



**National Australia Bank**  
395 Bourke Street  
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3 July 2024

Mr Ivan Powell  
Committee Secretary  
Parliamentary Joint Committee on Corporations and Financial Services  
Inquiry into the financial services regulatory framework in relation to financial abuse

Sent via email: [Corporations.Joint@aph.gov.au](mailto:Corporations.Joint@aph.gov.au)

Dear Mr Powell

I am writing on behalf of the National Australia Bank (**NAB**) and its subsidiary ubank in response to the Parliamentary Joint Committee on Corporations and Financial Services (the **Committee**) in regard to the additional questions received on 18 June 2024 on the inquiry into the financial services regulatory framework in relation to financial abuse (the **inquiry**). ubank is NAB's digital-only bank which operates as a separate division of NAB so has some differing approaches to NAB.

The response therefore reflects practices and policies across various parts of the NAB Group and adds to NAB's submission to the inquiry provided to the Committee on 14 June 2024.

*1. What specific policies, systems, processes or other safeguards does your business have in place to identify, respond to and report suspected financial abuse occurring to your customers?*

Identifying and supporting customers experiencing financial abuse is a priority for NAB. Bankers in our branches and contact centres are trained to identify where customers may be impacted by family and domestic violence, elder and/or financial abuse. This includes an understanding of:

- Financial control;
- Financial exploitation;
- Financial sabotage;
- Recognising and responding to indicators of financial abuse; and
- Disputes between co-borrowers or joint account holders, noting financial abuse may commence during this time and we have a responsibility to protect customers.

A banker can refer a customer to our specialised NAB Customer Support Hub for additional support. Customers can seek support due to issues such as family and domestic violence, elder and/or financial abuse directly by contacting the NAB Customer Support team on 1300 308 175.

The NAB Customer Support Hub is a specialised team that provides additional care and assistance to create a safe banking environment, which may include changing an address, issuing a new card, blocking an account where there is evidence of financial abuse and/or opening a new sole account for the customer. The Customer Support Hub team can also provide customers with guidance on actions they can take to better safeguard their banking as well as co-ordinate referrals to external organisations for further support, such as Uniting CareRing and TELUS Health.

The Customer Support Hub team work closely with NAB's Office of the Customer Advocate, Legal and Financial Crime teams to report suspected financial abuse to the relevant enforcement body. However, the lack of consistency across state and territory jurisdictions on how to report suspected financial abuse creates complexity. NAB would encourage the Committee to consider whether opportunities exist to develop a nationally consistent approach.

NAB has also updated its existing Customer Vulnerability Framework which seeks to take into account lived experience, industry practices and the advice of consumer advocates to enhance NAB's customer offering. The Framework is focused on identifying vulnerability earlier, providing support at every opportunity, and building financial resilience.

*2. What is the extent of suspected financial abuse identified by any such measures in place?*

As stated in NAB's submission, abusive transaction prevention is used to detect and automatically block text-based abuse sent via NAB's mobile app or internet banking (see below). Since the introduction of this initiative in 2022, NAB has blocked more than 370,000 transactions, averaging approximately 13,000 abusive transactions per month.

*3. What is the impact of the shift of financial products to online platforms on the prevalence of, and ability of your business to identify, respond to and report, suspected financial abuse?*

NAB recognises that customers are increasingly choosing to engage with us via digital channels, such as mobile and internet banking. Given this, NAB has increasingly sought to prevent unacceptable account conduct through digital channels by making changes to policy and using technology to prevent abusive transactions.

**Overview of NAB initiatives**

**1. Change in terms and conditions**

NAB has a zero-tolerance approach to financial abuse and in June 2023, announced an update to our Terms and Conditions to include 'unacceptable account conduct'. This change was introduced to protect customers from harm arising from unlawful use of, or financial abuse conducted through NAB transaction, credit and loan products. We made this change to help prevent financial abuse.

**2. Blocking abusive transactions**

NAB's abusive transaction prevention is used to detect and automatically block text-based abuse sent via NAB's mobile app or internet banking. Blocked transactions are assessed and reviewed by the Customer Support Hub team for further action. This allows NAB to proactively identify transaction descriptions which indicate abuse or harassment, and subsequently investigate and engage with customers to offer support. When an abusive transaction is identified, NAB will provide written communication to the customer who initiated the transaction, with a warning that an abusive transaction description has been detected by NAB monitoring. We have observed that a warning can be an effective course of action, and in most cases will cause the conduct to cease. In cases where the conduct does not cease, the transactions are cancelled, and the customer may have their accounts cancelled.

**3. NAB imposed limits on products/accounts**

NAB will investigate instances of products being used in a financially abusive manner, including coercive or controlling behaviour, and can limit a person's access to and/or use of funds. For example, in cases where NAB holds concerns about the conduct of a Power of Attorney (POA) or Enduring Power of Attorney (EPOA), NAB will increase supervision of any transactions the POA/EPOA is seeking from the customer's account. This may include requiring the POA/EPOA to speak to the Customer Support Hub

on proposed transactions. The change in NAB's Terms and Conditions in 2023 allows NAB to suspend, deny or cancel accounts of perpetrators.

These initiatives are in addition to the important role that NAB's colleagues who support customers in person have and continue to play in helping to identify and report instances where customers may be experiencing financial abuse.

NAB looks forward to appearing before the Committee on Monday 8 July.

Yours sincerely



Chris Venus  
Executive, Government Affairs and Public Policy