

NAB BUSINESS BANKING ELIMINATES A RANGE OF FEES FOR SMALL BUSINESS CUSTOMERS

FACT SHEET - JANUARY 2010

- From 1 February 2010, NAB will abolish a number of fees within Business Banking, with particular benefit for small business customers including:
 - Fees for cheques that are dishonoured
 - Fees for electronic payments that are dishonoured
 - Fees for deferring periodic payments - when there are insufficient funds in a customer's account to meet a recurring payment schedule
 - Cash handling fees for deposits or withdrawals made over the counter
- We will also introduce a \$1,000 buffer for Overdrawn (Reference) Fees from 1 May 2010, providing relief for small business customers in particular.
- The buffer will eliminate 65% of all overdrawn fees currently charged to NAB's small business customers.
- More than 500,000 business account holders will benefit from these fee changes.
- These fees generate the most customer complaints in Business Banking.

Group Executive NAB Business Banking Joseph Healy said: "Australian small businesses have been through a challenging time and, in addition to continuing to lend¹, we also want to continue to improve our service offer and ensure our fees are fair."

"We hope the changes we are announcing today will remove the fees that annoy our small business customers the most.

"The reference fee buffer recognises that minor mismatches can occasionally occur when running a business, resulting in an overdrawn account. The buffer will ensure that customers will no longer be penalised when this occurs.

"This will be of particular benefit for small business customers, who often overdraw by only a small amount. In fact, two thirds of NAB's small business customers who have previously paid this fee will no longer be charged.

"We will continue to look for ways to provide value for our business customers from both a fee and service perspective."

SUMMARY OF FEES TO BE ABOLISHED

Fee/Charge	How it is applied	From	To	Effective
Inward Dishonour Fee	Charged for dishonoured cheques received	\$13	\$0	1 Feb 2010
Outward Dishonour Fee	Charged when there are insufficient funds to cover cheques presented or electronic payments drawn on an account	\$60	\$0	1 Feb 2010
Periodical Payment Deferral Fee	Charged when there are insufficient funds to meet a recurring scheduled payment	\$50	\$0	1 Feb 2010
Cash Handling Fee	Charged for cash amounts greater than \$5,000 that are withdrawn or deposited over the counter in one day.	0.25% of total	0.00%	1 Feb 2010

¹ NAB Business Banking lent more than \$35 billion to Australian SME's during 2009, growing its overall SME lending book by \$5bn to in excess of \$100bn.

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