

**House of Representatives Standing Committee on Economics  
Review of the Four Major Banks (Second Report)  
National Australia Bank (NAB)**

**NAB05QON:** Hansard, p19

**Ms BANKS:** Generally then, in relation to that saga—the \$36 ½ million payout for the wrong advice in relation to superannuation and—

**Mr Thorburn:** They have left the company.

**Ms BANKS:** At your request or was it their desire?

**Mr Thorburn:** I do not know the specific—

**Ms BANKS:** Did they leave the company, given the consequences of this matter; or did they leave the company because they wanted to leave for a better job—somewhere else?

**Mr Thorburn:** As I said earlier, we do go through a thorough process here and we do need to be fair to the individuals. Sometimes they resign before the dismissal—

**Ms BANKS:** I understand that, Mr Thorburn.

**Mr Thorburn:** occurs and the investigation is complete.

**Ms BANKS:** I am here for the bank customer. I am representing the bank customer here, and I want to know what the consequences were as a result of your employees causing National Australian Bank customers, who you took through a fair process—hundreds of thousands of customers—and who endured anxiety as a result of that.

**Mr Thorburn:** I will have to take the specific question on notice about the individuals and your question about: did they resign or were they dismissed?

**Answer**

In relation to Plan Service Fee (PSF), where NAB tried to do the right thing by our customers but did not execute a product change well, three executives were found to be directly responsible for implementing changes relating to PSF. NAB's investigation of this matter found that while the changes were not executed well, there was no intent or poor behaviours where people set out to do the wrong thing by these customers. All three executives left NAB prior to the PSF error being identified. A refund of the fees is expected to be paid by June 2017. As part of ASIC's announcement on 2 February, KPMG will conduct an Assurance Review over the process, with the first report to be provided by July 2017. More information about this issue is available in Annexure B (NAB Responds to ASIC Wealth Industry Report, 27 October) and Annexure C (NULIS begins independent Assurance Review). Additional information has also been provided in response to NAB12QW.