

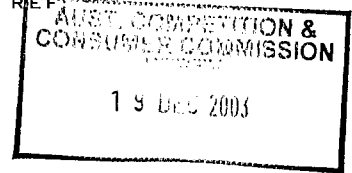
# PULLINGER READHEAD STEWART

BARRISTERS • SOLICITORS

LEVEL ONE, SCOTT HOUSE 46-50 KINGS PARK ROAD WEST PERTH WESTERN AUSTRALIA 6005  
TELEPHONE (08) 9321 2444 FACSIMILE (08) 9321 3411 DX 60728, WEST PERTH  
P.O. BOX 630, WEST PERTH 6872 EMAIL prs@prslaw.com.au  
ABN 50 622 147 689

Australian Competition and Consumer Commission,  
3rd floor, East Point Plaza  
233 Adelaide Terrace  
Perth WA 6000

OUR REF: CWL:22165  
YOUR REF:



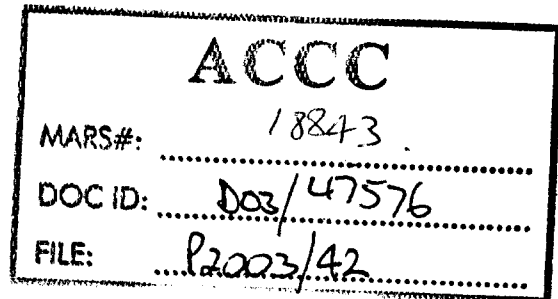
*By Hand*

19 December 2003

Dear Sir/Madam,

Re: **Notification of Conduct**

We act for Vcubed Pty Ltd.



Our client wishes to notify the Commission of conduct that may amount to exclusive dealing.

Following discussions with the Commission's Canberra office, our client has prepared three notifications for conduct arising from its V3Travel System. Each notification relates to separate aspects of the System that may amount to exclusive dealing.

We enclose the three notifications completed in accordance with the Trade Practices Regulations Form G which relate to:

- (i) Specification of Single Payment Gateway for Payments to Business Clients of the V3Travel System (Notification 1 of 3);
- (ii) Specification of Bank with whom Business Clients of the V3Travel System Must Open Account for Receipt of Payments through the System (Notification 2 of 3); and
- (iii) Licensing of Persons to Supply Goods and Services to Business Clients of the V3Travel System (Notification 3 of 3).

As the three notifications are related, they are marked '1 of 3', '2 of 3' and '3 of 3'.

Each notification is accompanied by four appendices which consist of:

- (a) a description of the V3Travel System (Appendix 1 to all three notifications)
- (b) copies of the agreements to which the notifications relate (Appendix 2 to all three notifications);
- (c) various relevant names and addresses (Appendix 3 to all three notifications); and

- (d) a summary of the public benefit and detriment arising from the conduct to which the notification relates (Appendix 4 to all three of the notifications).

We are of the view that each of the enclosed notifications concerns conduct that might possibly amount to third line forcing and understand that the fee for lodging such a notification is \$100. Accordingly, we enclose a cheque from our client for \$300 payable to the Commission. Please notify us if the Commission takes a different view of the character of the conduct that is the subject of the notifications (i.e that the notifications relate to conduct that may amount to exclusive dealing that is not third line forcing).

We trust that this material is sufficient to satisfy the relevant requirements for notification but should you have any questions or there is any problem with the enclosed material, don't hesitate to contact the writer.

Yours faithfully  
PULLINGER READHEAD STEWART

Colin Lockhart  
Counsel

Enc

TRADE PRACTICES ACT 1974, S 93(1)

TO: AUSTRALIAN COMPETITION AND CONSUMER  
COMMISSION

NOTIFICATION OF CONDUCT THAT MAY  
AMOUNT TO EXCLUSIVE DEALING

LICENSING OF PERSONS TO SUPPLY GOODS  
AND SERVICES TO BUSINESS CLIENTS OF THE  
V3 TRAVEL SYSTEM

Party Giving Notification:

VCUBED PTY LTD (ACN 074 524 879)  
28 John Street  
Northbridge, WA 6003

Notification 3 of 3 lodged on 19 December 2003

*Trade Practices Act 1974 – Subsection 93(1)*

To the Australian Competition and Consumer Commission

Notice is hereby given, in accordance with section 93(1) of the *Trade Practices Act 1974* of particulars of conduct or of proposed conduct of a kind referred to in subsection 47(2), (3), (4), (5), (6) or (7), or paragraph 47(8)(a), (b) or (c) or (9)(a), (b), (c) or (d) of that Act in which the person giving notice engages or proposes to engage.

**1 (a) Name of person giving notice**

Vcubed Pty Ltd (ACN 074 524 879)

**(b) Short Description of business carried on by that person**

Developing, licensing and operating a computer software solution known as V3Travel System ("System") as described in Appendix 1 (see, particularly, Figure 1) and providing associated services to persons trading in the tourism industry ("Business Clients 4") and to persons wishing to supply goods or services ("Suppliers 5 ") to Business Clients 4.

**(c) Address in Australia for service of documents on that person**

Vcubed Pty Limited  
28 John Street  
Northbridge WA 6003  
Attention: Mr Shane Crockett

**2. (a) Description of the goods or services in relation to which the supply or acquisition of which this notice relates**

The licensing of Suppliers 5 to provide an electronic inventory of goods or services to Business Clients 4 through the System.

**(b) Description of the conduct or proposed conduct**

Three features of the licensing and operation of the System may possibly amount to exclusive dealing. One is the grant of licences to Suppliers 5 (each in a separate goods or services category) to supply an electronic inventory of goods or services in their respective category through the System, to Business Clients 4 connected to the System on condition that a similar licence will not be granted to persons who compete in the respective categories of goods or services with the Suppliers 5;

The Australian Competition and Consumer Commission ('the Commission') is hereby notified of that aspect of the system. Notification of the two other possible instances of exclusive dealing

arising from the operation of the System is, in accordance with the Commission's requirements, given in separate notices filed simultaneously.

Copies of the relevant contracts (i.e software licence and acceptable use agreements) are attached as Appendix 2.

The public benefits resulting from the System generally, and the licensing of persons to supply goods or services to Business Clients of the System in particular, are described in Appendix 4.

**3. (a) Class or classes of persons to which the conduct relates**

The conduct described at 2(b) above relates to the following classes of persons:

- (i) Suppliers 5 or other persons wishing to supply, through the System, goods or services to Business Clients 4 connected to the System;
- (ii) Business Clients 4 connected to the System who wish to acquire, through the System, goods or services, from Suppliers 5 or other persons;

**(b) Number of persons to which the conduct relates**

**(i) At present time**

Currently, 8 Business Clients 4 are connected to the System.

The number of firms who may wish to provide goods or services by means of an electronic inventory through the System to Business Clients 4 connected to the System is very large and incapable of identification or quantification with any precision.

Currently, however, licences of the kind described above in paragraph 2(b) have to date been granted to 8 Suppliers.

**(ii) Estimated within the next year**

While it is anticipated that the number of Business Clients and Suppliers connected to the System will increase substantially over the next year, it is extremely difficult to predict what the number of such persons connected to the System will be 12 months hence.

The number of firms who may wish to provide goods or services by means of an electronic inventory through the System to Business Clients 4 connected to the System will remain very large and incapable of identification or quantification with any precision in 12 months time.

- (c) **Where number of persons stated in item 3(b) is less than 50, their names and addresses**

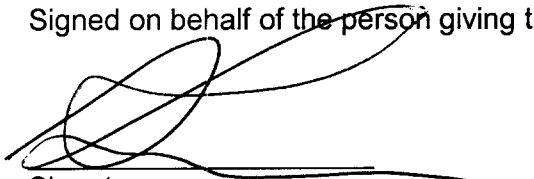
The names and addresses of the 8 Business Clients 4 who are currently connected to the System are provided in Appendix 3 as are the names of the 11 Suppliers to whom licences of the kind described at 2(b) above have been granted to date.

4. **Name and addresses of persons authorized by the person giving this notice to provide additional information in relation to this notice**

Pullinger Readhead Stewart,  
Level One,  
46-50 Kings Park Road  
West Perth, WA 6005  
Attention: Colin Lockhart

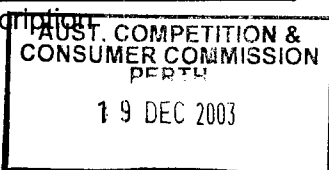
Dated 19 December 2003

Signed on behalf of the person giving this notice



Signature

STEPHEN WELLS  
Full Name

DIRECTOR  
Description  


Notification to the Australian Competition and Consumer Commission

By Vcubed Pty Ltd (ACN 074 524 879)

LICENSING OF PERSONS TO SUPPLY GOODS AND SERVICES TO BUSINESS  
CLIENTS OF THE V3TRAVEL SYSTEM

19 December 2003

APPENDIX 1

DESCRIPTION OF THE V3TRAVEL SYSTEM

Attached is a description of the V3Travel System.

