

TO: DAVID WEEKS

FROM: NURA MOHAMED

FAX: 012-3944258

Ms. N Mohamed
17 Linum Street
Malabar
6020

Without Prejudice

29 June 2006

Rob Schuter
Nedbank
Johannesburg

CC: Tom Boardman

Account Charges

When I opened my banking account in 1989, I was confident that I would enjoy professional service and should I ever encounter a problem, it would be dealt with to my satisfaction and to your best abilities – to my surprise I was disappointed. I was extremely disappointed in the way some of the Nedbank staff handled my queries and it led me to the following conclusion: that some staff members of Nedbank Greenacres are unable to fully comply with their duties.

The problem arose in January 2005 when I made a withdrawal at an ATM and saw that my account was debited with R14.00. I immediately reported the error and was assured that it would be rectified via a reversal. This amount was erroneously debited from my account in November 2004, but only showed on my January 2005 statement. I queried this, even left numerous messages at your Regional Office for Mr. Wayne Singh to return my call, but no answer were given to my queries or call.

I then further requested 3 years of bank statements and was referred to Mr. Shaun Kearns in Johannesburg. (Please see the letter Annexed hereto marked A1 – A2, no charges was levied for these statements) After receiving the statements, I approached the manager, Gloria Cromhout for assistance in reconciling the bank charges. She replied by stating that I should calculate my charges myself as per Shaun's notes. I proceeded to do so for the next 4 hours. (See annexure A3,B1 –B2) This reconciliation was sent to the Product Department (See annexure marked C1) I was not completely satisfied with the outcome of the department and was referred to a Louanne De Waal. I explained my complaint and she responded by stating that she will reconcile the account.

Ms. De Waal did not agree with my reconciliation and I received a letter stating that my account will be credited with R36.45. My further investigation as to the reconciliation left me unsatisfied. (See letter annexed hereto marked D1) I had to accept this reconciliation as Ms. De Waal told me that Mr Doug Hardie approved her reconciliation.

I further experienced problems in February 2006 when I withdrew cash over the counter (R300.00) and a few days later at an ATM. I then noticed on my statement that a R17.00 sundry fee was debited. When queried, Gloria Cormhout told me that this was a withdrawal fee and that I would still be charged another R7.00 as a service fee. Gloria showed me the formula stated in your brochure. The brochure in itself is truly a difficult piece of material to understand. And then in the front of the booklet you state that it is easy to understand! Gloria e-mailed the Client Care Centre to state that the format was not satisfactory. I was then again referred to Asief Kahn which again referred me to Paul Myburgh. I explained my problem and out of interest sake I asked Mr. Myburgh to explain the formula (stated in the brochure) to me, he could not fully explain it. He requested that I put my complaint in writing and so I did. (See annexure marked E1) No reply was forthcoming, so I contacted Sharon Schroder and explained the situation. A teleconference was then set up between me, Sharon Shroder, Nesta Terreblanche (Greenacres Branch) and Asief Khaun. During the teleconference we discussed banking charges, which was levied against me, and I again out of curiosity asked Nesta and Sharon to explain to me how the formula in the brochure works. Both of them could not explain to me exactly how it worked.

Sharon excused herself and said that she will forward the problem to the IT Department. I then explained the formula to Nesta and how the amounts were determined. Never at any stage was reference made to my letter dated 02/03/06. An appointment was made with Nesta in order to discuss the rest of my queries/complaints. That appointment never materialized. After a long time I approached Nesta again to make an appointment with her and she responded by stating that as far as she was concerned the matter was resolved! As far as I was aware nothing was RESOLVED! As the matter continued I wrote to Sharon Shroder and Paul Myburgh requesting certain information regarding bank charges etc. (See annexed hereto marked F1 and G1-G2) The only response I received was a letter from Nesta. (See annexed marked H1) I then sent a fax to Mr. Myburgh again. (See attached marked I1) I also contacted the Product Department where I was in touch with Bernice Withenshaw, Adri Lubbe and finally Danie Louw. I requested the pricing brochures from 1990. Mr. Louw said that he will try and retrieve it out of archives. Later he refused to help me. I was then forwarded to Brian Mclachlan. Mr. Mclachlan informed me that the brochures were destroyed. During my discussion with Bryan I asked him that should a client have an Optimum account and then were to 'break' the investment, would that client then revert to an ordinary account. He agreed. It would seem that the bank is holding the client ransom to their own money. Why is the bank bias towards the client with no investment? After my discussion with Bryan, I never heard from him again. I then contacted Mr. Saks Ntombela's secretary and explained my problem and requested the statements. My problem was then referred to Charmaine Johnston.

I received a letter from Ms. Johnston, which I found rather distasteful. (See annexed hereto marked J1-J4) Left with no option, I contacted Richard Stovin Bradford of the Sunday Times and explained to him my problem and requested him to try and explain the pricing to me. He then contacted Greg Howard and asked how the pricing and formula

worked. Mr. Howard could not explain the formula. This led me to the following:
NOBODY KNOWS HOW THIS FORMULA WORKS! And should they not, seeing that they must be able to answer the public's queries?

