

1.5 QON: Hansard, p9

Mr THISTLETHWAITE: You have mentioned trust quite a bit this morning as the foundation of banking. Even if there were not financial losses for some of these clients, wouldn't it be prudent to simply inform them that one of the planners who works for your organisation that they have been dealing with has been banned by ASIC for breaching laws, breaching codes of conduct and, I imagine, breaching your internal procedures, to let them know about that? I find it quite amazing that some of those clients may not have been contacted by your organisation.

Mr Thorburn: Could I take on notice, Mr Thistlethwaite, the specific piece, because we may need to do certain things once they are banned? I do not know the specific answer to that, but I do want to assure you that we take this absolutely seriously. I think we have significantly improved our governance and controls and the consequences for people and we have written to all, in the case of two, and in a very disciplined and targeted way for the other two.

Mr THISTLETHWAITE: Perhaps you could take that on notice. That would be one of the issues.

*ANSWER: It is important to contact clients who have been affected or, if this group is not clear, may have been affected in order to determine whether they have been impacted financially. However NAB does not wish to create unnecessary alarm where there is no reason to believe that clients have been affected. Generally NAB has only written to clients who have or may have been affected.*

*In terms of ASIC banning individual planners, this typically occurs some time after NAB has carried out its own internal investigation. ASIC will conduct its own investigation, with which NAB assists as requested. At the time the banning order is made, NAB will already have taken steps to identify clients likely to be affected, and to contact them where appropriate. NAB has implemented a process to notify ASIC in writing of any planner departures in circumstances where we have compliance concerns about the planner (all other planner departures are advised to ASIC through the Financial Adviser Register).*