

NOTICE OF FILING

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Details of Filing

Document Lodged:	Statement of Agreed Facts
File Number:	NSD1275/2020
File Title:	AUSTRALIAN SECURITIES & INVESTMENTS COMMISSION v COMMONWEALTH BANK OF AUSTRALIA ACN 123 123 124
Registry:	NEW SOUTH WALES REGISTRY - FEDERAL COURT OF AUSTRALIA



A handwritten signature in blue ink that reads "Sia Lagos".

Dated: 12/03/2021 6:34:27 PM AEDT

Registrar

Important Information

As required by the Court's Rules, this Notice has been inserted as the first page of the document which has been accepted for electronic filing. It is now taken to be part of that document for the purposes of the proceeding in the Court and contains important information for all parties to that proceeding. It must be included in the document served on each of those parties.

The date and time of lodgment also shown above are the date and time that the document was received by the Court. Under the Court's Rules the date of filing of the document is the day it was lodged (if that is a business day for the Registry which accepts it and the document was received by 4.30 pm local time at that Registry) or otherwise the next working day for that Registry.



Form 1
Rule 2.13(2)

Statement of Agreed Facts and Admissions

No. NSD 1275 of 2020

Federal Court of Australia
District Registry: New South Wales
Division: General

Australian Securities and Investments Commission
Plaintiff

Commonwealth Bank of Australia (ACN 123 123 124)
Defendant

A Introduction

- 1 This Statement of Agreed Facts and Admissions (**SAFA**) is made for the purposes of s 191 of the *Evidence Act 1995* (Cth) (**Evidence Act**) jointly by the plaintiff (**ASIC**) and the defendant (**CBA**).
- 2 The SAFA relates to Proceedings No NSD1275 of 2020 commenced by ASIC against CBA on 30 November 2020 (**Proceedings**). By the Proceedings, ASIC has sought and obtained declarations that CBA contravened particular provisions of the *Australian Securities and Investments Commission Act 2001* (Cth) (**ASIC Act**) and the *Corporations Act 2001* (Cth) (**Corporations Act**). ASIC also seeks orders that CBA pay pecuniary penalties to the Commonwealth, as well as publication orders and ancillary orders.
- 3 This document identifies the facts relevant to each of the contraventions alleged by ASIC and admitted by CBA for the purpose of the Proceedings. The facts agreed to, and the admissions made, are agreed to and made solely for the purpose of the Proceedings and do not constitute any admission outside of the Proceedings.
- 4 For the purposes of the Proceedings only, CBA admits that it contravened:
 - (a) ss 12DB(1)(g) and/or 12DA(1) of the ASIC Act; and
 - (b) s 912A(1)(c) of the Corporations Act 2001,on the number of occasions and as set out in Sections C and D of this SAFA.

B The parties

- 5 ASIC is a body corporate which was established by s 7 of the *Australian Securities and Investments Commission Act 1989* (Cth) and continues by operation of s 261 of the ASIC Act. It is entitled to sue by reason of s 8(1)(d) of the ASIC Act.
- 6 CBA is a body corporate incorporated according to law and able to be sued in

its own name. CBA at all material times held an Australian Financial Services Licence (**AFSL**) No 234945.

7 CBA:

- (a) is a major Australian bank;
- (b) on 12 August 2020 reported a net profit of \$9.634 billion (after tax) for the financial year ending 30 June 2020;
- (c) on 10 February 2021 reported a net profit of \$4.877 billion (after tax) for the half year ending 31 December 2020; and
- (d) as at 12 February 2021 had a market capitalisation of approximately \$154.116 billion, the largest of any listed company in Australia.

C Facts

8 Facts set out below are identified with reference to the following periods:

- (a) 29 December 2011 to 31 March 2018 inclusive (**Relevant Period**); or
- (b) 1 December 2014 to 31 March 2018 inclusive (**Penalty Period**).

SBO and BOD

9 During the Relevant Period, CBA offered business customers credit facilities known as:

- (a) the Simple Business Overdraft (**SBO**), which was offered from December 2012; and
- (b) the Business Overdraft (**BOD**), which was offered for the entire Relevant Period,

(collectively **Overdraft Facilities**).

10 The Overdraft Facilities provided business customers of the CBA with a revolving line of credit which allowed them to make withdrawals up to an agreed limit utilising a linked transaction account. The Overdraft Facilities were required to be linked to a business purpose transaction account (**BPTA**) held with CBA. Whilst a BOD could be linked to any one of multiple types of BPTAs, an SBO could only be linked to a Business Transaction Account (**BTA**).

