

# Case study: credit card system T&C's and billing audit

## Brief



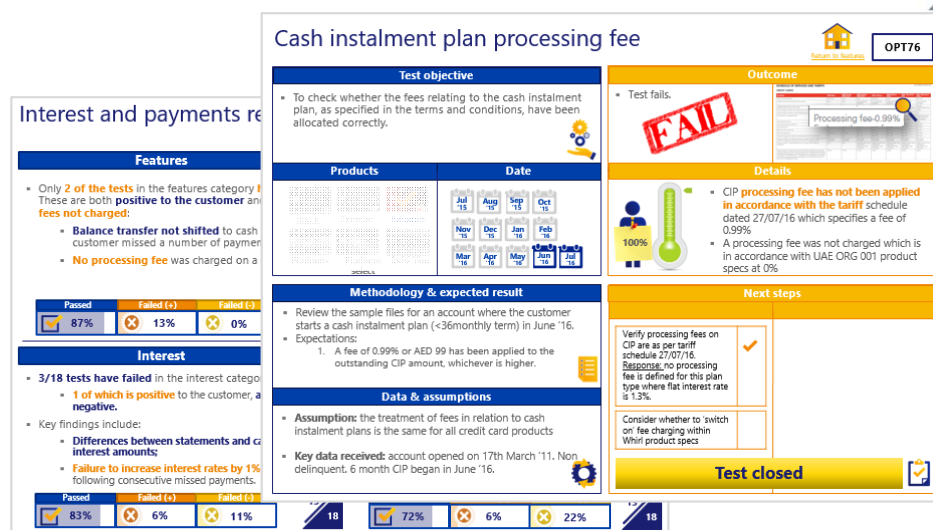
- The client bank was **concerned that it may be incorrectly applying fees and charges** on the credit card portfolio.
- Optima was engaged to provide **subject matter expertise** to undertake a **review and audit of a bank's credit card T&C's**.
- We were responsible for **assessing the adherence to T&C's** and providing **opportunities for profit optimisation**.

## Approach



- We created and implemented **85 unique test scenarios** which tested key fees across the credit card portfolio.
- We built an **interest/charges validation engine** to run required test scenarios for interest calculations and payment allocation.
- On project completion we delivered a full report documenting **key findings, issues and recommendations**.

## Results



## Impact



- Our testing outcomes identified some clear **discrepancies**. 30% of the tests failed.
- It was identified in many cases that **interest and payments were not being applied correctly** in line with the terms and conditions.
- There were also a number of instances where **fees and charges** were not being applied consistently.
- Our recommendations enabled the bank to make some key changes to **ensure regulatory compliance**.