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21 March 2021

Re: Evaluation of my personal experiences with AFCA ([REDACTED]
[REDACTED] and National Australia Bank Limited)

Delivering against statutory objectives

1. Is AFCA meeting its statutory objective of resolving complaints in a way that is fair, efficient, timely and independent?

1.1. Is AFCA's dispute resolution approach and capability producing consistent, predictable and quality outcomes?

- My complaint has not been officially closed yet. It is still in the hands of the case manager, but he has repeatedly encouraged me to accept an insultingly low financial settlement offer from NAB.
- Due to the consistent misrepresentation of our financial position and the associated untruths documented right through our NAB file, I have requested for our case to be escalated to the next higher authorities within AFCA so that systemic issues can be examined and responded to.
- In spite of my request to have our case reviewed by more senior AFCA staff, the case manager has repeatedly explained, since December 2020, that he cannot support my claim and will recommend a ruling in favour of NAB if I will not accept NAB's settlement offer.
- So far, my personal experience has absolutely not been that AFCA's dispute resolution approach and capability is producing consistent, predictable and quality outcomes. Actually, I have not even noticed a "dispute resolution approach" – this phrase is a misnomer for AFCA's mode of operation.

1.2. Are AFCA's processes for the identification and appropriate response to systemic issues arising from complaints effective?

- Due to the consistent misrepresentation of our financial position and the associated untruths documented right through our NAB file, I have requested early in January 2021 for our case to be escalated to the next higher authorities within AFCA so that systemic issues can be examined and responded to.
- I have further requested that AFCA reports to ASIC the multiple untruths and falsifications documented within our NAB customer file.
- It is my strong impression that AFCA's processes for the identification and appropriate response to systemic issues arising from my complaints are not effective. I have repeatedly provided detailed documents to AFCA about the misrepresentation and multiple untruths in regards to our financial position and have requested this to be taken up with NAB and reported to ASIC. However, I have not received any feedback and am not aware of any action taken. I presume that AFCA has not followed up on my request.
- The case manager has repeatedly pointed out that AFCA's role was not to "punish" the banks and that AFCA did not have the powers of a court of law.
- I brought a valuation report of one of our previously owned blocks of land to my case manager's attention. The report showed a completely incorrect street address outside the gated estate where our previous property was located. The photo on the report showed a house, not just a block of land, and the report therefore stated a significantly improved value. Although the case manager went back to NAB about this, he fell for NAB's explanation, that "sometimes street names change" plus the fact that the valuation report had our block's title number written down, not the title number for the property shown on the photo. We never built a house on our block and the street mentioned on the valuation report is in a different location and has not had a name change. The case manager told me that NAB's response was "good enough" for him. He did not answer my question. How does he explain the house when we only owned a vacant block of much lesser value? He doesn't, he just looks the other way!
- A recent (2019) NAB internal report investigating my claims of "irresponsible lending/unsuitable loan" issues raised significant concerns about the handling of our case. From what I can see, this report and its findings and recommendations were ignored by NAB and AFCA. In fact, NAB stated in their letter to me in April 2019, that their investigation teams have been unable to find any irresponsible lending issues, and NAB has been meeting their obligations under the Code of Banking Practice. NAB did not respond to my questions why they had not acted on this report. My AFCA case manager dismissed the content of this report, because it referred to a loan initially set up in 2005, thus falling outside AFCA's time frames. Yet the 2005 loan has direct bearing on my dispute before AFCA. Moreover, the report raised concern about NAB staff conduct that does fall within AFCA time frames. Further, I believe that AFCA has the power to consider and act on systemic issues outside their normal time frames. Is there not a duty to report such matters to ASIC?

1.3. Do AFCA's funding and fee structures impact competition? Are there enhancements to the funding model that should be considered by AFCA to alleviate any impacts on competition while balancing the need for a sustainable fee-for-service model?

- I am not familiar with AFCA's funding and fee structures, and can therefore not comment on this. However, AFCA/FOS is supposed to be the last resort option available to bank victims, who have often lost most/all of their life savings. Therefore, it would be an excellent idea to provide a free service for these clients' complaints to be heard and addressed. Most bank victims would not stand a chance complaining about their banks. The banks hold all the power and the customer has the duty to prove they have been wronged. The idea of an "even playing field" is a completely naïve illusion considering the banks' wealth, power and strong (and dishonest) legal teams.

Personal response to question 1:

I do not consider that AFCA is meeting its statutory objective of resolving complaints in a way that is fair, efficient, timely and independent. It is obvious to me that AFCA is favouring the banks.

- In our case, a much larger loan than initially requested was strongly recommended to us by our bank manager. This led to a fully asset-based loan for \$2.7m in 6/2005, which was gradually increased to \$3.49m as our modest family income of significantly less than \$100,000/year was insufficient to pay the monthly interest only payments. Due to family duties, I was working only part-time [REDACTED], and my partner's business was not returning much. NAB's calculations and projections of our incomes were completely over-inflated and were based to a great extent on the one-off sale of the family home of 17 years as real estate trading profits. The projection of our future income then assumed that this profit would be repeated in future years. NAB's calculations did not include any costs and tax payments. Since having become NAB customers, we have lost at least \$6m, which included our family home, and the residual loans are still amounting to about \$1.25m. NAB offered a derisory \$30,000 during the AFCA process, and my case manager considers this a "good result". Since my letter to NAB and AFCA sent on 22/2/2021 rejecting this offer, neither one of these organisations has responded or acknowledged the receipt of this letter. No communication has taken place since then.
- I do not believe that, so far, AFCA has managed my complaint in a fair, efficient, timely and independent manner. The following are some of the difficulties I have encountered to date:
 - Endless questions were asked, and I produced large amounts of documents, but few personalised responses were received. It was a very time-consuming process, but were my documents ever read? Or were the questions designed to exhaust me and make me give up and go away?
 - The case manager turned out to have poor knowledge of my case, as demonstrated by several false assumptions he had made.
 - NAB did not meet its obligation to provide a complete copy of our case file by the AFCA deadline. I alerted my case manager to some missing documents, especially our crucial initial loan application form that I had

persistently requested, and he achieved two further document releases from NAB close to the “conciliation” meeting date, thus not allowing enough time to study the approximately 100 documents released by NAB.