11 The BOD has been available for many years. It is intended for customers looking for larger facility limits and uses a similar application and establishment process to other, more complex commercial lending products. For example, facility limits for BODs held by institutional customers can be upwards of \$20 million.

12 The SBO, which was introduced following a pilot program in December 2012, is intended for smaller businesses with simpler financing needs and has a streamlined application process. Except in limited circumstances, the facility limit for SBOs did not exceed \$50,000.

13 During the Relevant Period, CBA:

- (a) charged certain Overdraft Facility customers interest at a rate that was

significantly more than (often more than double) the rate provided for by the relevant terms and conditions (**Overcharging Errors**); and

- (b) sent those customers periodic account statements (**Statements**) which included the notations referred to in paragraphs 17 and 18 below (**Interest Summary Errors**).
- 14 As at 1 December 2014, there were 20,480 facilities for SBOs with a further 7,708 facilities opened by 31 March 2018. Of these, 2,058 (or 7.3%) facilities were impacted by Overcharging Errors. As at 1 December 2014, there were 62,598 facilities for BODs with a further 4,903 facilities opened by 31 March 2018. Of these, 211 (or 0.31%) facilities were impacted by Overcharging Errors.
 - 15 During the Relevant Period, this conduct affected more than 2,200 customers and resulted in overcharged interest totalling more than \$2.9 million.
 - 16 During the Penalty Period CBA made Overcharging Errors and Interest Summary Errors affecting 1,510 Overdraft Facility customers (**Affected Customers**).
 - 17 Of the Affected Customers, 1,397 had SBOs. As to those SBOs:
 - (a) the terms and conditions of the Overdraft Facility provided that interest would be charged at:
 - i. 16% pa for SBOs entered into prior to 29 May 2017; and
 - ii. 14.55% pa for SBOs entered into from 29 May 2017;
 - (b) for various periods CBA, in fact, charged interest at the rate of approximately 34% pa;
 - (c) CBA sent those customers Statements covering those periods which included a notation stating that the interest rate shown on the Statement (the **Statement Rate**), was effective as at the last day of the period covered by the Statement; and
 - (d) the Statement Rate was:
 - i. the same interest rate as was shown on the previous Statement or, in the case of the first Statement issued after the Overdraft Facility was entered into, the same interest rate as was shown in the terms and conditions of the Overdraft Facility; and
 - ii. lower than the interest rate that was, in fact, charged referred to in paragraph (b) above.
 - 18 Of the Affected Customers, 113 had BODs. As to those BODs:
 - (a) the terms and conditions of the Overdraft Facility provided that interest would be charged at a rate between 5.34 to 14.18% pa (varying by customer);
 - (b) for various periods CBA, in fact, charged interest at the rate of between 12.38 and approximately 34% pa;
 - (c) CBA sent those customers Statements covering those periods which

included a notation stating that the Statement Rate was effective as at the last day of the period covered by the Statement; and

- (d) the Statement Rate was:
 - i. generally the same interest rate as was shown on the previous Statement or, in the case of the first Statement issued after the Overdraft Facility was entered into, the same interest rate as was shown in the terms and conditions of the Overdraft Facility; and
 - ii. lower than the interest rate that was, in fact, charged referred to in paragraph (b) above.
- 19 As a result, the Affected Customers were:
 - (a) overcharged interest totalling \$2,238,554.94; and
 - (b) sent Statements containing an Interest Summary Error on 12,119 occasions.
- 20 An example of the form of notation used in Statements and examples of Statements of an SBO account and a BOD account respectively are set out in **Schedule A** to this SAFA.
- 21 A summary of the Overcharging Errors and Interest Summary Errors during the Penalty Period is at **Schedule B** to this SAFA.
- 22 By providing Affected Customers with Statements featuring Interest Summary Errors, and in all the circumstances, CBA represented to the relevant Affected Customer that the interest rate that had been applied upon Overdraft Facility borrowings over the date range referred to in the Statement was the Statement Rate (**Representations**).

