

more
than
money



FINANCIAL SERVICES GUIDE

Effective 3 October 2016

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About this document

This Financial Services Guide ('FSG') is an important document that is provided by National Australia Bank Limited ABN 12 004 044 937 ('NAB', 'we', 'us' or 'our').

Our contact details are set out at the end of this FSG. This FSG sets out the range of financial services and the types of financial products that we are authorised to provide under our Australian Financial Services Licence No. 230686 (AFSL). Except as stated below, it relates to the financial services we provide to retail customers and contains information to help you decide whether to use these financial services.

It includes information about:

- how we and our associates are remunerated in relation to the services offered;
- any relationships or associations we may have with product issuers; and
- our internal and external complaints handling procedures and how these are available to you.

This FSG does not relate to financial services provided by our financial planning businesses or UBank which have their own FSG. It also does not relate to any services or products we provide that are not financial services or financial products (for example loan products other than margin loans).

We will generally provide you with a Product Disclosure Statement (PDS) or other disclosure document (such as terms and conditions) in relation to a financial product if we give you personal financial product advice about the product or if we offer or arrange to issue a financial product to you. Personal financial product advice includes advice that takes into account one or more of your objectives, financial situation and needs. In certain circumstances we are not required to provide a PDS (including, for example, where you already have one).

The PDS contains information about the financial product and will assist you in making an informed decision about the product.

If you are provided with personal financial product advice we may also issue you with a Statement of Advice (SoA). The SoA will contain:

- the advice;
- the basis on which it is given;
- information relating to fees, commissions and other benefits and any relationships, associations or interests that may influence the advice you receive.

We are not required to issue you with a SoA nor give you a product disclosure statement in relation to basic deposit products and certain non-cash payment products and travellers cheques provided we disclose certain information about the product and, in respect of personal financial product advice, remuneration and other benefits or interests which may influence the advice.

If we provide you with further advice, you may request a record of the advice, at that time or by contacting us on **13 22 65** up to 7 years after the day of providing the advice.

Financial services and products we are authorised to provide

NAB is authorised under its AFSL to provide the following financial services:

- financial product advice (both general and personal); and
- dealing in financial products on behalf of others.

These services may be provided with a range of financial products including:

- basic deposit products;
- other deposit products; and
- non-cash payment products;
- derivatives;
- foreign exchange contracts;
- general insurance products;
- government debentures, stocks or bonds;
- life insurance products (investment life and life risk);
- managed investment schemes including investor directed portfolio services (IDPS);
- retirement savings accounts;

- securities;
- superannuation;
- standard margin lending facilities;
- Australian carbon credit units; and
- eligible international emission units.

NAB is authorised to issue financial products in the above range (excluding government debentures, stocks or bonds, general insurance, life products and superannuation) and to underwrite interests in managed investment schemes and issues of securities.

NAB is a non-broker participant in the Australian Stock Exchange Limited, and is also authorised to make a market in foreign exchange contracts, derivatives, debentures, government bonds or stocks and other financial products.

It may also operate custodial or depository services (not IDPS).

Who does NAB act for when providing financial services?

NAB is responsible for the financial services it provides to you under its AFSL. NAB may act as a distributor or agent on behalf of other product issuers, including issuers of travellers' cheques, securities, managed investment schemes and superannuation products, and general insurance companies and life insurance companies through distribution or agency arrangements. See below for further details of those relationships.

What relationships do we have with product issuers?

Many of the products offered by NAB are issued by us and companies related to us. Related companies in the National Group that are product issuers (in addition to NAB) include:

- National Australia Trustees Limited;
- NULIS Nominees (Australia) Limited;
- MLC Investments Limited; and
- WealthHub Securities Limited.

NAB acts on behalf of other product issuers when it sells the following products:

- life and general insurance
- investment and superannuation products
- travellers' cheques.

If you need to know the name of the issuer of a product that NAB offers you, and therefore who NAB acts for when it offers you that product, please refer to the Product Disclosure Statement, Statement of Advice or any other disclosure document you receive or ask your adviser.

Any additional relationships which we have for the purposes of our financial planning business or UBank will be disclosed in the FSG for these parts of our business.

Arrangements with external service providers

NAB may from time to time engage a third party to provide financial services on its behalf. Where a third party does not hold its own AFSL, it will provide the financial services as NAB's 'authorised representative'.

NAB may authorise a company or an individual to act as our authorised representative for sales and marketing activities.

How can a NAB staff member assist you?

To the extent that we authorise a NAB staff member to do so, the staff member can help you to apply for the financial products referred to in this FSG and can also give you financial product advice in relation to them.

If a NAB staff member is unable to provide you with a financial service or a financial product that you are interested in or is in your best interests, the staff member will refer you to another staff member who may be able to assist you.