## **The V3Travel System**

### **Description of the V3Travel System**

The V3Travel System is a software based business solution product created and developed by Vcubed Pty Ltd (ACN 074 524 879) ("V3"). V3 was established in 2001 primarily to develop and exploit the V3Travel system concept and since that time the efforts of the company have been directed to the development of the business scheme and software for the product. The product was launched in May 2003 although development and testing (leading to version updates) has continued. At present 8 product licences have been granted by V3.

The V3Travel System is a business solution that seeks to address a perceived marketing weakness in the tourism industry – that with the exception of a small number of large chains, the industry is highly fragmented and comprised of a vast number of individually owned and operated SME's (in Australia some 23,000) who have difficulty in disseminating product into the marketplace in a cost effective manner. The V3Travel System seeks to allow these SME's to operate independently whilst simultaneously offering compatibility with a multitude of selling and buying operations, suppliers and agents, which may be critical to their success, but which may otherwise not be available to them. It does this by providing access to a fully integrated booking and business management system that allows for distribution of a live inventory of their product to be made available to multiple distributors, synchronized to allow contemporaneous bookings from multiple sources. The product also includes full e-commerce functionality.

The following detailed V3Travel System description is limited to the example of hotel or room accommodation. However, it should be noted that other areas of the tourism industry equally fall within the scope of the V3Travel System - for

example, various operators offering tours and day trips will equally benefit from using the V3Travel System.

**Figure 1** shows the basic arrangement of the V3Travel System business model. The system may include one or more data centres **1** which house a central processor that is able to hold data for each tourism business client **4**. It is envisaged that any number of business clients **4** may be linked to the V3Travel System. Each business client **4** has a processing unit that includes a resident application which enables the business to operate the V3Travel System. This resident application enables each business client **4** to receive and make booking from customers **3**.

The customer **3** may contact the business client **4** directly to ascertain whether any products are available for booking. For example, the business client **4** may be a hotel, and the customer **3** desires to book a room at that hotel. The hotel or business client **4** will review the resident application to ascertain whether any room or product is available. On the assumption that a room is available, and the customer **3** proceeds with the booking, the resident application of the business client **4** will be updated to show that the room has been booked.

A similar system to the resident application is present in the data centre **1**. In this way, a customer **3** may connect to the data centre **1** to book a product or room with the business client **4**. Again assuming that the customer proceeds with the booking, the processing unit of the data centre **1** will indicate that the desired room is no longer available. Alternatively, a customer **3** may approach an agent **2** who has access to the data centre **1**. Agents may be either on-line or operating as a traditional desk based agent using the agent module software.

The agent **2** on behalf of the customer **3** can review and make bookings with the data centre **1**. In many cases, it may appear to the agent **2** (or customer **3**), that they are making a booking directly with the business client **4** rather than through

an intermediary centre such as the data centre 1. Again, assuming that the agent 2 confirms a booking on behalf of the customer 3, the processing unit of the data centre 1 indicates that the room or product is booked and no longer available for any other customer.

At predetermined intervals, for example at the completion of each booking, the data centre 1 and respective business client 4 synchronise their data with each other. That is, the processing unit of the data centre 1 is adjusted to reflect any bookings made directly to the business client 4. Similarly, the resident application of the business client 4 is also updated to reflect any bookings made via the data centre 1. In this way, the data centre 1 and business client 4 both have an up to date record of bookings made with the business client 4, and thereby details of the products still available for booking.

It will be appreciated that as the data stored in both the data centre 1 and business client 4 are continuously synchronised, the data centre 1 also effectively provides a back-up of the business centre's 4 data. Accordingly, if the business centre 4 was to experience some technical problem that caused loss of their data, the business centre 4 need only synchronise with the data centre 1 to restore their systems. Whilst not a primary concern in designing the present system, it will be appreciated that this source of back-up data is highly advantageous to each business client 4.

The V3Travel System has solved a major problem for the SMEs market by creating a system that can operate as a resident application of the business computer network and at the same time have a real-time synchronisation capacity with any point of distribution whether it is to a consumer direct or via an agent 2. The synchronisation and relationship database capacity allows SMEs to access a multiple of business critical operations previously unavailable to them and to more effectively compete with larger tourism product providers.

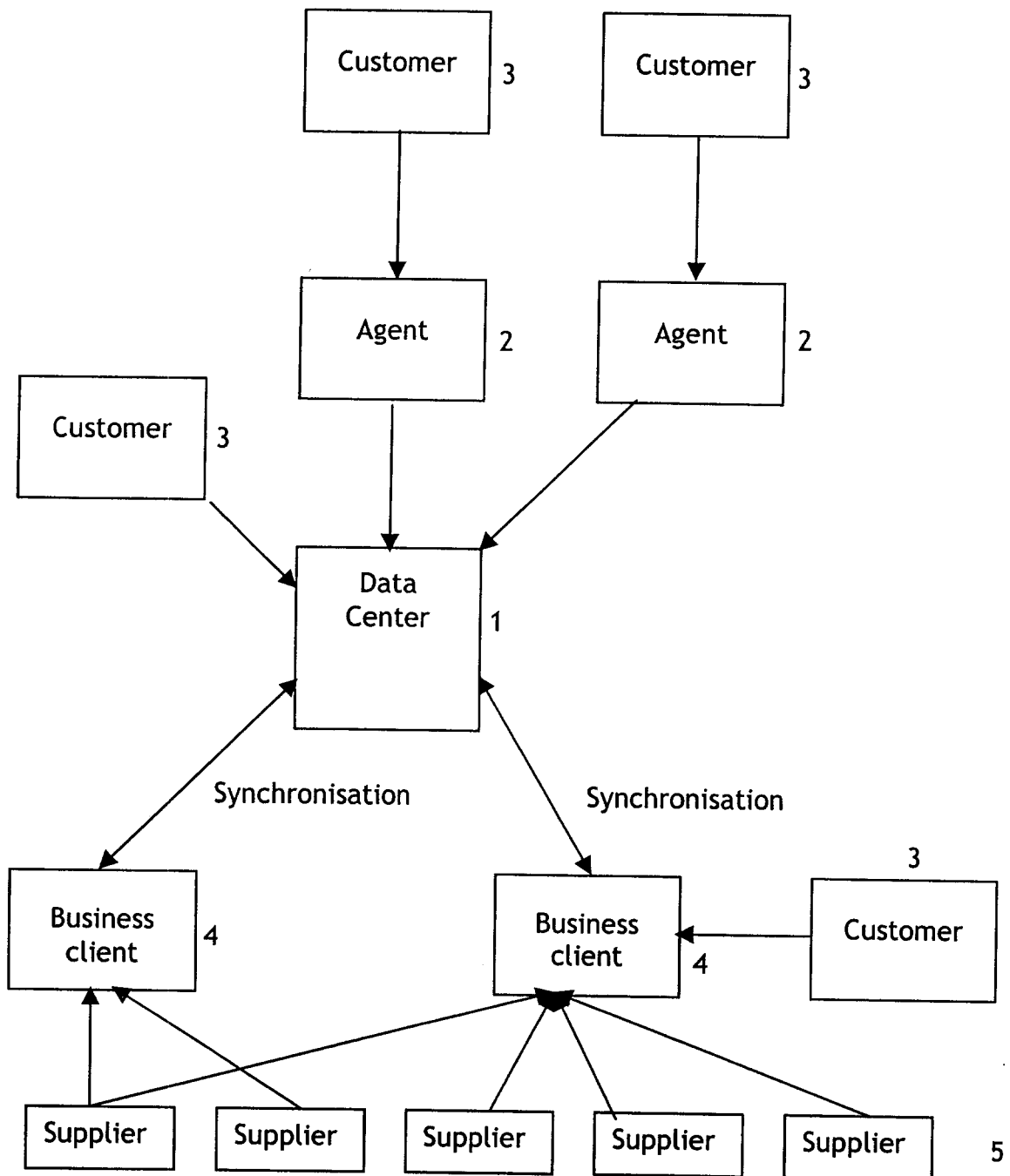
In particular the V3Travel System is designed to allow SME's to access distribution channels previously unavailable to them (because of the ability to provide ready access to live inventories) and to access suppliers 5 that (because of their size/purchasing power) may not otherwise be available to them. The V3Travel System aims to provide on-line access to suppliers 5 so that SME's can access the efficiencies and potential cost savings of an aggregated purchasing power.

### **Product supply and Documentation**

The V3Travel System application is supplied in a package comprising software disk, user guide and training manuals and may be downloaded or otherwise installed on a host system for a client business. Once installed the application acts as the interface to all the services of the System.

Use of the V3Travel System is subject to acceptance of a software licence and acceptable use agreement copies of which are attached in the Schedule.

Figure 1.



