

***For a customer with a credit card with your bank - that has a \$5,000 limit, a \$4,300 outstanding debt and a \$86 minimum month repayment - if the customer failed to make the monthly minimum repayment on time (as per the terms and conditions of the credit card) - what is the total damages incurred by the bank?***

We have not modelled the cost to Commonwealth Bank in relation to the specific scenario suggested. However, in FY14 it was calculated that Commonwealth Bank's costs when customers did not make credit card payments on time were \$18.99 per late fee charged, based on a credit card balance of \$3500 (which approximated the actual average credit card balance of \$3415 for that period).