

ePayments Code – some changes to your terms and conditions applicable to:



- Personal Transaction and Savings Products Terms and Conditions effective 18/3/2013 and
- NAB Cash Manager Terms and Conditions effective 18/3/2013

NAB subscribed to the revised ePayments Code on 20 March 2013. This Code updates and replaces the Electronic Funds Transfer Code of Conduct. It continues to play an important role in the regulation of electronic payment facilities in Australia (including ATMs, EFTPOS, credit cards, online payments, internet banking and BPAY®).

To reflect the requirements of the new ePayments Code, we have updated the following terms and conditions booklets:

- the Personal Transaction and Savings Products Terms and Conditions
- the NAB Cash Manager Terms and Conditions

Below in Section A there's a general explanation of the changes and in Section B we have set out the particular changes.

Section A.

A big picture look at the changes in your terms and conditions booklet

- References to EFT Code have been updated to ePayments Code.
- There are new references to “mistaken internet payments”. The ePayments Code introduced the term mistaken internet payment and a process for recovering these payments when made from a consumer transaction account via the “Pay Anyone” feature in internet banking. A “mistaken internet payment” is a payment by a consumer through a “Pay Anyone” Internet banking facility where funds are paid into the account of an unintended recipient as a result of the user's error, or the user being advised of the wrong BSB number and/or account number. It does not include transfers between a customer's accounts at the same financial institution or payments using BPAY.
- New references describe what NAB is required to do if you report a mistaken internet payment, what rights NAB has if a mistaken internet payment ends up in

your account and also what the other financial institution needs to do in connection with a mistaken internet payment.

- If you have an account which can be accessed by a card, you're now liable for unauthorised transactions that occur if you leave it at an ATM.

Section B.

The new clauses

Note: Clause references below apply to the Personal Transaction and Savings Products Terms and Conditions. After each clause reference we've included in brackets the relevant Part and clause reference for the NAB Cash Manager Terms and Conditions; e.g. CMT 8A. If a new clause below includes a cross reference to another clause, we have included the relevant CMT reference in brackets. The CMT reference will only apply to changes to the NAB Cash Manager Terms and Conditions.

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References to the ePayments Code

We haven't set out all the changes to the language from EFT Code to ePayments Code because there are a number of them. So wherever you see any references to EFT Code now that's a reference to ePayments Code.

Mistaken internet payments

In Part A Account Terms and Conditions, a new clause 11A (CMT Part A 8A) is added which reads:

11A Mistaken internet payments

If you receive a mistaken internet payment into your account NAB may be required to act in accordance with the ePayments Code. NAB's obligations under the ePayments Code are described in 51A.2 of Part E (CMT Part D 36A.2) of this booklet in the paragraph “Our obligations if we are notified about a mistaken internet payment.”

In Part E NAB Internet Banking and NAB Telephone Banking terms and conditions, the new clause 51A (CMT Part D 36A) is added which reads:

51A Mistaken internet payments using Funds Transfer – Pay Anyone

This clause applies to mistaken internet payments using the Pay Anyone functionality available within internet banking. It sets out important rules where the Sending ADI and the Receiving ADI have subscribed to the ePayments Code and

- a user reports a mistaken internet payment to NAB as the Sending ADI; or
- NAB as the Receiving ADI is notified by a Sending ADI that funds have been credited to your account as the result of a mistaken internet payment by its customer.

It does not apply to BPAY payments.

In this clause **mistaken internet payment** means a payment made by a user through Pay Anyone where funds are paid into the account of an unintended recipient because the user entered or selected the wrong BSB number and/or account number as the result of the user's error or the user being advised of the wrong BSB number and/or account number.

ADI means Authorised Deposit-taking institution and has the same meaning as the term in the Banking Act 1959(Cth). The **Receiving ADI** is the ADI whose customer received an internet payment and the **Sending ADI** is the ADI whose customer has made an internet payment.

51A.1 User's obligation

A user:

- (a) must take care to enter or select the correct information about the intended recipient of the funds, required when using Pay Anyone to make a payment. It is not always possible for NAB to recover funds from the unintended recipient.
- (b) should report a mistaken internet payment to NAB as soon as possible by:
 - calling **13 BANK (13 22 65)** or
 - visiting our website **nab.com.au** and creating a secure message (Electronic Transaction Dispute).

