

# MEDIA RELEASE



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## Cicutto Resignation

The Australian Investors' Association is neither shocked nor surprised at the multi million payout to Frank Cicutto.

"It seems the more you lose for shareholders the better the payout", said an AIA Spokesman. "We wonder how long it took the NAB Board to accept his resignation. Perhaps they thought it was much cheaper to get rid of him than have him continue to make awful investments."

Mr. Cicutto, as the Managing Director and Chief Executive Officer, was appointed to the Board as an executive director in 1998. He was a member of the Risk Committee and the Nomination Committee. Given his risk responsibilities, it was difficult to understand why his resignation was not offered following the US Homeside investment fiasco.

Will we see any fellow Directors of NAB's Board Risk Committee (Dr Tweddell, Messrs Kraehe and Duncan) resign and is the delay in this honorable course only because the personal taxation implications of the severance packages are beyond the understanding of the bank's own wealth management and financial planning staff?

How any member of the public can ever seek personal financial or investment advice from a bank or insurance company when they so often make such bad investment decisions and when their record keeping and systems are so shoddy is beyond comprehension.

And when one considers the secret payments, commissions, benefits in kind payments and all the other consumer adverse practices that pervade financial institutions, one wonders why any consumer would have anything to do with them.

The famous description of the "Four Pillars" stopped short in that it did not say what the pillars were made of. It certainly is not of competence and integrity.

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