

- f. The Defendant's entitlement, if a cheque or other item paid to the account was returned unpaid, to debit the account with the amount of that item together with any interest paid by the Defendant on it.
4. The Defendant's standard terms and conditions give the Claimant a fair and transparent view of those terms and the charges applicable for unauthorised borrowings (including where the Claimant exceeds her authorised overdraft limit).
5. If and to the extent it is the Claimant's case that the failure to make necessary payments and / or failure to remain within authorised overdraft limits constituted a breach of the terms applying to the account and that the contractual entitlement to debit charges from the Claimant's account constitutes a liquidated damages clause, the same is denied. Paragraph 3 above is repeated.
6. For the reasons set out above and in the premises it is denied that the legal principles relating to liquidated damages clauses and penalty charges are relevant or applicable to the facts set out above. Further or alternatively it is denied that any such charges constitute unlawful penalty charges or are in breach of the Unfair Terms in Consumer Contracts Regulations 1999 or is in breach of the S.15 of the Supply of Goods and Services Act 1982.
7. It is denied that the Competition Commission's report cited by the Claimant in paragraph 6 referred to the type of account held by the Claimant, or that it would be binding even if it had done so.
8. It is further denied that the OFT report cited by the Claimant in paragraph 7 refers to accounts of the type claimant holds, and that even if it had it would not be binding upon the Defendant.
9. The claim for interest compounded interest is denied. The Terms and Conditions set out the basis on which the account was to operate and evidenced the contract between Claimant and Defendant. The Terms and Conditions provided for a rate of interest rate of 27.5% to be applied to the Claimants' account but contained no such entitlement for the Claimant to recover the same from the Defendant. Further or alternatively if, which is denied, the Claimant is entitled to damages and interest thereon, there is no basis in contract or common law for the application of this rate of interest to sums owed to the Claimant and that "mutuality and reciprocity" are not a known or acceptable basis for the calculation of interest. The Defendant avers that whilst the Court has discretion as to the level of any interest award, there are no grounds for the Court to depart from the principle that interest on any judgment, if awarded, should be at the current judgment rate.
10. Therefore, it is denied that the charges were unlawfully debited from the account.
11. It is further denied that the Defendant would be unjustly enriched if the Claimant's entitlement was limited to statutory interest rate.
12. If and to the extent the Claimant incurred charges on the account, this was caused by the Claimant having gone into overdraft without having agreed with the Defendant to increase the overdraft facility and / or failure to make payments to bring the balance of the account back into credit or back within the authorised overdraft limit.
13. It is averred that the said charges and interest are and remain lawful and enforceable and that the Defendant was entitled to debit the same.