## **Some key elements of the system in respect to competition.**

### **1. Marketing and penetration of the V3Travel System**

The system has been primarily designed for the SME market however the system will be made available to the entire Australian market, estimated to be some 23,000 businesses. The anticipated penetration levels are 10% of the Australian market.

### **2. Agents**

As the V3Travel System concept is to promote widespread marketing of tourism product by enabling a live inventory of participating tourism businesses to be available for distribution, the System includes separate software products to facilitate distribution of this inventory to travel agents, both on-line and desk based via separate 'Agent Module' and 'On-Line Module' products. It is V3's intention to secure as many agents as possible to distribute inventory. However, the individual business client is not compelled to make their product inventory available to any of the agents selected by V3 and have within their resident software the capacity to select the agents to which they will provide access to their products on a one by one basis. Furthermore they have the capacity to select some of their products and not others to be available to a particular agent.

### **3. Product pricing**

Business clients are solely responsible for setting the pricing of their products on the V3Travel System and may set a range of different price structures for each product and for each agent. There is unrestricted ability to designate differing pricing structures based on different rooms, seasons, minimum stays, corporate rates etc etc. There is no compulsion for a client to use a particular distribution agent or to set a particular price.

#### **4. Suppliers to the Clients**

As most SME businesses in the tourism sector are not e-commerce enabled they do not have the advantages of being able to access the more efficient on-line buying options offered by certain suppliers. The larger tourism providers do have this type of access (and engage in collective purchasing) and hence have a cost based advantage over the SME sector of the industry. In order to afford the same advantage to SMEs the V3Travel System enables businesses to transact on-line and provides them access to a group of suppliers selected by the Managers of the V3Travel System via the VSupply feature. The following business principles are applied to VSupply

- (a) Business clients have no obligation to use any of the suppliers available on VSupply or to transact any minimum level of purchases using VSupply in any time period. Business clients can continue to use their current suppliers, or can contact suppliers available on VSupply outside of the V3Travel System. If they wish business clients can use the VSupply listed pricing to assess the competitiveness of their current suppliers.
- (b) Should a business client determine to access a supplier using VSupply the business client will deal directly with the supplier receiving an online quotation, notification of business terms and conditions and payment/delivery details direct from the supplier. All invoicing, payment and customer enquiries are transacted directly between the business client and the supplier. VSupply operates as an online listing of products and services only – and participation by the business client is entirely voluntary and does not have any effect on the price otherwise paid by the business client for use of the V3Travel System. The monthly licence fee for use of V3Travel System is not linked to use of VSupply or to any minimum purchase level.

- (c) VSupply will list one supplier in each product or service category. To attract competition for listing on VSupply, the product or service provider is guaranteed exclusive listing in that category. However the supplier will be subject to performance standards (including competitive pricing, delivery and quality requirements) and if these are not achieved V3Travel has the option to remove them from the System and replace them with another supplier in the same category.
- (d) Some of the current supplier categories are
- Fresh Produce including fruit and vegetables
  - Printing
  - Telecommunications
  - Creative Services
  - Industry Representation
  - Market Research
  - Insurance
- (e) At the current time there is minimal activity in VSupply, and although the facility is available as a service to business clients, there is no impact on competition in the marketplace by the conduct of VSupply.

## **5. Payment systems**

In order to allow SMEs to access the multitude of potential distribution channels (Agents) in the tourism industry the V3Travel System includes on an optional use basis an affordable electronic payment system 'V-Pay' which is fully integrated to the reservation system.

In order to comply with the technical requirements of online banking it has been necessary for V-Pay to be linked to an established payment gateway to allow for payment for goods and services with credit cards that are

members of the Visa Card, MasterCard and Bankcard credit card schemes and with facilities to accept payment for goods and services using debit cards. The V3Travel System uses Camtech a division of Keycorp Limited (ACN 002 519 986) and Camtech's e-commerce software and hardware residing at Camtech's premises that provide a link with the banking network. The selection of one payment gateway for the System is necessary to safeguard the integrity of transactions utilizing the on-line banking facility and is consistent with established practice in processing credit and debit card transactions within Australia.

To access V-Pay on the V3Travel System a bank account must be opened (to facilitate the necessary direct debit and transaction requests). The business client opens this account directly with the bank and the account is subject to the terms and conditions specified on the application form, which can be downloaded from the System. V-Pay is currently configured with one bank and requires the client to open a bank account with that bank to activate V-Pay. There is no exclusive arrangement with the bank (Westpac) currently configured on the System and further banks can be added upon requests from clients or in response to increasing demand. The reason V3Travel has chosen at this point in time to configure one bank only is that there is considerable software development cost in integrating the System to a particular banking specification and therefore, in the start up phase, only one bank has been configured. Were V3Travel System to be approached by another bank with a request for integration it could be readily undertaken subject to some agreed contribution to integration costs.

The client is not obligated to use V-Pay and the V3Travel System will function in isolation of V-Pay although obviously the business client will not be able to use the on-line payment (V-Pay) functionality.

In addition there is no obligation for the business client to change any of their existing banking facilities such as accounts, loans or EFTPOS as a condition of opening the V-Pay bank account. The V-Pay bank account is enabled to sit alongside and not in substitution for existing business client banking arrangements.

V3 Travel intends to monitor the banking facility and the uptake by business clients of the V-Pay option. If the existence of one banking configuration is seen to be restricting uptake of V-Pay or generally in the future when the System has greater penetration V3Travel may itself seek to undertake the necessary software refinements to provide integration to all banks.

Notification to the Australian Competition and Consumer Commission

By Vcubed Pty Ltd (ACN 074 524 879)

LICENSING OF PERSONS TO SUPPLY GOODS AND SERVICES TO BUSINESS  
CLIENTS OF THE V3TRAVEL SYSTEM

19 December 2003

APPENDIX 2

AGREEMENTS TO WHICH THE NOTIFICATION RELATES

Attached are copies of the agreements to which the Notification relates.

# SOFTWARE LICENSE AND ACCEPTABLE USE AGREEMENT

## Software License Agreement

This Software Licence is entered into between VCubed Pty Ltd (ACN 074 524 879) ('V3') and the registrant whose registration information is set out above ('you').

1. Subject to you paying charges as described in clause 4 V3 agrees to grant you a revocable non-exclusive non transferable licence to store load install execute or display the Software on a computer with up to 5 user profiles able to access the Software via a single modem (together in this Software Licence called 'Use') the Software only in conjunction with the V3 Travel Collaborative and on the terms and conditions set out below and the terms and conditions of the Acceptable Use Agreement which are deemed to be incorporated in this Agreement.
2. You must not at any time:
  - a. sell licence sub-licence assign rent or transfer the Software or any part or your right to Use the Software or any part to a third party;
  - b. copy translate adapt modify alter decompile disassemble or otherwise reverse engineer or create any derivative work of the Software or change any Software in whole or in part or allow any other person to do so except only to the extent (if any) allowed under the Copyright Act 1968
  - c. claim ownership of or assert any right contrary to the interests of V3. You agree that V3 owns all copyright and other intellectual property rights of whatever nature capable of being owned or held in the Software and that any improvements upgrades or enhancements to the Software are equally owned by V3.
3. V3 cannot guarantee that your Use of the Software will be free from error or uninterrupted and V3, its directors employees and representatives exclude as far as it is lawful to do so all liability and responsibility for any damages including but not limited to indirect or consequential damages, damages for loss of opportunity or chance, or any damages whatsoever arising from use or loss of use of data or loss of profits, whether in contract, negligence or other tortious action arising out of or in connection with the Use of the Software. Where such liability may not be excluded the sole obligation of V3 if permitted by law will be the resupply at V3's cost of the Software.
4. You must pay the monthly V3Travel Account which will include the licence fee, on-line booking commission and transaction fee which are all set out on the registration form by electronic transfer to V3 at the nominated bank account set out on that form. V3 will bill you at least 14 days before the monthly V3Travel Account is due. Bills are sent by email in the form of a tax invoice as required by the Goods and Services Tax Legislation The monthly V3Travel Account will include some payments in advance and some payments in arrears. The monthly licence fee must be paid monthly in advance and must be received in cleared funds by V3 by no later than the 3rd business day of each calendar month. The on-line booking commission and transaction fees must be paid monthly in arrears and must be received in cleared funds by no later than the 3rd business day of each calendar month. Failure to pay the monthly V3Travel Account or any part by the due date will result in the automatic cancellation of this Software Licence, without the necessity of any further notice to you. If you provide a credit card or direct debit authority, it will be debited monthly unless you instruct otherwise. 14 days notice is required if you do not want a monthly V3Travel Account payment to be charged against an existing credit card or direct debit authority
5. V3 may suspend your Software Licence for up to 48 hours while investigating any breach on your part of the Acceptable Use Agreement set out on the Site. V3 may terminate your Software Licence

where you breach the terms and conditions of this Software Licence or the Acceptable Use Agreement set out on the Site and in that case V3 will notify you at the time of termination and V3 will have the right to claim from you any costs and damages incurred or sustained by V3 as a result of that breach.

