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CHAIR: Yes. Speaking of controls, this is the same division—your wealth management division—which, as I understand it, had to pay compensation to 62,000 customers, over \$25 million, due to basic errors in the calculation of their affairs, effectively. So it is the same division. I think you would accept 62,000 people is a large number of people. Has anyone been held responsible for that?

Mr Thorburn: I think, again, that was a different issue.

CHAIR: The same division, though, right?

Mr Thorburn: Yes, the same division. Yes, that is correct, but I think, in looking still at the overall business of that part of the business—the number of staff and the assets under management, which will be \$180 billion, and the overall profitability of that business—we have had these isolated cases, we have owned up to them and we are addressing them.

CHAIR: But, beyond the retention of some bonuses, you have not held anyone within the executive management team of the wealth management division more responsible for any of these activities, including this breach affecting 62,000 customers?

Mr Thorburn: If you are asking about the dismissal piece, I will take that on notice too, if I could, on that particular piece, but I think my answer is broadly the same in response to your earlier question.

ANSWER: The issue referenced was in relation to the incorrect allocation of income and tax on the Navigator Wrap platform. No member of the executive management team within the NAB Wealth division was dismissed in direct relation to this issue.

When NAB acquired Aviva in 2009, customers on Aviva's Navigator Wrap platform became NAB Wealth customers. This newly acquired part of the NAB Group operated as a standalone business until 2011, when it was integrated into the NAB Wealth business under the MLC brand. Errors were identified on the Navigator Wrap platform dating back to 2001 (prior to the NAB's Group's 2009 acquisition of Aviva). From 2012 to 2015 steps were taken to resolve these errors which related to how, upon the closure or transfer of a customer's account, managed fund income and rebates, capital gains tax, imputation credits and tax on interest earned were attributed to individual customers.

This resulted in surplus monies being held within the Navigator Platform Funds, rather than being attributed at the individual customer account level. At no stage have these monies been held by, or accounted for, as part of the assets of any NAB Group company.

The review and remediation undertaken by NAB (with oversight by ASIC) resolved these issues with affected customers paid their correct allocation.