As an integrated financial services provider, NAB also provides financial planning services. If you require these services you will be referred to an appropriate person in NAB who will provide you with a separate FSG relating to the financial services that they may provide.

We will not give you personal financial product advice when you visit our website or contact us on **13 22 65**.

Instructing us

You can give us instructions by using the contact details set out on the last page of this FSG. Some products and services may have their own rules around how to provide instructions or execute certain transactions. Please refer to the PDS or other disclosure document for the product for these details.

Generally, you need to give us instructions in writing (e.g. fax, email or letter) or another method as agreed by us.

Payment for the services we provide

If you acquire a product issued by a company in the National Australia Bank Group of companies (including NAB), the relevant company, or any other National Australia Bank Group company providing services in relation to the product, may receive fees and or commissions in relation to that product which may ultimately benefit other members of the group and any directors or other associates of those companies. Any commissions or other fees that the relevant company, or any other National Australia Group company (including NAB) receives in relation to these services will generally be disclosed in the disclosure document for the relevant product.

In addition, NAB may receive any applicable bank or transaction charges. The fees you will pay for the products we offer are set out in the PDS or other disclosure document for the particular product.

Insurance products

NAB, or its related bodies corporate National Australia Financial Management Limited (NAFM) and National Wealth Management Services Limited (NWMSL) may receive commission or other payments from insurers or insurance intermediaries, when NAB or NAFM are involved in the distribution of insurance products. These insurers and intermediaries include, but are not limited to, Allianz Australia Insurance Ltd (Allianz), CGU Insurance Limited (CGU), Chubb Insurance Company of Australia (Chubb), Aon Risk Services Australia Limited (Aon), and MLC Limited.

Details of the amounts that may be received are as follows:

Allianz: Commissions are calculated and paid monthly ranging from 10% to 40% of Base Premium for both new and renewed insurance. The actual percentage depends on the type of insurance product. These percentages may be reduced where discounts apply. Allianz also pays marketing costs in relation to NAB Travel Insurance and may also pay a marketing allowance based on growth of total annual Base Premium for Home and Car Insurance products.

Chubb: Commissions are calculated and paid monthly ranging from 10% to 20% of Base Premium. The actual percentage depends on the size of the total annual Base Premium. Chubb may also pay annual marketing costs of up to 1.5% of total annual Base Premium.

CGU: Commissions are calculated and paid monthly and range from 7.5% to 15% of Base Premium for new insurance and 5% to 10% for renewed insurance. The actual percentage depends on the type of insurance product. CGU may also pay an annual marketing allowance of up to 1.5% of the total annual Base Premium.

Aon: Amounts are calculated and paid monthly, such amounts being 25% of any commission and/or 10% of any Professional fees received.

MLC Limited: Amounts are calculated and paid quarterly. The commission for MLC Limited's consumer credit insurance products sold through NAB will be 20% of the first year's Base Premium. MLC Limited will also pay a distribution allowance to NWMSL in respect of MLC Limited's insurance products. The payment amount will depend in part on the value of MLC Limited's insurance portfolio relating to insurance distributed through NAB and its related bodies corporate and the performance of NAB and its related bodies corporate against agreed annual performance criteria.

In certain circumstances NAFM or NAB may receive additional remuneration from the relevant insurer (up to 5% of profit from Chubb, 50% of profit from Allianz and 25% of profit from CGU) based on the profitability (or a proportion of it) of the portfolio of the insurer relating to insurance arranged through NAFM or NAB, after allowing for claims and other expenses. This is calculated and paid annually.

'Base Premium' means the amount paid by a customer to an insurer for an insurance product (other than NAB Travel Insurance) excluding Stamp Duty, GST and Fire Service Levy. For NAB Travel Insurance Base Premium includes Stamp Duty and GST. For MLC Limited's consumer credit insurance products, it means 20% of the first year's premium (excluding government charges).

Personal financial product advice

If personal financial product advice is given in relation to a financial product the amount of any commission that may be received or the manner in which it will be calculated will be disclosed in any SoA that is required to be issued to you.

Information in relation to the remuneration and any other benefits that must be disclosed in respect of our financial planning businesses or UBank is set out in the FSG for these businesses.

Other unrelated entities

From time to time we may provide general advice and dealing or other services in relation to financial products that are offered by unrelated entities. Any commissions or other fees that we receive in relation to these services will generally be disclosed in the disclosure document for the relevant product.

Remuneration or other benefits received by NAB staff members

NAB staff members are salaried employees of NAB and in most cases do not receive any proportion of any fees or commissions paid to NAB or any other company in the National Group in connection with the financial services or financial products referred to in this FSG.