6. Some of the pages on or in the Site include material including but not limited to editorial content, product and services descriptions and advertisements posted by third parties ('Material'). Such Material is the sole responsibility of the party posting the Material and V3 makes no representation or warranty either as to the accuracy of the Material or as to the quality or merchantability of the underlying goods and services (if any) and to the fullest extent permitted by law V3 accepts no responsibility for the content of Material posted by third parties on or in the Site including any error omission or inaccuracy in the Material or any failure of the Material to comply with relevant legislation.
7. On some of the pages of the Site you may be given the opportunity to enter into agreements with third parties including but not limited to the Banking Provider, Strategic Alliance Businesses and the providers of Business Support Services identified on the Site. You may also be given the opportunity to use the Payment Gateway by entering into the Merchant Software Agreement. You enter into the Merchant Software Agreement and agreements with such third parties entirely at your own discretion, it is not a condition of your Use of the Software Licence that you agree to use the Payment Gateway or to acquire goods and services exclusively from any third party. V3 is not liable in relation to and takes no responsibility for any use by you of the Payment Gateway or any contract entered into by you with third parties by using the Site including but not limited to contracts entered into by you with the Banking Provider, Strategic Alliance Businesses or providers of Business Support Services. V3 makes no warranty or representation whatsoever as to the Payment Gateway, Banking Provider, Strategic Alliance Businesses or the providers of Business Support Services or their ability to deliver products or services nor as to the quality or merchantability of any products or services purchased or obtained or offered to you through Use of the Site whether accessed directly or otherwise.
8. You must indemnify V3 against any loss damage liability expense cost or charge arising from or incurred in connection with any use of the Payment Gateway, the Strategic Alliance Services or Business Support Services or any fault in the Software due to your negligence or wilful misuse or any unauthorised Use of the Software or any breach by you of the Acceptable Use Agreement set out on the Site.
9. The terms and conditions of this Software Licence including but not limited to the amount of the monthly licence fee, on-line booking commission or transaction fee may be amended by V3 from time to time. All amendments will be posted on the Site and any amendments which may have an adverse effect on you will also be emailed to you at the same time as your monthly V3Travel Account. If you do not agree with an amendment at any time then you may terminate this Software Licence by sending an appropriately worded message to V3 at [customerservice@v3leisure.com](mailto:customerservice@v3leisure.com) and on receipt of your message this Software Licence will automatically terminate and you will have no further right to access the Site and V3 will send you an invoice for any on-line booking commission or transaction fees which have not previously been invoiced to and paid by you after deducting the amount (if any) of the monthly licence fee prepaid by you for the calendar month which is unused at the date of termination and you will have no claim against any person including but not limited to V3 its directors, officers and representatives arising from the termination of this Software Licence.
10. All personal information supplied or otherwise acquired by V3 about you will be dealt with in accordance with V3's privacy policy which is available at [www.v3leisure.com](http://www.v3leisure.com).
11. By proceeding you acknowledge that you have read and understood the contents of this Software Licence and you agree to be bound by it.

I agree to the Software Licence above? ☐ No ☒ Yes

# Acceptable Use Agreement

Copyright © VCubed Pty Ltd, 2001 - 2002

28 John Street  
Northbridge WA 6003

Contact: Customer Services Manager  
E-mail: customerservice@v3leisure.com  
Telephone: 08 9227 3933  
Facsimile: 08 9227 3900

## INTRODUCTION

This document sets out the terms and conditions for acceptable use of the Software System. It should be read in conjunction with the Software Licence. This document may be modified from time to time, but any changes that are potentially detrimental to customers will be advised to all existing customers by email. This document governs all Accounts provided by VCubed and together with the Software Licence sets out the terms and conditions that apply to Your use of the Software System. This document is governed by the laws of the Commonwealth of Australia and the State of Western Australia.

## DEFINITIONS

In this document, certain words and phrases are defined for accuracy and certainty. Singular definitions include the plural and vice versa, where the meaning requires it.

**Account** means the monthly account for the provision of the Software Licence by VCubed subject to the Fees and these Terms and Conditions relating to the Account;

**Application or Application Form** refers to the form containing:  
the Account holder details, and  
payment details;

**Banking Merchant Agreement** means a written agreement in standard form You must enter into with the Banking Provider as a prior condition to being allowed access to the Payment Gateway via the Merchant Software;

**Banking Provider** means a bank which is a member of the Visa Card, MasterCard and Bankcard credit card schemes and which has agreed with VCubed and Camtech to provide facilities using the electronic commerce application of the Software System to business customers (called Merchants) selected by the Banking Provider in its absolute discretion to accept payment for goods and services with those credit cards and with facilities to accept payment for goods and services using debit cards;

**Camtech** means a division of Keycorp Limited (ACN 002 519 986) of Level 8, 10 Pulteney Street, Adelaide, South Australia;

**Connection Fee** refers to a once off Fee stated on the Application Form for Account setup;

**Contract** means the contract between VCubed and You that comes into effect on acceptance by VCubed of Your Application;

**Defined Abuse** means misuse of the Account as follows:

- giving an unauthorised person Your Account and password details;
- deliberately or unintentionally disrupting VCubed's service, or engaging in any activity likely to disrupt VCubed's service;
- engaging in Spamming;
- misusing the Account in a manner identified by a competent law enforcement official as unlawful such as copyright violations, defamation or fraud;
- using Your Account to menace or harass others;
- denial-of-service Attacks on other users or networks;
- using Your Account to unlawfully obtain access to other networks;

**Denial-of-service Attacks** means behaviour that results in disruption of VCubed's service, disruption of other people's Account, which includes but is not limited to computer viruses, email bombardment and damage to Internet-connected resources;

**Documentation** means the product documentation supplied by VCubed on activation of Your Account;

**Downtime** means periods of unavailability or limited availability of the Software System or Your Account;

**Fees** means the sums charged by VCubed to You for providing Your Account including the

Connection Fee, Monthly Licence Fee, On-line Booking Fee and Transaction Fee payable by You to VCubed as described in the Billing section of these Terms and Conditions;

**Open Third-Party Mail Relay** means the use of a mail server to process a mail message by an unauthorised person;

**Megabyte (Mb)** means one million bytes;

**Merchant Agreement** means a written agreement in standard form You agree to enter into with VCubed as a prior condition to being allowed access to the Payment Gateway via the Merchant Software;

**Merchant Software** means the object code version of the Camtech e-commerce software that enables a Merchant access to the Payment Gateway including any updates;

**Monthly Licence Fee** means the monthly licence fee set out in the Application Form or otherwise notified to You by VCubed which is payable monthly in advance by You from the commencement of Your Account for use of the Software System;

**On-line Booking Fee** means commission at the rate set out in the V-Pay Activation Form or otherwise notified to You by VCubed which is payable monthly in arrears by You on the total dollar value (including GST) calculated in each successive calendar month from the commencement of Your Account on all on-line bookings transacted through Your Account or by using the Payment Gateway;

**Payments Due** means any invoiced amount issued to You by VCubed arising under the Account or the Contract or the Merchant Agreement;

**Payment Gateway** means the Camtech e-commerce software and hardware residing at Camtech's premises that provide a link with the banking network;

**Provisioning** means the time necessary to complete any work that is required for You to be able to access or terminate Your Account;

**Regular Payment** is the monthly Fee due to VCubed from You which includes Monthly Licence Fee, On-line Booking Fee and Transaction Fee for Your Account, excluding the Connection Fee; Spamming means unsolicited bulk electronic messages sent by You which in the reasonable opinion of VCubed constitutes a breach of acceptable use of the Account;

**Strategic Alliance Business** means one or more companies with whom VCubed has formed an alliance to offer services to You as part of the Software System;

**Suspension** means the act of temporarily withdrawing Your Account;

**Terminate** means the process of VCubed ceasing to provide the Account;

**Terms and Conditions** means the terms and conditions upon which VCubed agrees to provide the Account to You as set out in this document;

**Transaction Fee** means the transaction fee at the rate set out in the V-Pay Activation Form or otherwise notified to You by VCubed which is payable monthly in arrears by You on the total dollar value (including GST) of all transactions calculated in each successive calendar month from the commencement of Your Account by You with Strategic Alliance Businesses through Your Account or by using the Payment Gateway;

**VCubed** means VCubed Pty Limited (ACN 074 524 879). Our postal address is 28 John Street, Northbridge, WA 6008. Our telephone number is (08) 9227 3933. Our general email address is [info@v3leisure.com](mailto:info@v3leisure.com);

**Website** means the website established and maintained by VCubed at <http://www.v3leisure.com/>;

**You and Your** refer to the customer of VCubed named in the Application Form, and includes any person using the Account with or without VCubed's permission.

## **TERMS AND CONDITIONS**

### **Accounts**

VCubed agrees to provide You with access to the Software System under Your Account for the Fees stated in this document.