D Admissions

- 23 The SBO and BOD facilities, as credit facilities, were financial products within the meaning of s 12BAA(7)(k) of the ASIC Act and r 2B of the Australian Securities and Investments Commission Regulations 2001 (Cth).
- 24 By:
 - (a) providing the Statements to the Affected Customers; and/or
 - (b) providing credit pursuant to the terms of the Overdraft Facility as applicable,

CBA provided a financial service, or financial services, within the meaning of s 12BAB(1)(g) of the ASIC Act.
- 25 The Representations were:
 - (a) made in trade or commerce;
 - (b) conduct in relation to financial services, within the meaning of s 12DA(1) of the ASIC Act; and

- (c) made in connection with the supply or possible supply of financial services, or in connection with the promotion by any means of the supply or use of financial services, within the meaning of s 12DB(1) of the ASIC Act.
- 26 The Representations were each a representation with respect to the price of services within the meaning of s 12DB(1)(g) of the ASIC Act.
- 27 Further to the matters referred to in part C above, the Representations were false or misleading.
- 28 On each of the 12,119 occasions CBA made a Representation, CBA:
- (a) made a misleading representation in contravention of s 12DB(1)(g) of the ASIC Act;
 - (b) engaged in misleading or deceptive conduct, or conduct that was likely to mislead or deceive, in contravention of s 12DA(1) of the ASIC Act; and
 - (c) failed, on each occasion, to comply with its obligation to comply with financial services laws in contravention of s 912A(1)(c) of the Corporations Act.

E Harm suffered from this conduct

- 29 As a result of the matters referred to above, within the Penalty Period 1,510 customers were sent Statements by CBA containing misleading representations as to the rate at which they were being charged interest on 12,119 occasions, in circumstances where CBA overcharged these customers a total of \$2,238,554.94. Within the Relevant Period 2,269 customers were overcharged interest totalling more than \$2.9 million.
- 30 Affected Customers suffered financial loss (up until the date they were remediated) and inconvenience as a result of these failings. The average quantum of overcharging in respect of the customers was approximately \$1,476.90 in relation to SBOs and \$3,965.30 in relation to BODs, per customer. The highest known amount overcharged on a customer's SBO was \$17,522.34.

F Other relevant matters

Cause of the Overcharging Errors

- 31 During the Relevant Period, two software systems were used in relation to the Overdraft Facilities, being:
- (a) the Strategic Pricing and Risk Return System (**SPARR**) which, among other things, generated interest rates and fees applicable to various products; and
 - (b) the Systems, Applications and Products System (**SAP**), which was the underlying product system for most of CBA's transaction accounts and associated overdraft products and was used to calculate and charge

interest and fees to an Overdraft Facility. The applicable interest rate or fee that was used in SAP's calculations was either sourced either internally from SAP or externally from SPARR.

- 32 In the period between July 2011 and May 2013 CBA undertook the following system migrations:
- (a) staggered between July 2011 and July 2012, BODS and BPTAs opened prior to the migration were migrated from a legacy pricing source to SAP as the pricing source; and
 - (b) in May 2013, there was a system migration which was aimed at moving the sourcing of interest rates and fees applicable to those BTAs that were not linked to an SBO from SAP to SPARR. Pricing for BTAs that were linked to an SBO as at May 2013 were not migrated to SPARR, as pricing for SBOs remained on SAP - that is, interest rates applicable to SBOs continued to be sourced internally from SAP.
- 33 The underlying cause of the Overcharging Errors was a coding defect which resulted in SAP sourcing and charging interest rates from both SAP and SPARR in certain circumstances (**Coding Defect**). These circumstances were:
- (a) where an SBO established after the system migration in May 2013 was subsequently linked to a migrated BTA; and
 - (b) where a customer with a BOD changed their linked BPTA from one that was created before the migration (i.e. in the period from July 2011 to July 2012) to one that was created after the migration.
- In effect, the accounts of Affected Customers were charged both the SAP-sourced interest rate and the SPARR-sourced interest rate. This resulted in the Affected Customers being charged interest at a rate significantly higher than the interest rate provided for by the relevant terms and conditions.

Cause of the Interest Summary Errors

- 34 The underlying cause of the Interest Summary Errors was because CBA's systems produced Statements for Affected Customers which generally specified as the Statement Rate the interest rate that, pursuant to the terms and conditions of their Overdraft Facilities, ought to have been charged. Accordingly, once the Overcharging Errors were rectified, the Interest Summary Errors stopped.