- My case manager did not seem to notice and did not raise significant discrepancies between NAB’s and my account of the events and financial information.
- A “conciliation” meeting was scheduled prior to even testing if my complaint was meeting AFCA’s relevant scope and time frames. I was not aware of this and thought this meant that AFCA was considering my complaint.
- This phone “conciliation” took 4.5 hours, which included some time to resolve technology glitches. This meeting provided an opportunity to “vent” and ask questions. However, there was no leadership and no attempt to facilitate financial settlement negotiations. The mediator did not assist me with following up on any unanswered questions by NAB representatives or with identifying/pursuing inconsistencies. There was nothing “conciliatory” about this meeting, with NAB representatives clinging firmly to their assertion that NAB had honoured its obligations and had only tried to “help” us.
- Our initial loan application form for a loan that has not yet been paid off fully, has still not been released, with NAB suggesting it must have already been destroyed. Interestingly, NAB provided the loan suitability form with the over-inflated calculations and predictions of our incomes, which would have been done based on the not disclosed loan application form. AFCA did not pursue the missing loan application form that we had never been given a copy of either at the start of the loan.
- My AFCA application was lodged on 30/6/2020, and my complaint has not been resolved yet, but my case manager has given me several short deadlines saying if he will not hear from me by then, my case will be closed. He knows that I work extremely long hours and struggle to make the time to respond to AFCA’s questions at short notice.
- I received the crucial AFCA letter rejecting most of my claim on 15/12/2020 - just on time to spoil the festive spirit! I was given until 8/1/2021 to respond if I wanted to prevent the closure of my claim, but AFCA was closed until 4/1/2021. So, there was very little time for me to contact AFCA with questions etc. AFCA sets arbitrary deadlines for the applicant, but sets no deadlines for itself, and does not blink an eye lid if NAB does not meet the document discovery deadline and withholds the most important documents. NAB cannot even account for the whereabouts of our initial loan application form. They “suspect” that it must have been destroyed, and AFCA is not addressing NAB’s unprofessional and negligent record keeping standards of highly sensitive and confidential documents.
- NAB continues to be defiant about document disclosure. NAB released 59 documents (including several duplicates) by the AFCA deadline late in September. Only upon my insistence, AFCA pressed for further documents, and 30 further documents were released just before the “conciliation” meeting on 5/10/2020. AFCA had not even noticed that crucial documents had been withheld. Even after the second document release, and still today, NAB has not yet discovered a complete copy of

our file. What are the consequences for NAB's defiance? Will it be reported to ASIC? There was no mention during the "conciliation" meeting about NAB's resistance to provide the required documents.

Conclusion to question 1:

- In our case, almost all of the problematic and serious issues about our dealings with NAB are treated as outside of AFCA's jurisdiction and time frames and also supposedly did not cause us any financial losses in the eyes of AFCA.
- Going through the AFCA procedures has been an extremely time-consuming and traumatic experience for me.
- I suspect that bank victims approach AFCA with a little bit of hope, expecting to get at least a modest amount of real help. However, when going through the soul-destroying AFCA procedures, the already traumatised person's hopes get dashed, and the bank victim is left further traumatised.
- Based on my experiences with AFCA to date, AFCA seems to provide only an illusion of being capable of providing much needed, real assistance to bank victims, who have already suffered immensely.
- In short, I consider AFCA a potentially harmful organisation and a waste of tax payers' money. Assuming that my experiences with AFCA are not atypical, I suspect that turning to AFCA is doing the bank victim more harm than good, and the organisation may as well get scrapped altogether. I suspect that AFCA is responsible for causing significant psychological damage to people who are already experiencing psychological distress.

Monetary jurisdiction in relation to primary production businesses

2. We do not have a primary production business loan, so I cannot comment on this, but in general, I consider AFCA's monetary limits way too low. Why should there be any limits? If AFCA was striving for a truly "fair" outcome, I would expect that losses arising from an unsuitable loan should be awarded back to the customer.

Internal review mechanism

3. Is the scope, remit and operation of AFCA's Independent Assessor function appropriate and effective?
 - Please, not another toothless tiger evaluating the disappointing service of an organisation that is a toothless tiger...! It is doing more harm than good to have yet someone else to turn to with a complaint - only to find out after a labour-intensive, bureaucratic process, that this person/service cannot help you either.
 - It is deceiving people, who are already suffering immensely, and it is a waste of their hopes and time and of taxpayers' money (I pay a lot of taxes...) to give the "Independent Assessor" a similarly narrow scope of operation as is the case for AFCA itself.

- Based on my experiences with AFCA, AFCA seems to provide only an illusion of being capable of providing much needed, real assistance to bank victims. I consider AFCA a potentially harmful organisation and a waste of taxpayers' money. Assuming that my experiences with AFCA are not atypical, I suspect that turning to AFCA is doing more harm than good, and the organisation may as well get scrapped altogether.

Please feel free to contact me should you have any further questions.

Kind regards

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