NAB will acknowledge receipt of the report and the user should record or retain this acknowledgment.

51A.2 Our obligations as a Sending ADI when we receive the user's report

(a) *Obligation to investigate*

NAB will investigate a user's report of a mistaken internet payment.

(b) *Obligation to tell the user about the outcome*

NAB will tell the user about the outcome of a user's report of a mistaken internet payment:

- (i) in writing, and
- (ii) within 30 business days of the day the report was made.

Process where NAB and the Receiving ADI are not satisfied a mistaken internet payment has occurred.

When a user makes a report both NAB and the Receiving ADI need to be satisfied a mistaken internet payment has occurred.

If NAB is not satisfied a mistaken internet payment has occurred NAB is not required to take any further action and will tell you in accordance with 51A.2 (b) (CMT 36A.2(b)).

If the Receiving ADI receives a request from NAB to return funds to NAB, but is not satisfied that a mistaken internet payment has occurred, the Receiving ADI may seek their customer's consent to return the funds to you. If consent is provided to the Receiving ADI, NAB will return these funds to you as soon as practicable.

Process where NAB and the Receiving ADI are satisfied a mistaken internet payment has occurred and there are insufficient funds.

This process applies where both NAB and the Receiving ADI are satisfied a mistaken internet payment has occurred.

If NAB is satisfied that a mistaken internet payment has occurred, NAB will send the Receiving ADI a request for return of the funds. NAB is reliant on the Receiving ADI advising NAB if there are sufficient funds in their customer's account to cover the amount of the mistaken internet payment.

If NAB is advised there are insufficient funds in the customer's account, NAB is reliant on the Receiving ADI using its reasonable endeavours to recover the funds for you from their customer (e.g. facilitating payment by instalments).

If the Receiving ADI is unable to recover the funds from the unintended recipient you will be liable for losses arising from the mistaken internet payment.

Where NAB and the Receiving ADI are satisfied a mistaken internet payment has occurred and there are sufficient funds.

This table describes the obligation of the Receiving ADI and NAB if they are satisfied a mistaken internet payment has occurred and there are sufficient credit funds available in the account of the unintended recipient to cover the payment.

A different process applies depending on when the user reported the mistaken internet payment to NAB.

User reports the mistaken internet payment to NAB	Obligation of Receiving ADI after receiving NAB's request to return funds	NAB's obligation to pay you
Within 10 business days of making the payment	Funds must be returned to NAB within 5 business days (if practicable) of receiving NAB's request to return the funds or such longer period as is necessary up to a maximum of 10 business days.	To return the funds to you as soon as practicable
Between 10 business days and 7 months of making the payment	Complete investigation within 10 business days of receiving NAB's request to return the funds. If satisfied a mistaken internet payment has occurred. (i) prevent their customer withdrawing the mistaken internet payment funds for a further 10 business days; (ii) notify their customer they have a period of 10 business days to establish they are entitled to the funds (this period commences on the date their customer was prevented from withdrawing the funds); and (iii) return funds to NAB within 2 business days of the end of the 10 day period described in (ii) if their customer has not established they are entitled to the funds	To return the funds to you as soon as practicable
After 7 months	Seek the consent of their customer to return funds. With the consent of their customer return the funds to NAB.	To return the funds to you as soon as practicable

Complaints

For information about making a complaint about the outcome of a mistaken internet payment report or how we have dealt with it, please see clause 14 Complaints in Part B (CMT Part B 11) of this booklet.

Our obligations if we are notified about a mistaken internet payment by another ADI.

If NAB is notified by a Sending ADI that funds have been credited to your account as the result of a mistaken internet payment by its customer, NAB will act in accordance with the obligations of the Receiving ADI described in 51A.2 (CMT 36A.2) including the obligations to return funds in your account to the Sending ADI where applicable.

Card at ATM

In Part D NAB Electronic Banking (Debit cards) terms and conditions a new clause 34.4A (CMT Part C 19.4A) is added which reads:

34.4A The accountholder is liable for losses arising from unauthorised transactions that occur because you contributed to the losses by leaving a card in an ATM.

For more information call

13 22 65

7 days a week

7am – 9pm AEST, Monday – Friday

8am – 6pm AEST, Saturday – Sunday

or visit us at nab.com.au



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