Your Account is activated when VCubed accepts and processes Your completed Application Form. Some Accounts require a Provisioning period and activation occurs when Provisioning is complete.

VCubed will provide You with the required configuration information, Your username, password and access number for Your Account. You are responsible for all equipment and software necessary to access the Internet, including, but not limited to, a computer, modem (unless otherwise stated in Your Account) and an active phone line.

You must use a secure password and ensure that this password is not disclosed to any unauthorised person. More information about passwords is available in the Passwords section.

You are responsible for all use of Your Account. VCubed cannot protect You against computer viruses or other security problems. VCubed cannot control the material that is available on the global Internet. If You are confronted with material You believe to be illegal, You should report it to the appropriate

authority.

VCubed does not accept Accounts from persons under the age of 18. If You allow a minor to use Your Account then You are legally responsible for supervising their usage.

VCubed will protect Your privacy and will ensure that Your full name, password, payment, personal, and contact details are not disclosed to third parties except as specifically permitted or required by law. VCubed's privacy policy is available in the Privacy section of this site, at <http://www.v3leisure.com/>

#### **Service Disruptions**

VCubed makes all reasonable efforts to provide You with access to the Software System and Your Account. However, occasional scheduled maintenance and operational problems may result in some services not being available. VCubed will remedy any service problems as soon as possible, but VCubed is not liable for any loss You suffer because any part of the Software System is not working. Downtime will not be compensated.

Connection speeds cannot be guaranteed, nor can VCubed guarantee connection to any particular Internet site.

VCubed is not responsible for backup and storage of Your data and is not liable for any losses incurred as a result of this.

If the size of an email (including attachments) sent or addressed to You passing through our mail server exceeds 5 Mb, VCubed's mail server may reject the message.

If You run Your own mail server, it is Your responsibility to ensure it is not open for use as an Open Third-Party Mail Relay. In the event that VCubed is notified of or detects an Open Third-Party Mail Relay from Your server, VCubed reserves the right to block the port until the Open Third-Party Mail Relay is closed.

#### **Help Desk**

VCubed operates a help desk, during the following times.

Monday to Friday - 0800 to 2200 (Western Standard Time).

Saturday, Sunday & Public Holidays - 0900 to 1700 (Western Standard Time).

If You are experiencing any difficulties with Your Account, or the Software System email [support@v3leisure.com](mailto:support@v3leisure.com) or telephone (08) 9218 9878.

All Internet related queries must go through [customerservice@v3leisure.com](mailto:customerservice@v3leisure.com). Any calls made to any other third party that results in a charge levied against VCubed may be billed to You.

You may notify Us by post, facsimile or email. We may notify You by post, facsimile or email.

Advice from VCubed's staff is given in good faith but VCubed does not represent that its staff are experts in the operation of Your computer hardware or software and You must act on any advice given at Your own risk. The Software System has been developed in good faith by VCubed and VCubed is not aware of any defects in the Software System that may interfere with the operation of Your computer hardware or software. However prior to installing the Software System You should verify that it is compatible with Your computer hardware and software. VCubed does not warrant that the Software System will be compatible or defect free and You agree to install and use the Software System entirely at Your own risk.

#### **Information on the Website**

VCubed makes reasonable efforts to ensure that information posted by VCubed on the Website is correct and up to date. However, VCubed does not warrant the accuracy of that material. All information is subject to change without notice.

VCubed may change Fees or conditions on 14 days notice. VCubed will notify You if the proposed changes would be in any way detrimental to You.

Some of the pages on or in the Website include material including but not limited to editorial content, product and services descriptions and advertisements posted by third parties ("Material"). Such Material is the sole responsibility of the party posting the Material and VCubed makes no representation or warranty either as to the accuracy of the Material or as to the quality or merchantability of the underlying goods and services (if any) and to the fullest extent permitted by law

VCubed accepts no responsibility for the content of Material posted by third parties on or in the Website including any error omission or inaccuracy in the Material or any failure of the Material to comply with relevant legislation.

On some of the pages of the Website You may be given the opportunity to enter into agreements with third parties including but not limited to a Strategic Alliance Business identified on the Website. You enter into agreements with such third parties entirely at Your own discretion and it is not a condition of the Contract or the Software Licence that You agree to acquire goods and services exclusively from any third party.

VCubed is not liable in relation to and takes no responsibility for any contract entered into by You with third parties by using the Website including but not limited to contracts entered into by You with a Strategic Alliance Business .

VCubed makes no warranty or representation whatsoever as to any Strategic Alliance Business or its ability to deliver products or services nor as to the quality or merchantability of any products or services purchased or obtained or offered to You through use of the Website whether accessed directly or otherwise.

#### **Billing**

Fees commence from the date Your Account is active with VCubed.

You must pay the Regular Payment and the Connection Fee (Connection Fee may be paid by an alternative method as agreed) set out on the Application Form by electronic transfer to VCubed at the nominated bank account set out on the Application Form.

VCubed will bill You for the first month's Regular Payment and the Connection Fee on receipt and processing of Your Application Form. Your Account will not be activated until the first month's Regular Payment and the Connection Fee has been received. Thereafter VCubed will bill You at least 14 days before the Regular Payment is due. Bills are sent by email in the form of a tax invoice as required by the Goods and Services Tax Legislation

The Regular Payment must be paid monthly in advance and must be received in cleared funds by VCubed by no later than the 3rd business day of each calendar month. Failure to pay the Regular Payment by the due date will result in the automatic cancellation of Your Account, without the necessity of any further notice to You.

If You provide a credit card or direct debit authority, it will be debited monthly unless You instruct otherwise. 14 days notice is required if You do not want a Regular Payment to be charged against an existing credit card or direct debit authority

The Connection Fee is non-refundable.

You are responsible for all Fees incurred through the use of Your Account. If You or We terminate Your Account at any time You will be immediately invoiced with all outstanding Fees and You must pay that invoice in full within 7 days. If You provide a credit card or debit authority it will be debited with the amount due. If You use any of the Strategic Business Services or elect to access the Payment Gateway You will be billed monthly in arrears for all On-line Booking Fees and Transaction Fees arising during each calendar month and You must pay to VCubed on the due date all fees arising under the Merchant Agreement. Any unpaid Payment Due owing to VCubed by You at any time may be referred to a collection agency.

Any Defined Abuse that causes significant network issues to VCubed may result in charges to You for VCubed's time.

#### **Suspension and Termination**

The following Fees apply If You change or Terminate Your Account at any time:

- If You Terminate Your Account Your Connection Fee is non refundable and if You have pre-paid Your Monthly Licence Fee no refund is payable. You must also pay within 7 days of invoice any On-line Booking Fees and Transaction Fees that have not previously been invoiced and paid;
- If You wish to change Your Account You will receive pro-rata credit for any Monthly Licence Fee pre-paid, less a handling Fee of \$10.00 and unless Your On-line Booking Fees and

**Transaction Fees** are also changed to the new account You must pay within 7 days any On-line Booking Fees and Transaction Fees that have not previously been invoiced and paid pay ;

VCubed may Initiate Termination of Your Account if any Payments Due are not paid to VCubed by the third business day of the calendar month. The following will occur:

- Your Account will be temporarily withdrawn until payment is received; and
- If a Suspended Account remains unpaid after a reasonable period as VCubed in its sole discretion may permit, the Account will be closed.

VCubed may Suspend Your Account for up to 48 hours while investigating any complaint of criminal behaviour or Defined Abuse on Your part. VCubed will monitor or limit the Account as required by the lawful direction of a competent law enforcement official.

VCubed may initiate Termination of Your Account for Defined Abuse and the following will occur:

- VCubed will notify You at the time of Termination;
- VCubed will have the right to levy a reasonable Fee for any costs incurred as a result of the Defined Abuse.

VCubed is not responsible for Webpages, email or other data lost as a result of Your Account being closed.

#### **Disputes**

If You are disputing any matter with the Account provided by VCubed, You can make a formal complaint by following the Complaints Procedure detailed in the Complaints Proceedure section.

If You dispute any Payments Due, You are required to pay any outstanding Invoice, less the disputed amount, payment of which will be extended while the dispute is being investigated. VCubed will inform You of the results of the investigation of the dispute. If You are unhappy with the results of the investigation of any dispute You can make a formal complaint as detailed in the Feedback and Complaints Proceedure section

#### **Camtech Payment Gateway**

If You wish to use the Payment Gateway You must first make application to the Banking Provider and the Banking Provider must agree to enter into a Banking Merchant Agreement with You. Any decision to enter into a Banking Merchant Agreement with You is determined by the Banking Provider in its complete discretion and is subject to You satisfying all necessary requirements of the Banking Provider.

Subject to compliance with the Billings section You will be required to enter into a Merchant Agreement with VCubed and You must comply with the terms of that Merchant Agreement which will include requirements made by Camtech in connection with Your use of the Payment Gateway and the Merchant Software and Your operation of any e-commerce site.