CBA's investigation and attempts to rectify the Overcharging Error

- 35 Overcharging Errors and Interest Summary Errors first occurred in or around late 2011 in relation to BODs and from around May 2013 in relation to SBOs.
- 36 The Overdraft Facilities were managed by different business units within CBA. The BOD product was managed by the Institutional Banking and Markets (**IB&M**) business unit. The SBO product was managed by the Retail Banking Services (**RBS**) business unit.
- 37 The Overcharging Errors in relation to the SBOs were first identified by CBA in

August 2013, after CBA received an enquiry from an SBO customer regarding the amount of monthly debit interest that was charged on the customer's SBO for July 2013.

- 38 Between 14 August and 16 August 2013, CBA conducted investigations which indicated that two separate interest rates had both been applied to the SBO account. Manual checking of randomly selected SBO accounts identified that the same issue occurred in relation to at least one other SBO account.
- 39 By October 2013, CBA implemented a monthly manual process aimed at identifying and removing incorrect pricing before it affected any SBO and BOD accounts (the **Manual Process**). While the Manual Process was in place, CBA undertook work to address the Coding Defect.
- 40 However, (as was later discovered by CBA – see paragraph 47(c) below) in the period between October 2013 and May 2015, the Manual Process was not set up effectively to identify Affected Customers.
- 41 By November 2013, CBA's internal incident management team had begun a technical investigation which identified that, not only SBOs, but also BODs were impacted by the Coding Defect (and that the issue had been occurring since late 2011 in relation to certain BODs).
- 42 In May 2015, a coding change in the system was implemented in respect of both SBOs and BODs (**Coding Change**). The Coding Change was directed at ensuring that SAP applied the correct pricing. CBA undertook 3 sets of testing of the Coding Change:
 - (a) system testing where the code change was tested to ensure there was no impact on the system performance (i.e. the processing of debits and credits into the loan). A total of 55 test cases were executed;
 - (b) end to end testing where testing accounts were subjected to a series of life cycle events (i.e. switching from SAP to SPARR pricing). A total of 75 test cases were executed; and
 - (c) business verification testing post deployment into the system, to confirm that the systems code had been correctly updated. This testing was conducted on 55 accounts.

Across the BOD and SBO products the testing covered switching between the different products, ensuring that when the facility was switched from internal to external (or vice versa) the system only sourced pricing from one system.

- 43 Once the Coding Change was implemented, CBA's understanding at the time was that the Overcharging Error was resolved save in respect of one exception. The one exception was understood to have been rectified by the migration outlined in paragraph 45.
- 44 In January 2016, CBA received customer complaints which showed that the Overcharging Error was apparently still occurring.
- 45 In March 2016, a further systems change was made so that pricing (including the sourcing of interest rates) for all BPTAs and BODs was sourced from SPARR. CBA considered that this systems change, together with the Coding

Change, resolved the issues causing the Overcharging Errors.

- 46 In July 2016 a customer's complaint to the Financial Ombudsman Service (**FOS**) that interest had been overcharged on her SBO account was escalated to Clive Van Horen, Executive General Manager Retail Products in RBS. The customer had first complained to CBA in June 2015.
- 47 Mr Van Horen, who had been unaware of the Overcharging Errors, directed the RBS Product team responsible for SBOs to conduct an investigation (the **Investigation**). Following the commencement of the Investigation:
 - (a) the RBS Product team identified that the systems changes made by CBA to address the cause of the Overcharging Errors contained gaps which impacted certain SBOs and BODs;
 - (b) from September 2016, the Investigation was managed as a high priority with regular reviews being held (at first, twice weekly, and then, weekly and fortnightly), with oversight by Mr Van Horen and the executive responsible for IB&M;
 - (c) in September 2016 CBA became aware that:
 - i. the Manual Process had failed to identify all impacted customers; and
 - ii. the Coding Change effectively rectified the technical coding defect in SAP in almost all scenarios, except in less than 5% of cases where the pricing applicable to a customer's Overdraft Facility was subject to multiple switches between SAP and SPARR in one day;
 - (d) the matter was escalated to CBA's Executive Committee as is set out in the following sub-paragraph;
 - (e) on 26 September 2016, the gaps in the systems changes were reported as a new issue by RBS to the Executive Committee in a Flash Report, which indicated that:
 - i. 4,000 SBO accounts had been overcharged interest since 2013; and
 - ii. preliminary data suggested that up to 1,000 customers were still being overcharged, with the total impact estimated at approximately \$1.5 million to \$2 million.
- 48 In fact, the Manual Process identified 5,635 accounts as impacted by the Overcharging Error of which 5,185 were corrected before interest was overcharged (i.e. it failed to correct 450 accounts which had been identified as being impacted). The Manual Process failed to identify 1,240 accounts impacted by the Overcharging Error during the period October 2013 to May 2015;
- 49 During the period October 2016 to July 2017, the team responsible for the Investigation took the following steps:

