



# MEDIA RELEASE

For immediate release

## NAB BREAKS FROM THE PACK

### Other banks need to review their fees to keep their customers

CHOICE has welcomed today's announcement that NAB will abolish its monthly account keeping fees and credit card penalty fees. The fee cuts place NAB well ahead of Westpac, ANZ and the Commonwealth Bank in delivering competitive and fair banking products.

The fee cuts are expected to save NAB customers \$110 million in fees annually. The cuts come after a concerted campaign for fair fees from consumer groups CHOICE and the Consumer Action Legal Centre.

"NAB customers will be delighted to hear the news today that their bank has shown leadership on bank fees across transaction and credit card accounts by abolishing these much-hated penalty fees," said CHOICE senior policy officer Elissa Freeman.

"NAB has broken rank with its peers by showing leadership and a real commitment to their customers in making this decision. NAB is now the frontrunner amongst the Big Four and if the other banks want to remain competitive they'll need to review their fees again," said Freeman.

"Over the past three months we have seen real movement in the area of penalty fees, however while ANZ, CBA and Westpac have tweaked some of theirs, only NAB has got rid of them altogether," said Consumer Action Director of Policy and Campaigns Nicole Rich.

In 2008 Australian households paid \$415 million in penalty fees on credit cards. The penalties range up to \$50 and apply to late payments or exceeding credit card limits.

Consumer groups have long argued that penalties for exceeding a credit card limit are grossly unfair because the fees didn't exist a decade ago, they bear no relation to the loss incurred by the bank, and are difficult for customers to avoid.

CHOICE says today's announcement means that over the last three months approximately \$850 million in fee cuts will have been delivered to bank customers.

### Current transaction and credit card penalty fees

Bank	Dishonour	Overdrawn account	Credit card late payment	Credit card over limit
ANZ*	\$6	\$6	\$20	\$20
Commonwealth	\$5	\$10	\$25	\$25
<b>National Australia Bank**</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5</b>	<b>\$0</b>
St George	\$9	\$9	\$9	\$9
Westpac	\$9	\$9	\$9	\$9

Media contact: Elise Davidson 0430 172 669

\*Effective 22 December \*\*Effective 4th December