Without limiting the generality of the previous paragraphs You must not permit use of or use the Merchant Software to access any electronic financial payments clearance system other than the Payment Gateway and You must not reverse assemble or reverse compile or directly or indirectly allow or cause a third party to reverse assemble or reverse compile the whole or any part of the Merchant Software, or grant sub-licences to use the Merchant Software to any other party.

If Your Banking Merchant Agreement is terminated at any time then Your access to the Payment Gateway and the Merchant Software and Your Merchant Agreement will automatically terminate.

#### **Warranties and Indemnities**

We warrant that:

- the Software System will operate in conformity with the Documentation in all material aspects; and
- We have the right to enter into the Contract and to grant to You the rights granted.

If at any time You believe there is a defect in the Software System such that the Software System does not comply with or cannot be used in accordance with the Documentation:

- You must notify Us of the perceived defect;
- upon the verification of the existence of the defect, We will rectify the defect without additional charge to You;
- if after investigation by Us it is revealed that no such defect in fact exists, We may make a reasonable additional charge in respect of such investigation.

Except for the warranty in this section and any warranty that cannot be excluded by law, all other warranties whether express, implied, statutory or otherwise, relating in any way to the Contract, including, without limitation, any warranty that any of the goods or services provided under this agreement are fit for a particular purpose are excluded. You acknowledge that You have solely exercised and relied upon Your own skill and judgement in determining whether the goods and services provided under this agreement meet Your particular requirements, and have not relied on any statement or representation made on behalf of Us or by Us, other than those contained in the Documentation.

Risk of loss of or damage to Your computer system including, without limitation, loss or damage to data or software or configuration or functionality, and whether or not arising from the installation, implementation of the Software System or use of the Account at all times remains with You.

We are not liable for any loss or damage You suffer if any communications equipment is not working.

We are not obliged to put in place any substitute or alternative system should there be a failure of or delay in the provision of the Software System.

We make no warranties in respect of the Banking Provider, Camtech, the Merchant Software or Payment Gateway. Any decision by You to enter into a Banking Merchant Agreement or Merchant Software Agreement or to use or allow use of the Payment Gateway is determined by You in Your complete discretion and is subject to You solely exercising and relying upon Your own skill and judgement in determining whether the Payment Gateway, Camtech and the Banking Provider possess the necessary technical and professional characteristics and will meet Your particular requirements, and You have not relied on any statement or representation made on behalf of Us or by Us, other than those contained in the Documentation.

Without limiting any other provision of the Contract, You acknowledge that:

- performance of the Software System is dependent on a number of factors outside our control, including traffic on and technical difficulties with the Internet and the performance of the financial payments clearance system;
- the Software System is secure within certain technical boundaries specified in the Documentation which You have considered;
- there may be interruption or failure of the Software System; and
- You agree that, without limitation, We shall not be liable for any loss or damage which You or a third party may suffer due solely or in part to one or more of these factors.

Given the acknowledgements set out in this agreement, We do not warrant that:

- access to the Software System will be continuous or uninterrupted;
- the Software System will provide You with a totally secure or confidential means of communication;
- the data transmitted or received by You through the use of the Software System will be accurate or virus free;

- the Software System is free from defects; or
- the Software System will operate without interruption or errors.

Where the law implies any term in this Contract which cannot by law be excluded, then that term is included in this Contract. Our liability for any breach of such an implied term will be limited, at our option, to the following:

- in the case of the provision of services to the supplying of those services again, or the reasonable cost of supplying those services again; and
- in the case of the provision of goods to the replacement of those goods or the supply of equivalent goods (or the reasonable cost of the same) the repair of those goods (or the reasonable cost of repairing those goods).

We shall not be liable to You, or any third party:

- for any use by You of the services described in this agreement or otherwise offered by third parties on VCubed's website;
- for any use by You of the services of the Banking Provider, or the Payment Gateway or Merchant Software;
- for any transaction entered into by You with a Strategic Alliance Business or with any third party using the Software System or the Payment Gateway;
- for any unauthorized use or illegal use by any person of the Software System, Payment Gateway or Merchant Software;
- for any transaction entered into by You using the Software System or the Payment Gateway which is disputed, declared void or voidable, avoided or defaulted by any person;
- for any claims resulting from Your use of the Merchant Software or the Payment Gateway or arising from the fraudulent use of a personal credit card number or a credit card by any person; or
- any breach of an agreement between You and any person including but not limited to a financial institution related to the making of credit or debit card payments.

We shall not be liable under this Contract to the extent that a defect is caused by You or a third party, including Your failure or the failure of a third party to:

- integrate the Software System with the e-commerce solution;
- maintain the operating environment designated in the Documentation; or
- otherwise use the Software System in accordance with specifications issued by Us from time to time, whether in the Documentation or otherwise.

In no event will We be liable to You or any customer or other person for any remote, indirect consequential, special or incidental damages, including without limitation, damages resulting from loss of Data, loss of profits or business interruption, or cost of cover, whether based on breach of contract, tort (including negligence), product liability or otherwise. This limitation will apply even if We have been advised of the possibility of such damages.

Regardless of the form of action our aggregate liability to You for all claims by You against Us arising under this Contract or in respect to our performance of this Contract shall not exceed one year's revenue payable by You to Us under this Contract.

You shall indemnify, hold harmless and, at our request, defend Us from and against any and all direct claims, liabilities, losses, damages, expenses and costs (including solicitors' fees and costs) incurred by Us arising out of, in connection with or relating to:

- a breach by You of Your obligations pursuant to the Contract;
- Your use of the Software System, the Payment Gateway and the Merchant Software;
- PROVIDED THAT such indemnity is reduced proportionally to the extent that the above is caused by or a result of our negligence or the negligence of our employees, agents or subcontractors

**Passwords**

Your password is the means by which You secure Your Account from unauthorised usage.

Your password is known to VCubed and our staff for the sole reason of helping You with access problems and will not be disclosed to any person by VCubed staff without Your consent. Please note that Your password is a shared secret with VCubed, and it is in Your interests to change the password regularly.

I agree to the Acceptable Use Agreement above?

☐ No ☒ Yes

Submit

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## **Feedback and Complaints Proceedure**

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28 John Street  
Northbridge WA 6000

Contact: Customer Services Manager  
E-mail: [customerservice@v3leisure.com](mailto:customerservice@v3leisure.com)  
Telephone: 08 9227 3933  
Facsimile: 08 9227 3900

If You wish to make a complaint about Vcubed, our services or any associated matter, You may contact us by telephone, email, letter or facsimile. We do not require complaints to be in writing. Wherever possible, complaints will be dealt with promptly, and You will receive a response within working days.

If You are dissatisfied with the outcome of Your complaint, You may choose to escalate the complaint internally by contacting our Customer Service Manager, [customerservice@v3leisure.com](mailto:customerservice@v3leisure.com). A response to an escalated complaint will be made within 7 working days.

The Western Australian Ministry of Fair Trading has a web site with contact details and information about consumer issues at <http://www.fairtrading.wa.gov.au/>.



## Transmittal notice — V-Pay activation

Customer Service - V3Travel  
VCubed Pty Ltd  
28 John Street  
Northbridge WA 6003

V3Travel,

Being duly authorised for and on behalf of \_\_\_\_\_ (insert business/company name) I request V-Pay to be enabled on our V3Travel system on the terms and conditions set out in the Software Licence, the Acceptable Use Agreement and the attached documents:

1. The signed Application for Merchant Facilities with Westpac.
2. The signed V-Pay Direct Debit Request. I confirm I have received and read the Direct Debit Request Service Agreement.
3. The signed V-Pay Merchant Software Sub-licence.

Please forward my copy of the executed agreement to the following address.

