



18 October 2021

House of Representatives Standing Committee on Economics
PO Box 6021
Parliament House
Canberra ACT 2600

Via: economics.reps@aph.gov.au

I am writing to clarify statements made by Mr Ross McEwan and Mr Shaun Dooley in their appearance before the Committee on 9 September 2021.

On page 15 of the Proof Transcript, Ms Hammond stated: 'you no longer take guarantees from mum and dad. When did the NAB stop doing that and what were the reasons?'

Mr Dooley replied, 'I think we withdrew this some time ago, because we talked about it, certainly, at the last hearing.'

NAB made changes to its policy regarding guarantees from family members in May 2020, building on earlier changes that were made to this policy in August 2018. At present, NAB accepts guarantees from family members in a very limited set of circumstances. These guarantees are accepted for consumer mortgages provided through NAB's Business and Private Bank and Commercial Broker channels only, where the loan meets certain requirements. Family member guarantees are not accepted for the large majority of our consumer mortgages, which are provided through NAB's Personal Bank channels.

On page 17 of the Proof Transcript, in relation to questions concerning abusive transactions and what transpires following detection of abusive wording, Ms Hammond asked: 'Does the money still get transferred? Just the message is stopped; is that correct?'

Mr Dooley stated: 'Yes, I think so. I believe they do. In the unfortunate situation you describe often it is in a domestic situation and the money is being transferred with an abusive message. We attempt to block the message but the money still needs to move.'

We wish to advise that in fact the message and payment are blocked and will not be processed. The remitter will receive a real-time error message. For the payment to be processed, the remitter will need to review the relevant fields and resubmit the transaction.



Ms Hammond subsequently asked if we developed the monitoring system ourselves and Mr McEwan stated: 'I don't know the answer to your question—whether we would have done it with another partner in a technology area and integrated it in. We've got staff who review weekly reports on blocked transactions. If they find it is frequent enough, they will offboard customers for their actions.'

We wish to advise that NAB has developed the monitoring and notification system. In the future we will enhance the system so that we can identify various forms of more nuanced abuse via payment descriptions.

Should you have any questions or require further information, please do not hesitate to contact me.

Yours sincerely

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