

MODULE 5: SUPERANNUATION

SUBMISSIONS OF WESTPAC BANKING CORPORATION IN RELATION TO RUBRIC 5-30 CASE STUDY

31 AUGUST 2018

- 1 In paragraph 660 of their closing submissions dated 24 August 2018, Counsel Assisting proposed findings that may be open to the Commission in respect of a case study involving BT Funds Management Limited.
- 2 Westpac accepts that, on the information before the Commission, it may be open for it to find that incorrect charges levied in respect of some customers of certain Investor Directed Portfolio Services (**IDPS**) products, IDPS-like products and superannuation products as described in the statement of Melinda Howes dated 18 July 2018 may have given rise to a breach by Westpac of its obligations under section 912A of the *Corporations Act 2001* (Cth). In identifying that a finding of that nature may be open to the Commission, Westpac observes that since the error was first identified, it has:
 - a. identified that the error was caused by insufficient procedures and processing errors rather than any intentional or dishonest conduct by Westpac employees;¹
 - b. taken steps to ensure that the relevant conduct ceased;²
 - c. taken steps to ensure that the errors will not reoccur;³
 - d. notified ASIC and provided it with relevant details;⁴ and
 - e. undertaken a remediation process to contact and compensate affected customers.⁵

¹ Witness Statement of Melinda Suzanne Howes dated 18 July 2018 in response to Rubric 5-30 [WBC.900.001.0693] (**Howes Statement**): [28].

² Howes Statement: [30]-[31].

³ Howes Statement: [30]-[33].

⁴ Howes Statement: [38]-[41].

⁵ Howes Statement: [44]-[46].