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Kind Regards

(Insert name and title)

(need to insert the standard V3 letterhead block of contact details)

**APPLICATION FOR MERCHANT SERVICE FACILITIES**

(hard copy attached)



V-Pay Direct Debit Request  
[insert APCA Direct

## Direct Debit Request

Request and Authority to debit the account named below to pay  
VCubed Pty Ltd (*Debit User*)

<b>Request and Authority to debit</b>	<p>Surname or company name _____</p> <p>Given names or ACN/ARBN _____ ("you")</p> <p>request and authorise VCubed Pty Ltd [<i>Debit User Identification Number XXXXXX</i>] to arrange, through its own financial institution, for any amount VCubed Pty Ltd may debit or charge you to be debited through the Bulk Electronic Clearing System from an account held at the financial institution identified below and paid to the Debit User, subject to the terms and conditions of the Direct Debit Request Service Agreement and any further instructions provided below.</p>
<b>Insert the name and address of financial institution at which account is held</b>	<p>Financial institution name _____</p> <p>Address _____</p>
<b>Insert details of account to be debited</b>	<p>Name of account _____</p> <p>BSB number                    _ _ _ _  -  _ _ _ _ </p> <p>Account number            _ _ _ _ _ _ _ _ _ _ _ _ _ _ </p>
<b>Acknowledgment</b>	<p>By signing this Direct Debit Request you acknowledge having read and understood the terms and conditions governing the debit arrangements between you and VCubed Pty Ltd as set out in this Request and in your Direct Debit Request Service Agreement.</p>
<b>Payment Details:</b>	<p>The V-Pay Fees are calculated monthly, as set out in the Acceptable Use Agreement, on the following basis which may be changed in accordance with the Direct Debit Service Agreement;</p> <ul style="list-style-type: none"><li>○ Transaction Fee: 80 cents (+GST) per transaction conducted via the V-Pay system</li><li>○ On-Line Booking Fee: 15% of the deposit, including GST received (+GST) via an on-line booking.</li></ul> <p>The first debit may be made on 22/ ___ / ___ and at monthly intervals after that.</p>
<b>Insert your signature and address</b>	<p>Signature _____</p> <p>(If signing for a company, sign and print full name and capacity for signing eg. director)</p> <p>Address _____</p> <p>_____</p> <p>Date                   ___ / ___ / ___</p>
<p>VCubed Pty Ltd. 28 John Street Northbridge Western Australia 6003 Telephone + 61 (8) 9227 3933 Facsimile +61 (8) 9227 3900 <a href="mailto:customerservice@v3leisure.com">customerservice@v3leisure.com</a> ABN: 41 074 524879</p>	



DDR Service Agreement for V-Pay Fees  
[APCADirect Debit logo]

## Direct Debit Request Service Agreement

### Definitions

*account* means the account held at *your financial institution* from which we are authorised to arrange for funds to be debited.

*agreement* means this Direct Debit Request Service Agreement between you and us.

*banking day* means a day other than a Saturday or a Sunday or a public holiday listed throughout Australia.

*debit day* means the day that payment by you to us is due.

*debit payment* means a particular transaction where a debit is made.

*direct debit request* means the Direct Debit Request between us and you (and includes any Form PD-C approved for use in the *transitional period*).

*transitional period* means the period commencing on the industry implementation date for Direct Debit Requests (currently 31 March 2000) and concluding 12 calendar months from that date.

*us or we* means VCubed Pty Ltd, (the Debit User) you have authorised by signing a *direct debit request*.

*you* means the customer who signed the *direct debit request*.

*your financial institution* is the financial institution where you hold the *account* that you have authorised us to arrange to debit.

### 1. Debiting your account

1.1 By signing a *direct debit request*, you have authorised us to arrange for funds to be debited from *your account*. You should refer to the *direct debit request* and this *agreement* for the terms of the arrangement between us and you.

1.2 We will only arrange for funds to be debited from *your account* as authorised in the *direct debit request*.

1.3 If the *debit day* falls on a day that is not a *banking day*, we may direct *your financial institution* to debit *your account* on the following *banking day*.  
If you are unsure about which day *your account* has or will be debited you should ask *your financial institution*.

2. Changes by us	2.1 We may vary any details of this <i>agreement</i> or a <i>direct debit request</i> at any time by giving you at least fourteen (14) days' written notice.
3. Changes by you	<p>3.1 Subject to 3.2 and 3.3, you may change the arrangements under a <i>direct debit request</i> by contacting us on <a href="mailto:customerservice@v3leisure.com">customerservice@v3leisure.com</a> or by telephoning 08 9227 3933.</p> <p>3.2 If you wish to stop or defer a <i>debit payment</i>, you can: a) give us reasonable notice in writing that you wish to do so; and/or b) arrange it through your financial institution. This notice should be given to us in the first instance.</p> <p>3.3 You may also cancel your authority for us to debit your account at any time by a) giving us reasonable notice in writing and/or b) arranging it through your financial institution. This notice should be given to us in the first instance.</p>
4. Your obligations	<p>4.1 It is your responsibility to ensure that there are sufficient clear funds available in your account to allow a <i>debit payment</i> to be made in accordance with the <i>direct debit request</i>.</p> <p>4.2 If there are insufficient clear funds in your account to meet a <i>debit payment</i>:</p> <ul style="list-style-type: none"> <li>(a) you may be charged a fee and/or interest by your financial institution;</li> <li>(b) you may also incur fees or charges imposed or incurred by us; and</li> <li>(c) you must arrange for the <i>debit payment</i> to be made by another method or arrange for sufficient clear funds to be in your account by an agreed time so that we can process the <i>debit payment</i>.</li> </ul> <p>4.3 You should check your account statement to verify that the amounts debited from your account are correct</p> <p>4.4 If VCubed Pty Ltd is liable to pay goods and services tax ("GST") on a supply made in connection with this <i>agreement</i>, then you agree to pay VCubed Pty Ltd on demand an amount equal to the consideration payable for the supply multiplied by the prevailing GST rate.</p>
5 Dispute	<p>5.1 If you believe that there has been an error in debiting your account, you should notify us directly on <a href="mailto:customerservice@v3leisure.com">customerservice@v3leisure.com</a> or by telephoning on 08 9227 3933 and confirm that notice in writing with us as soon as possible so that we can resolve your query more quickly.</p> <p>5.2 If we conclude as a result of our investigations that your account has been incorrectly debited we will respond to your query by arranging for your financial institution to adjust your account (including interest and charges) accordingly. We will also notify you in writing of the amount by which your account has been adjusted.</p> <p>5.3 If we conclude as a result of our investigations that your account has not been incorrectly debited we will respond to your query by providing you with reasons and any evidence for this finding.</p>

6. Accounts	You should check:	<ul style="list-style-type: none"> <li>(a) with <i>your financial institution</i> whether direct debiting is available from <i>your account</i> as direct debiting is not available on all accounts offered by financial institutions.</li> <li>(b) <i>your account details</i> which <i>you</i> have provided to <i>us</i> are correct by checking them against a recent <i>account statement</i>; and</li> <li>(c) with <i>your financial institution</i> before completing the <i>direct debit request</i> if <i>you</i> have any queries about how to complete the <i>direct debit request</i>.</li> </ul>
7. Confidentiality	7.1	We will keep any information (including <i>your account details</i> ) in <i>your direct debit request</i> confidential. We will make reasonable efforts to keep any such information that we have about <i>you</i> secure and to ensure that any of <i>our</i> employees or agents who have access to information about <i>you</i> do not make any unauthorised use, modification, reproduction or disclosure of that information.
	7.2	<p>We will only disclose information that we have about <i>you</i>:</p> <ul style="list-style-type: none"> <li>(a) to the extent specifically required by law; or</li> <li>(b) for the purposes of this <i>agreement</i> (including disclosing information in connection with any query or claim).</li> </ul>
8. Notice	8.1	If <i>you</i> wish to notify <i>us</i> in writing about anything relating to this <i>agreement</i> , <i>you</i> should write to Vcubed Pty Ltd - V3Travel, 28 John Street, Northbridge WA 6003.
	8.2	We will notify <i>you</i> by sending a notice in the ordinary post to the address <i>you</i> have given <i>us</i> in the <i>direct debit request</i> .
	8.3	Any notice will be deemed to have been received on the third <i>banking day</i> after posting.

## V-PAY MERCHANT SOFTWARE SUB-LICENCE

### IMPORTANT

*Please read this Sub-Licence carefully. Permission to use the Merchant Software or access the System is conditional upon you agreeing to the terms and conditions set out below. By using the Merchant Software or accessing the System you are deemed to accept absolutely and unconditionally the terms and conditions of this Sub-Licence. If you do not agree to these terms and conditions do not use the Merchant Software or access the System. You must print out this Sub-Licence complete it, sign it and return it to us, before you can access the System.*

### PARTIES TO THIS SUB-LICENCE

This agreement is between, VCUBED PTY LTD ACN 074524879 of 28 John Street, Northbridge Western Australia ("us", "we" or "our") and [Merchant] ("you" "your" or "the Merchant") being the company, person or other legal entity named on the accompanying V-Pay Direct Debit Authority form ("V-Pay DDA").

#### 1. Introduction

- 1.1 Keycorp Limited through its e-commerce business unit (Camtech) are the owners of a system ("the System") for the conduct of online commerce comprising:
  - (a) a payment gateway which resides at Camtech on the Internet and manages a connection to a final payments clearance system ("the Payment Gateway"); and
  - (b) computer software which enables you to connect via the Internet to the Payment Gateway ("the Merchant Software").
- 1.2 The System is more fully described at the Camtech website <www.camtech.com.au> ("the Camtech Website").
- 1.3 VCubed Pty Ltd has entered into a Channel Partner Agreement with KeyCorp to provide "the System" to persons using the V3Travel System.
- 1.4 The Channel Partner Agreement entitles Vcubed Pty Ltd to grant sub-licences of the System to persons using the V3 Travel System strictly on the terms and conditions set out below.