- (a) identified accounts currently or historically affected by the overcharging issue;
 - (b) developed a monthly manual process to apply the correct pricing to an SBO or a BOD;
 - (c) developed, tested and implemented a system-based solution to fix the identified coding error whereby a code change in the system pricing logic ensured that accounts were charged only on a single date (**System-based Solution**). The System-based Solution was implemented in March 2017 and largely resolved the coding error other than for the anomaly subsequently identified that is referred to in paragraph 49(e) below;
 - (d) developed an approach to calculate and process refunds payable to customers. This work resulted in the refunds referred to in paragraph 56(a) below; and
 - (e) in the period between 25 May and 22 June 2017, CBA identified another system anomaly. That anomaly was that incorrect pricing arose if a customer uses a digital channel to accept the terms and conditions for an SBO during a 30 minute window (within the hour and a half from around midnight to 1:30am) when SAP processes payments each day. This has affected two SBO accounts which were remediated within a month of occurring, with a refund value of \$13.61.
- 50 A manual review completed in April 2018 identified that two accounts had been overcharged interest in March 2018.
- 51 The failures to detect and resolve the Overcharging Errors and the Interest Summary Errors arose out of CBA's failure during the Relevant Period to:
- (a) establish and maintain effective systems and processes to ensure and monitor its performance of the applicable terms and conditions for the Overdraft Facilities in respect of the interest charged and to ensure that Statements included accurate summaries of the interest rates applied;
 - (b) establish sufficient controls to ensure the effectiveness of the Manual Process from October 2013 to May 2015; and
 - (c) identify the need to test for, and actually test for, the gaps that affected the implementation of the Coding Change.

CBA's notification to ASIC

- 52 Prior to May 2018 CBA did not submit a breach report to ASIC pursuant to s 912D of the Corporations Act in respect of the Overcharging Errors for the following reasons:
- (a) CBA personnel reviewing the issue in 2013 formed the view that it was not sufficiently significant to warrant reporting;
 - (b) following the FOS complaint in 2016, the IB&M and RBS teams had independently concluded that the Overcharging Error was not a breach that required notification under s 912D of the Corporations Act. This

decision was influenced by the following considerations:

- i. BODs and SBOs are not "financial products" that are regulated by the Corporations Act and are not subject to the Australian Financial Services Licensing regime; and
 - ii. the Overcharging Error did not amount to a breach of any financial services laws.
- 53 CBA listed the Overcharging Errors in the revised table identifying matters of misconduct it provided to the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry (**FSRC**) on 18 March 2018.
- 54 In preparing for the inquiry into the Overcharging Errors by the FSRC, CBA further reviewed the circumstances of the Overcharging Errors and identified the Interest Summary Errors and determined that it had breached s 12DA of the ASIC Act, and that breach was significant for the purposes of reporting to ASIC under s 912D of the Corporations Act. A breach report was submitted by CBA on 15 May 2018.

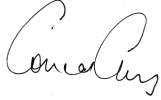
CBA's remediation program

- 55 In November 2016, CBA commenced a customer remediation program, which, at FOS' request was the subject of regular reporting by CBA to FOS.
- 56 CBA remediated customers in two tranches, between:
- (a) November 2016 and July 2017; and
 - (b) November 2018 and March 2019.
- 57 CBA remediated approximately \$3.74 million (which includes interest on the overcharged amount) to 2,269 SBO and BOD customers overcharged in the Relevant Period.
- 58 The remediation program was completed in March 2019.

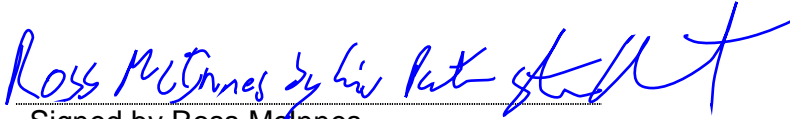
CBA cooperation

- 59 CBA has co-operated with ASIC in its investigation, and assisted with the efficient and less expensive resolution of the proceedings, by making complete admissions, at the first opportunity, to all the allegations contained in the Concise Statement, and by agreeing to the declaratory relief sought by ASIC.

