

National Australia Bank's (NAB) Duplicity and Deceit Exposed

by Adele Ferguson via gayle - SMH Friday, Aug 10 2018, 12:12am

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Our sister [sites](#) have dealt in detail with NAB's alleged dishonesty and appalling delaying tactics regarding their provable systemic failures and the bank's inability to satisfy citizen complainants, who deserve much better. However, the Royal Commission into the Banks has uncovered a far worse culture that should see the bank nationalised or at the very least gutted of its present senior employees and perhaps closed down. It has been revealed that the bank's sordid actions and borderline criminal internal policies are intentional and characteristic of the bank from the BOARD down to executive levels.



Trust NAB? Sure Can't!

Is this company really just a pathological liar? That's the question when it comes to National Australia Bank.

To the public and the regulator the bank tries to paint itself as making the odd mistake and when it does it fixes it, apologises and compensates.

That it has a strong organisational culture focussed on its members and doing the right thing. "We have heavily invested in this culture over recent years," it wrote in a letter to the Australian Securities and Investments Commission.

But other letters and documents reveal a culture built around conflicts that favour NAB over customers, that breaches the law, blatantly rips off customers and drags its heels when it comes to remediation.

On day 43 of the royal commission, NAB was found to have stolen money from dead people by charging them fees from the grave, charging hundreds of thousands of living members' fees for no service and committing possible criminal breaches of the law. It had a list of 110 breach reports that were filed with ASIC in excess of the 10 business-day requirement specified in the Corporations Act.

And that's just in relation to the fees for no services scandal.

To make things worse, it tried to keep this secret by withholding evidence, sending in thousands of documents possibly designed to swamp the commission and when that didn't work it pleaded for legal and professional privilege and non-publication of some dynamite documents.

Thankfully it didn't work.

It is hardly the act of a company that makes few mistakes and has a strong culture. Nevertheless the poor PR NAB has been getting over the past couple of days prompted NAB chief executive Andrew Thorburn to tweet: "I know we get it right the vast majority of the time, but it's clear in these cases, and in others, that we failed you."

The reality is the banks have been living an alternative [criminal] reality for years. What's worse if they have been allowed to do it with little or no punishment.

It has gone on for so long that it has become entrenched and some of them don't know how bad it has got.

In November 2017 ASIC wrote that NAB's approach to remediating customers for fees for no service was out of step with some of its peers.

Nicole Smith, the recently departed chairman of NAB's superannuation trustee, NULIS seemed genuinely oblivious to the conflicts she had presided over when grilled at the royal commission.

Even after she had it spelt out to her the best she could do was to concede there was a conflict but that she was not "hopelessly" conflicted. That in itself speaks volumes about the culture.

Smith's testimony laid bare the role of trustees. It showed it as little more than a fig leaf for looking after members' best interests. It is something that needs to be radically overhauled, not just at NAB but across the board.

This isn't the first time NAB has been embroiled in scandals or failed to report breaches or delayed the breaches it files to ASIC. In the NAB financial planning scandal exposed by Fairfax in 2015 it said it didn't report some planners because it didn't believe the breaches were "significant" and therefore didn't have to be reported.

In the case of its star financial planner Graham Cowper it filed a breach report to ASIC but instead of firing him it let him resign, gave him a payout and a form letter wishing him all the best.

Cowper then moved to other financial planning outfits, where he was later dismissed by AMP.

Meanwhile NAB quietly paid out compensation to some of his customers. There was no transparency in how they did this.

The point is, NAB, like the rest of the banks needs to do a reality check on its culture. If it doesn't nothing will change.

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[Perhaps it is no coincidence that former NSW Premier, Mike 'smiling assassin' Baird, now holds a senior position at NAB]



Mike '\$900,000' Baird

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