Staff members may be entitled to receive additional monetary or non-monetary benefits and/or rewards resulting from participation in programs conducted by NAB. Monetary benefits or rewards may include an annual bonus, the level of which may depend on the overall performance of the National Group of companies.

Non-monetary benefits or rewards for staff members and their partners may include gift vouchers, film tickets, restaurant meals, attendance at an annual conference or other functions. Whether staff members receive any such

benefits and rewards depends on a number of balanced performance and behavioural factors. In some situations these may include the level of remuneration generated for NAB from sales of products as a consequence of the staff member's advice.

It is not possible to determine at any given time whether a staff member will receive such benefits or rewards or to quantify them. They are generally not directly attributable to any particular product that the staff member has given advice on.

Referral fees

If a customer is referred to us (whether by a person or a company within or outside the NAB Group), we may pay the referrer a fee. The fee varies according to the customer, referrer and the financial products involved. The fee involved will be set out in documents you may receive in these circumstances.

We pay these fees as upfront fees when the financial service is provided or the financial product is issued, or periodically as ongoing fees.

Privacy

Privacy laws apply to the handling of your personal information by us. Any personal information collected about you will be handled in accordance with our Privacy Policy available at www.nab.com.au/privacy.

The personal information collected will be used to provide you with financial services and for purposes of related activities in the provision of the services. We may disclose your personal information to any person who is a company within the NAB Group at any time. We may disclose your personal information to third parties outside the NAB Group including MLC Limited, those involved in providing, managing or administering your product or service, authorised representatives of the NAB Group who sell products or services on our behalf and credit reporting bodies or other approved third parties who are authorised to assess the validity of identification information. We may also disclose your personal information to other third parties where we are required by law to disclose your information or where you have given your consent.

There is more information about how we collect, use, share and handle your personal information in our Privacy Policy and our Privacy Notification, including on how you may access or correct your information, the countries we may send your information to and how you may make a complaint about a privacy issue.

For more details our Privacy Policy and full Privacy Notification can be viewed on our websites or a copy obtained by contacting us (our contact details are set out at the end of this FSG).

Compensation Arrangements

We are regulated by the Australian Prudential Regulation Authority (APRA) and have professional indemnity insurance arrangements in place to help provide cover for claims that relate to the financial services we provide. As an APRA regulated entity, we are exempt from the compensation requirements in the *Corporations Act 2001*.

Lodging a complaint

We're always trying to improve our customers' experience, but we know things don't always go the way they should. Your feedback about the services you receive from us and our products can help us understand and address issues we otherwise might not know about.

Our brochure titled 'All feedback is good feedback: let's talk' includes more information and is available from any NAB branch.

Help us to help you

There are two ways to talk to us.

- 1. In person:** Speak directly to us at your branch and we'll do our best to resolve your concern or issue.
- 2. Phone our call centre on **13 22 65**.**

By giving us as much information as possible, you'll be helping us to resolve things faster. If you have any supporting documentation, please have it handy when you raise your concern.

How long will it take?

If you raise an issue with us, we'll address it as quickly as possible. In fact, most complaints are resolved within one business day. If your issue can't be resolved straight away, we'll make sure we see it through. In nearly all cases, you can expect that your concern will be resolved within five business days. In the event that it takes us longer than five days to resolve or investigate, we'll ensure that you're regularly updated.

Going a step further

We're here to help, so if you feel that your contact at our branch or call centre hasn't resolved the issue, then the next step is to speak to our Customer Resolutions Team.

Here's how:

- 1.** Call our dedicated Customer Resolutions Team any time between 8am and 7pm, Monday to Friday (AEST), on **1800 152 015**
- 2.** Send a form online:
Complete our online feedback form at **nab.com.au**, send us a secure message through your NAB Internet Banking, or email us at **feedback@nab.com.au**
- 3.** Write to us at:
National Australia Bank
General Manager, NAB Servicing
Reply Paid 2870
Melbourne Vic 8060

Need more options?

If you still feel your issue hasn't been resolved to your satisfaction, then you can raise your concern with NAB's independent external dispute resolution provider, the Financial Ombudsman Service. Of course, as you're a valued customer, we'd much rather try to resolve the issue together first. In fact, the Ombudsman will encourage you to resolve the issue with NAB before they start to investigate.

The Financial Ombudsman Service can be contacted at:

Telephone **1800 367 287**

Fax **03 9613 6399**

Website **www.fos.org.au**

Postal Address **GPO Box 3
Melbourne Vic 3001**

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For more information call:

13 22 65

7 days a week

8am – 7pm AEST Monday – Friday
9am – 6pm AEST Saturday – Sunday
or visit nab.com.au

or ask at your local branch



Hearing impaired customers
with telephone typewriters
can contact us on **13 36 77**