs.

"We've merged five of our super funds to create Australia's largest retail super fund, the MLC Super Fund, with \$70 billion funds under management, and we've also implemented significant regulatory change, including Future of Financial Advice (FoFA) reforms and Stronger Super.

"We have improved our structure that will allow us to continue to innovate. The Review will provide independent assurance that our fund governance is delivering for our customers," Mr Mulcahy said.

External consultants, KPMG, will conduct the Review with the first report to be provided to ASIC and the Trustee by July 2017.

We have also updated the details of the remediation program for corporate superannuation customers in relation to Plan Service Fees, previously announced on the [27 October 2016](#). NAB confirms a total of \$34.7 million will be paid to approximately 220,000 customer accounts, with the average compensation amount per customer account expected to be approximately \$150.

In addition, we have identified ten customers in the MasterKey Business Super and Masterkey Personal Super products that were impacted when we upgraded their life insurance benefits in 2013. While approximately 400,000 customers were provided access to improved life insurance through this 2013

For more than 150 years, we've been helping our customers with their money. Today, we have more than 35,000 people serving 10 million customers at more than 800 locations in Australia, New Zealand and around the world. As Australia's largest business bank, we work with small, medium and large businesses to help them start, run and grow. We fund some of the most important infrastructure in our communities – including schools, hospitals and roads. And we do it in a way that's responsible, inclusive and innovative.

change, 10 customers had claims incorrectly declined and we've paid \$1.8 million in additional insurance benefits to these customers.

Mr Mulcahy said that our focus has been to do the right thing by our customers.

"Our intention with the proactive restructuring of our corporate super products and the upgrade of insurance products was to do the right thing by our customers, and we did provide equivalent or better outcomes for customers. However, we didn't execute the change well and we're sorry to those customers affected," Mr Mulcahy said.

### **About the Assurance Review program**

The Assurance Review program is an in depth review into the superannuation business. The Review is intended to provide assurance on the continued fairness and efficiency of key aspects of the superannuation business.

The scope of the Assurance Review will include:

- risk management procedures;
- process for implementing product changes, disclosure and reporting to members, and
- procedures for managing conflicts of interest within NAB's superannuation business, including the assessment of related party service providers.

For further information:

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