Date: 12 March 2021

A handwritten signature in black ink, appearing to read 'Conrad Gray', written above a horizontal line.

Signed by Conrad Gray
ASIC Lawyer for and on behalf of the
Plaintiff

A handwritten signature in blue ink, appearing to read 'Ross McInnes by his partner', written above a horizontal line.

Signed by Ross McInnes
Clayton Utz
Lawyer for the Defendant

SCHEDULE A

SBO and BOD Facilities

1. An example of the form of notation used in Statements issued to Affected Customers is as follows:

Your Debit Interest Rate Summary

<i>Date</i>	<i>Event</i>	<i>Debit balance</i>	<i>Debit interest rate (p.a.)</i>
31 Oct	<i>Your overdraft limit is now \$4,000.00</i>	<i>\$0.00 - \$4,000.00</i>	<i>16.00%</i>
	<i>Excess Debit interest rate</i>	<i>\$4,000.01 and over</i>	<i>16.00%</i>

Important information

- (1) *Any debit balances in excess of a current overdraft limit are charged interest at the current excess debit interest rate. If you have no overdraft facility the prevailing rate for debit balances applies to the full overdrawn balance.*
- (2) *Interest Rates and Overdraft Limits are effective as at the date shown but are subject to cancellation or change at the Bank's discretion. For more information about the conditions that apply to your overdraft facility please refer to your credit contract*

CommonwealthBankCommonwealth Bank of Australia
ABN 48 123 123 124 AFSL and
Australian credit licence 234945

025

Your Statement

Statement 249 (Page 1 of 9)

Account Number [REDACTED]

Statement
Period 1 Aug 2016 - 31 Oct 2016

Closing Balance \$412.07 CR

Enquiries 13 1998
(24 hours a day, 7 days a week)

Business Transaction Account

If this account has an attached overdraft limit or facility which is secured over your primary place of residence or over a residential investment property you should ensure that the property is insured in accordance with the terms and conditions of the mortgage. If you have any queries about your insurance cover you should contact your insurer. Information on property insurance can also be found on www.moneysmart.gov.au

Name: [REDACTED]

Note: Please check that the entries listed on this statement are correct. For further information on your account including; details of features, fees, any errors or complaints, please contact us on the details above. Proceeds of cheques are not available until cleared.

Date	Transaction	Debit	Credit	Balance
01 Aug 2016	OPENING BALANCE			\$796.02 DR
01 Aug	Debit Interest	7.20		\$803.22 DR
01 Aug	[REDACTED]	76.08		\$879.30 DR
01 Aug	[REDACTED]	46.63		\$925.93 DR
01 Aug	[REDACTED]	31.47		\$957.40 DR
01 Aug	[REDACTED]	74.45		\$1,031.85 DR
01 Aug	Direct Debit [REDACTED] FL0006870959045595	224.00		\$1,255.85 DR
02 Aug	Transfer from NetBank		290.00	\$965.85 DR
02 Aug	Transfer to CBA A/c NetBank ute	200.00		\$1,165.85 DR
02 Aug	Transfer to [REDACTED] NetBank inv 1002 1001	425.00		\$1,590.85 DR
02 Aug	[REDACTED]	54.99		\$1,645.84 DR
03 Aug	[REDACTED]	41.08		\$1,686.92 DR
03 Aug	[REDACTED]	80.00		\$1,766.92 DR
04 Aug	[REDACTED]	33.44		\$1,800.36 DR
04 Aug	[REDACTED]	60.00		\$1,860.36 DR
04 Aug	Refund Purchase Medicare Benefit		37.05	\$1,823.31 DR
04 Aug	[REDACTED]	27.95		\$1,851.26 DR
04 Aug	Direct Credit [REDACTED] [REDACTED]		2,725.80	\$874.54 CR
05 Aug	[REDACTED]	81.97		\$792.57 CR
05 Aug	[REDACTED]	98.01		\$694.56 CR

