

**QW50:** Following the recent High Court decision penalty fees *Paciocco v ANZ Bank* – does the bank believe that late payment fees on credit cards could be set at level in which they are unlawful

penalties?

**Answer:** Yes, the effect of the High Court judgment is (in simplified terms) that a credit card late payment fee would be an unlawful penalty if the quantum of the fee was out of all proportion to the bank's legitimate interests in having its customers pay their monthly minimum payment by the due date.