I requested a copy of my signed debit card agreement, which I signed and received in 1992. The Card Division was unable to assist me and a Angus Pohl referred me to Ms. De Waal. Ms. De Waal phoned me and was not helpful in assisting me in resolving my matter. She refused to assist me and stated that I was the first in 5 million people to request this agreement and that I am doing so because I did not get what I wanted in the previous matter. I responded by saying that all I wanted was someone to be able to answer my queries satisfactorily and that even up and until now I have still not received any answers. That conversation ended by Ms. De Waal putting the phone down in my ear. This type of behavior appalled me. Even though I tried to get assistance from numerous staff members from Nedbank, I am still left without any clarity. I therefore humbly request answers to the following questions:

1. Mr. Kearns informed me that the mistake of debiting a fee unnecessarily was a system error. Had a credit error been on the account, such a reversal would have taken place, without management's approval. Staff at Greenacres further informed me that clients who do not pick up this error wouldn't be credited. Why not? Is this then a valid error?
2. As per the pricing brochure, it has surfaced that your staff are not sure of the calculation of the formula. So, if the staff are having problems in understanding the formula, how is it expected that the masses must understand it? Please refer to my letter dated 02/03/06, which is attached and addressed to Paul Myburgh. I wish to stress that it is incumbent for you to furnish me with a reply.
3. A matter that is disturbing is the manner in which the system is designed to deduct monies from a client's account and whereby the client has no control over such deductions. The bank has access to the clients account and thus the money will be deducted automatically. I was horrified to see that the amounts deducted from my account for service fees and ATM fees are so exorbitant. I was never answered as to why these fees were so high!
4. Please ask Ms De Waal, which charges were debited incorrectly and why? And how she arrived at the amount of R36,45?
5. Prior to the coded bank charges, how did the original formula appear and when was it changed to this new system of coded pricing?
6. I would please, appreciate a copy of my debit card agreement and current account agreement with the bank.

7. When did Nedbank introduce a minimum service fee?
8. Certain transactions attract double fees which is not clearly explained in the brochure.
9. If terms and conditions changes timeously, does new charges get created in the name of 'terms and conditions'?
10. Nedbank mentions a decrease in fees and at no time was the increases mentioned, i.e cash deposits. I now request the Product Department to calculate all my charges as from inception to current and an explanation for each charge.

The following comments, to review and attend to:

The brochure that is readily available to all your clients must be the most confusing explanation of fees known to man. I asked my accountant (as the staff at Nedbank suggested) to determine the exact fees and even he could not understand your formula, but yet you say it is simple, clear and transparent to use and to understand. Maybe it would be easier for you to avoid these types of queries if you simplified the brochure and made it understandable for the general public.

I have also noticed that there are more Saswitch ATM's than Cashpoint ATM's. Would this be because the Saswitch ATM attracts a higher fee, making it more profitable for the bank?

Pick n Pay Go Banking does not attract an annual fee for a card. The Manager that designed and approved the brochure should now reply to my queries. If not, please state the reason.

I feel that these matters must be attended to and be answered. There ^{are} many people out there that are confused as to your charges and fees and we deserve an explanation, especially if they have been loyal clients of your bank.

I appreciate your time and the opportunity to address you on this matter and eagerly await your futher response.



Ms. N Mohamed

Atty Paul Myburgh.

E1

011 - 7103 157

17 Linum Street
Malabar
Port Elizabeth
6020
2 March 2006-03-02

The Senior Executive Manager
Mr Paul Myburgh
NEDBANK
Johannesburg
2000

Dear Sir

RE :Dissatisfied Client – Acc. 1212373170

The formula currently used to calculate banking charges as explicated in your **Pricing Brochure of 2005** only serves the purpose of confusing clients who seek clarity and understanding on this enigmatic subject.

Your establishment would do well to demystify your esoteric bank charges formula, since it affects thousands of clients daily. The unsuspecting and defenceless, so called man in the street , loses large sums of hard earned money through such obscure scales for bank charges.

I have personal experience of having had to spend hours (literally) in one of the Nedbank branches in order to unravel bank charge queries.

Presently, I have an unresolved issue with Nedbank :

- On a **stop payment** cheque I was charged R19.00 bank charges.
- For depositing a cheque of R100 in a private business account I was charged R17.00 bank charges. (The cheque for R100 was never cashed).
- The Nedbank Client Resolution Manager, Louanne De Waal has failed to resolve overcharging on my bank charges. The response I received from the Client Resolution Manager is most unacceptable. (Response letter enclosed).

It has come to my notice as a Nedbank client that this bank hastens to rectify under-charging , but remains most reluctant to compensate clients when the bank errs.

I look forward to a fair response.

Thank you.

Yours faithfully

Ms. N. Mohamed

