

29 July 2011

Dear Tim Costello

I write to you not with respect to World Vision but in regard to your longstanding connection to the National Australia Bank.

It is my opinion that the NAB is an unsavoury organisation. It has had a 'troubled' past, but the issue concerns its current culture.

The NAB has a decent retail banking arm. But the same bank has a long history of unconscionable practices towards small business / family farmers. Those practices continue to this day, and it appears that nothing will change into the future. There are borrowers being sent to the workhouse criminally at this moment.

All four major banks have a corrupt dimension (vide the CBA and its involvement with the Storm Financial debacle), but the NAB appears to be ahead of the pack in this regard.

More, the NAB's unconscionable/corrupt activities result in the corruption of cognate professions, not least the legal profession.

I attach two documents outlining the divergence between the NAB's contrived public image and the reality on the ground. Though the tone is often ironic, the intent is deadly serious. I don't expect you to plough through these documents, but they do provide chapter and verse for my stance expressed here. Other documents I have written complement the attached.

In passing, the second document reproduces a paragraph from a June 2001 newspaper article, accurately titled 'On balance, morality is the loser':

'Last month the National Australia Bank employed moral heavyweight Tim Costello to help it become more ethical. The Baptist leader headed a committee that recommended more socially responsible services, including low-fee bank accounts for the poor. This week, the NAB admitted unconscionable conduct by forcing a Hobart woman into stress and poverty. The local bank manager railroaded the woman into signing a guarantee that resulted in her house being sold.'

This juxtaposition would seem to neatly encapsulate my current concern. Ten years down the track, what has changed? Whatever is going on in retail banking, the 'socially responsible' imperative hasn't intruded into the small business/farmer segment. I should add that my only vested interest in this issue is one of a moral reaction to my revulsion at NAB's ongoing behaviour. I first became involved in this arena over a decade ago when my academic work resulted in a bank victim contacting me for assistance. Since then I have laboured to document bank malpractice and to act as an advocate for bank victims in the regulatory and political arena. I have done so on a voluntary basis. Frankly, I would rather have spent the last decade doing something more productive. From the evidence, I infer that the NAB is using your good name as merely a feather in its 'corporate social responsibility' cap, an integral part of its elaborate advertising and public relations blitz. Ditto for the Benevolent Society and other such

institutions. I would surmise that your longstanding connection to the NAB is at odds with your longstanding commitment to social justice. I would urge you to consider the merits of the maintenance of this connection in the future.

Yours very sincerely

Evan Jones, Political Economy, University of Sydney

20 October 2011

Dear Tim Costello

Almost three months ago I sent you an email regarding your prominent formal role with respect to the governance of the National Australia Bank and the glaring tension between your stance as a moral campaigner and the NAB's appalling record with respect to its small business/farmer customers.

In the interim, NAB victims keep contacting me with details of their situation.

Having been on this treadmill now for well over 10 years, I have just recalled that one victim, Alan McMinn, had made contact with you over his and his wife's corrupt treatment [by the NAB] sometime in late 2002. The McMinn's' lives remain destroyed by their adverse experience with the bank. Ditto innumerable other families. So you've known about this stuff for years.

The situation continues apace. The NAB has proved that nothing is beyond it. Altered or fabricated documents are an integral dimension in the loan documentation process.

As I previously noted, the NAB's corrupt practices spread out to those associated with its dealings. Receivers, valuers, real estate agents, all in it. Myriad law firms perennially sell their integrity to the devil for a quid from the NAB – from Mallesons through the second tier to the bottom feeders.

The judiciary itself is complicit. The latest example of this racket is the judgement of Johnson J in the NSW Supreme Court, *NAB v Thirup*, 17 August 2011. Johnson gives the NAB writ of possession over the Thirup property on the most preposterous of grounds, with the Thirups caught up in a criminal conspiracy in which a NAB bank officer (now as usual nowhere to be found) was an integral cog in the fraud. Johnson did give the Thirups a stay, extended on the 13 September, but has wiped his hands of the case. Perhaps he has confronted the smell.

The NAB is not merely incompetent, not merely corrupt but a willing participant in criminal activity.

Frankly, I'm disgusted at your de facto willingness to let the NAB use your good name for their unrepentant corruption.

Yours sincerely

Evan Jones