Statement 249

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Account Number

Date	Transaction	Debit	Credit	Balance
25 Oct		12.80		\$344.03 DR
26 Oct		13.20		\$357.23 DR
26 Oct		14.90		\$372.13 DR
26 Oct		56.99		\$429.12 DR
26 Oct				
	Cash Out \$5.00 Purchase \$15.82	20.82		\$449.94 DR
26 Oct	Transfer to NetBank inv 35 36 37 3839	759.00		\$1,208.94 DR
26 Oct	Transfer to CBA A/c NetBank johnny	200.00		\$1,408.94 DR
27 Oct		29.80		\$1,438.74 DR
27 Oct		58.11		\$1,496.85 DR
27 Oct		60.00		\$1,556.85 DR
27 Oct	Direct Credit		2,624.60	\$1,067.75 CR
28 Oct		9.70		\$1,058.05 CR
28 Oct				
	Cash Out \$10.00 Purchase \$67.98	77.98		\$980.07 CR
28 Oct		92.61		\$887.46 CR
28 Oct		62.99		\$824.47 CR
28 Oct		30.99		\$793.48 CR
31 Oct		11.40		\$782.08 CR
31 Oct		10.50		\$771.58 CR
31 Oct		44.95		\$726.63 CR
31 Oct		25.00		\$701.63 CR
31 Oct		56.57		\$645.06 CR
31 Oct		8.99		\$636.07 CR
31 Oct	Direct Debit FL0006870959045595	224.00		\$412.07 CR
31 Oct	2016 CLOSING BALANCE			\$412.07 CR

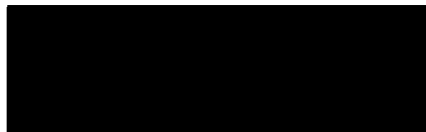
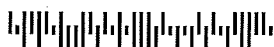
Opening balance	-	Total debits	+	Total credits	=	Closing balance
\$796.02 DR		\$82,380.79		\$83,588.88		\$412.07 CR

Your Debit Interest Rate Summary

Date	Event	Debit Balance	Debit Interest Rate (p.a.)
31 Oct	Your overdraft limit is now \$4,000.00	\$0.00 - \$4,000.00	16.00%
	Excess debit interest rate	\$4,000.01 and over	16.00%

Important information:

- (1) Any debit balances in excess of a current overdraft limit are charged interest at the current excess debit interest rate. If you have no overdraft facility the prevailing rate for debit balances applies to the full overdrawn balance.
- (2) Interest Rates and Overdraft limits are effective as at the date shown but are subject to cancellation or change at the Bank's discretion. For more information about the conditions that apply to your overdraft facility please refer to your credit contract.

Commonwealth BankCommonwealth Bank of Australia
ABN 48 123 123 124 AFSL 234945

Statement 382 (Page 1 of 2)

Statement begins 1 April 2014

Statement ends 30 April 2014

Closing balance \$15,199.09 DR

Enquiries 13 1998
(24 hours a day, 7 days a week) or
your Relationship Manager**Overdraft Cheque Account**

Account number

Name:

Branch:

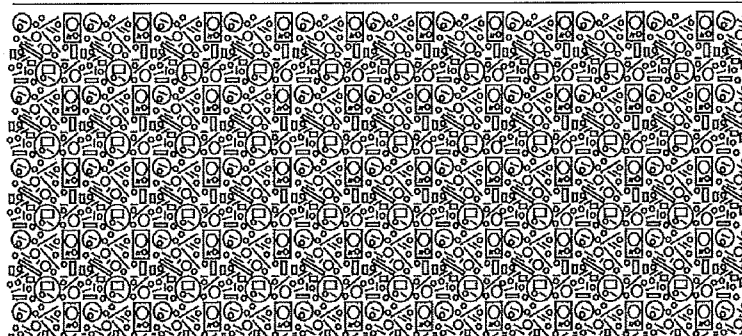
Note: Please check that the entries listed on this statement are correct. For further information on your account including; details of features, fees, any errors or complaints, please contact us on the details above. Proceeds of cheques are not available until cleared.

