

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

NAB25QW: In May 2017, Helen (*not her real name) received a phone call from someone claiming to be a representative of NAB. This person informed her that her account had been compromised and that they needed her assistance to resolve the issue. In order for the call to progress, they asked Helen to read out a code that would be texted to her mobile phone. Helen did this and was then advised that the representative would need to call her back the following day, and that she was not to transact on or access her accounts in the meantime while they identified the fraudster. Over the following two days, Helen was contacted by the person claiming to be a representative of NAB, and was advised that the thieves were trying to withdraw funds, and the bank needed her to provide an SMS code in order to secure her account and protect her savings. At no stage did Helen give the caller her online banking login or password. During these three days, almost \$12,000 was withdrawn from Helen's account. Upon discovering this Helen contacted NAB to report the unauthorised activity on her account. In a letter sent to Helen in July, NAB advised that they had been unable to recover the stolen funds. NAB didn't offer any further assistance to resolve the matter or to compensate Helen. What is NAB doing to protect their customers from this type of activity occurring?

Answer

NAB is committed to protecting customers from becoming the victims of scams through education and internal detection strategies that aim to proactively identify this type of activity before any loss occurs. When a customer attempts to make a material change to their NAB Profile, or perform a funds transfer they will receive an authorisation code via an SMS to complete the transaction or change. NAB communicates clearly that the authentication code issued is not to be shared with anyone including NAB.

NAB looks to proactively educate customers through:

- A dedicated security page on nab.com.au/security which advises how we protect customers and how customers can protect themselves. It also provides real time updates on current scam activities.
- Regular education campaigns with information appearing on ATM screens and branch digital marketing displays.
- Update customers on social media about current scams to raise awareness of them.
- A pamphlet entitled 'Don't Get Caught off Guard', sent annually to all customers that receive paper statements.