Date	Transaction	Debit	Credit	Balance
01 Apr	2014 OPENING BALANCE			\$14,258.19 DR
01 Apr	Debit Interest	191.80		\$14,449.99 DR
01 Apr	Cash Dep		1,500.00	\$12,949.99 DR
01 Apr	COMMONWEALTH BAN payment AAU1245601	1,883.77		\$14,833.76 DR
01 Apr	Direct Debit Commonwealth Bank Loan Rypmt to	1,107.42		\$15,941.18 DR
03 Apr	Direct Debit Commonwealth Bank Loan Rypmt to	2,514.00		\$18,455.18 DR
04 Apr	Chq Dep white		26.40	\$18,428.78 DR
08 Apr	Transfer to NetBank visa payment	6,904.65		\$25,333.43 DR
10 Apr	Cash Dep		2,000.00	\$23,333.43 DR
10 Apr	Chq Dep		2,530.00	\$20,803.43 DR
11 Apr	Chq presented	190.00		\$20,993.43 DR
19 Apr	Transfer to CBA A/c NetBank amanda	200.00		\$21,193.43 DR
24 Apr	Cash Dep		1,500.00	\$19,693.43 DR
24 Apr	Chq Dep		4,212.78	\$15,480.65 DR
28 Apr	Wdl ATM CBA ATM	300.00		\$15,780.65 DR
29 Apr	COMMONWEALTH BAN payment AAU1308233	190.34		\$15,970.99 DR
BALANCE CARRIED FORWARD				\$15,970.99 DR

Statement

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Account number



Date	Transaction	Debit	Credit	Balance
	BALANCE BROUGHT FORWARD			\$15,970.99 DR
30 Apr	Direct Credit [REDACTED] MU RENT PAYMENT [REDACTED]		771.90	\$15,199.09 DR
30 Apr 2014	CLOSING BALANCE			\$15,199.09 DR

Opening balance	-	Total debits	+	Total credits	=	Closing balance
\$14,258.19 DR		\$13,481.98		\$12,541.08		\$15,199.09 DR

Your Debit Interest Rate Summary

Date	Event	Debit balance	Debit interest rate (p.a.)
30 Apr 14	Your limit is now \$30,000.00	\$0.00 - \$30,000.00	9.98%
	Excess debit interest rate	\$30,000.01 and over	9.98%

Important information :

- (1) Any debit balances in excess of a current overdraft limit are charged interest at the current excess debit interest rate. If you have no overdraft facility the prevailing rate for debit balances applies to the full overdrawn balance.
- (2) Interest Rates and Overdraft limits are effective as at the date shown but are subject to cancellation or change at the Bank's discretion. For more information about the conditions that apply to your overdraft facility please refer to your credit contract.

**FROM 1 AUGUST 2014, PIN
WILL REPLACE SIGNATURES.
SWITCH TO A PIN.**

Remember, you can update your PIN anytime and anywhere. Here's how:

1. Log onto NetBank, click the **More** tab, **Security** and click **My card PIN**
2. Log onto the CommBank app, click on **Cards**, select your **Card** and **Choose card PIN**.
3. Visit us at any branch; or
4. Call us on 13 2221.

Find out more at commbank.com.au/pinwise



Our Privacy Policy is changing

Your privacy is important to us. That's why we have a strict Privacy Policy in place to keep your information safe. The Privacy Act was recently changed — so from 12 March 2014 our Privacy Policy will be changing too.

What's changing?

We're updating our policy to include more information on:

- How we collect and handle your personal information, including collecting information from your dealings with us and from publicly available sources, so we can serve you better.
- Who we exchange your information with, such as other financial institutions and organisations that help identify illegal activities and prevent fraud.
- When we may send your information overseas, and to which countries.
- How you can access and correct your information, and how you can complain about a breach of our privacy obligations.

These changes will apply whenever we collect, use or exchange your information, so it's important for you to be aware of them.

There are also government laws which require or authorise us to collect your information, such as the Anti-Money Laundering and Counter-Terrorism Financing Act, the Taxation Administration Act and the Income Tax Assessment Act.

How can you find out more?

You can read our Privacy Policy online anytime at commbank.com.au/privacypolicy



SCHEDULE B

Summary of Overcharging Errors and Interest Summary Errors during Penalty Period

BOD / SBO Facility	Number of Affected Customers	Range of interest rate provided for by credit contracts	First Date Overcharged – Last Date Overcharged	Number of Statements sent during the Penalty Period where the Statement Rate was lower than the interest rate actually charged	Range of Interest rates actually charged	Total interest overcharged (\$)
SBOs	1,397	14.55% - 16.00% Simple Business Overdraft Rate	1 December 2014 – 31 March 2018	11,146	33.94%	\$1,825,089.55
BODs	113	5.34% - 14.18% Business Overdraft Rate	1 December 2014 – 28 November 2016	973	12.38% - 33.94 %	\$413,455.39
Total	1,510			12,119		\$2,238,554.94