#### 2. Duration

This sub-licence shall commence on the date shown on the V-Pay DDA form and shall continue until terminated as provided for in this agreement.

#### 3. Sub-Licence

We grant to you a non-exclusive sub-licence to use the Merchant Software on a single computer to access the Payment Gateway subject to the terms of this sub-licence.

#### 4. Access to the System

During the term of this agreement we will provide you with access to the System upon the terms of this sub-licence.

#### 5. Title

You acknowledge that you are the sub-licensee only and that there is no transfer of title or ownership to you of the Merchant Software or the Documentation or any modifications, updates, or new releases of the Merchant Software.

#### 6. Your Obligations

- 6.1 During the term of this sub-licence you shall:
  - (a) enter into, maintain and abide by an agreement with a bank or other financial institution which permits you to clear debit or credit card payments using electronic communication ("the Financial Institution Agreement");
  - (b) ensure your use of the System and the Merchant Software is strictly in accordance with your Financial Institution Agreement;

- (c) ensure that all terms and conditions of use and/or warning notices which Camtech may prescribe for display to online customers using commerce sites which use the System are displayed strictly in accordance with Camtech's directions. However this subclause does not create any obligation to create or recommend any appropriate terms and conditions of use and/or warning notices;
  - (d) establish a fair policy for dealing with refunds and disputes about financial transactions made using the Merchant Software and the System ("Transactions");
  - (e) maintain for a period of at least 12 months a copy of each audit log sent to you and each reference number supplied by Camtech or us for Transactions;
  - (f) comply with all requirements which we advise you of from time to time including all requirements that apply to the Merchant in Camtech E-Commerce Merchant Software - Installation and Implementation Documents ("the Documents"); and
  - (g) only permit use of or access to the System for Transactions you reasonably believe are legitimate;
- 6.2 During this agreement you will not:
- (a) permit use of or access to the System except by operation of the Merchant Software and by any person other than as contemplated by this agreement;
  - (b) make or publish or cause to be made or published any false, misleading, deceptive or mis-descriptive statement or information in relation to the System, the Payment Gateway and/or the Merchant Software which may give rise to any liability to us;
  - (c) disclose any personal credit card number or information about the holder of any personal credit card number or about any Transactions to any person other than:
    - (i) us,
    - (ii) the issuer of the personal credit card number,
    - (iii) the bank or financial institution which is a party to a Financial Institution Agreement with the Merchant,
    - (iv) as required by law,
    - (v) Camtech
  - (d) and any such information shall be securely stored;
  - (e) copy, alter, modify, reproduce or rent the Merchant Software without our written consent except and only to the extent permitted by law notwithstanding this limitation and except to the extent authorised by this agreement;
  - (f) reverse assemble or reverse compile or directly or indirectly allow or cause a third party to reverse assemble or reverse compile the whole or any part of the Merchant Software.
7. **Handling of Data**
- 7.1 We and/or Camtech may monitor, record and store any data or information transmitted, received or stored by you using the Merchant Software or the System ("the Data").
- 7.2 We will treat the Data as confidential and will not without your prior written consent disclose such confidential information to a third party except where required by law.
- 7.3 We will use our reasonable endeavours to secure the Data from unauthorised access and will require our employees who have access to the Data to execute non-disclosure agreements.
- 7.4 Our obligation under this clause 7 shall survive the termination of this agreement.
8. **Fees**
- 8.1 You will pay the licence fee ("Licence Fee") the on-line booking fee ('On-Line Booking Fee") and the transaction fees ("Transaction Fees") at the time and in the manner specified in Schedule 1.
- 8.2 You will pay an annual support fee at the times and in the manner specified in Schedule 1 ("the Annual Support Fee").
- 8.3 You will pay any stamp duty and other government charges levied on or in connection with any Direct Debit Request , Direct Debit Request Service Agreement or this sub-licence.
- 8.4 All Fees are non refundable.

**9. Payment**

- 9.1 Unless expressly stated in writing by us all fees and charges are exclusive of government taxes and imposts applicable to the supply of goods and services or licence to use software including, without limitation, sales tax, import duty and services tax. If any such taxes or imposts are or become applicable, an amount equal to them shall be added to the fees and charges under this agreement and shall be payable by you to us.
- 9.2 If you default in any payment to us:
- (a) we may suspend or cancel all further access to the System (whether those services are services under this agreement or any other services provided by us); and
  - (b) you will pay all collection costs and the legal fees incurred by us as a result of that default.
- 9.3 We may increase the On-Line Booking Fee, the Transaction Fees or the Annual Support Fee, upon giving you not less than two (2) months' notice in writing.
- 9.4 You will pay the On-Line Booking Fee and the Transaction Fees to us within 14 days of receipt of our invoice. The On-Line Booking Fee and the Transaction Fees are not refundable (in whole or in part) to you except only as set out in 9.5. You agree that any decision by you at any time to refund a deposit to any person will not relieve you of the obligation to pay the Transaction Fees and On-Line Booking Fee in respect of that deposit.
- 9.5 If there is a defect in the Merchant Software or Booking Report which leads to a manifest error in the calculation of the Transaction Fees, On-Line Booking Fee or Annual Support Fee you must immediately notify us on becoming aware of the manifest error and we will immediately investigate the matter and if the manifest error is established then we will promptly refund to you the amounts (if any) incorrectly paid by you.

**10. Warranties and Support**

- 10.1 We warrant that:
- (a) we have the right to enter into this agreement and to grant to you the rights herein granted; and
  - (b) we are informed by Camtech and have no other knowledge or information which would not suggest that the Merchant Software will operate in conformity with the Documentation in all material aspects.
- 10.2 If at any time during this agreement you believe there is a defect in the Merchant Software you shall notify us by contacting our help desk. We may refer such matters to Camtech at our discretion.
- 10.3 Except for the warranties in subclause 10.1 and any warranty which cannot be excluded by law all other warranties whether express, implied statutory or otherwise relating in any way to this agreement, including, without limitation any warranty that any of the goods or services provided under this agreement are fit for a particular purpose are excluded.
- 10.4 We shall not be obliged to put in place any substitute or alternative system should there be a failure of or delay in the provision of the System.
- 10.5 We shall use our best endeavours to achieve 98% availability of the System other than outages to which clause 13 applies.
- 10.6 We shall provide a help desk facility.
- 10.7 You acknowledge that:
- (a) the performance of the System is dependent on a number of factors outside our control, including traffic on and technical difficulties with the Internet, the performance of the financial payments clearance system and the availability of terminals and telephone lines;
  - (b) access to the System may not be continuous or uninterrupted;
  - (c) the System is secure within certain technical boundaries which you have considered;
  - (d) the System may not provide you with a totally secure or confidential means of communication;

- (e) payment and payment clearance operates on the terms and conditions of your Financial Institution Agreement;
  - (f) the Data transmitted or received by you through the use of the Merchant Software and access to the System may not be accurate or virus free;
  - (g) there may be interruption or failure of the System;
  - (h) the Merchant Software may have defects and may operate with interruptions or errors,
- and you agree that, without limitation, all liability you or a third party may incur due solely or in part as a result of one or more of these factors is your responsibility.
- 10.8 You warrant that the person signing this sub-licence has the requisite authority to do so.
- 11. Liability**
- 11.1 Other than for a breach of this agreement we shall not be liable to you for any loss or damage (including without limitation, consequential loss or damage) suffered by you whether arising directly or indirectly from the supply of any goods or services under this agreement.
- 11.2 Where the law implies any term in this agreement, which cannot by law be excluded, then that term is included in this agreement. Our liability for any breach of such an implied term will be limited, at our option, to the following:
- (a) in the case of the provision of services to the reinstatement of those services, or the reasonable cost of reinstating those services; and
  - (b) in the case of the provision of goods to the replacement of those goods or the supply of equivalent goods (or the reasonable cost of the same, the repair of those goods or the reasonable cost of repairing those goods).
- 11.3 Without limiting subclause 11.1 we shall not be liable to you:
- (a) for any Transaction disputed by any person;
  - (b) for any claims resulting from fraudulent use of a personal credit card number or a credit card; and/or
  - (c) any breach of the Financial Institution Agreement.
- 11.4 In no event will we be liable to you for any remote, indirect consequential special or incidental damages, including without limitation, damages resulting from loss of data, loss of profits or business interruption, or cost of cover, whether based on breach of contract, tort (including negligence), product liability or otherwise. This limitation will apply even if we have been advised of the possibility of such damages.
- 11.5 Regardless of the form of action our aggregate liability to you for all claims by you against us arising under this agreement or our performance of this agreement shall not exceed the sum paid to us by you under this agreement.
- 12. Termination**
- 12.1 You may terminate this agreement by giving us thirty (30) days notice in writing.
- 12.2 We may terminate this agreement by giving you not less than thirty (30) days notice in writing prior to any anniversary of the commencement of this agreement.
- 12.3 We may terminate this agreement by notice if any payment due from you to us under this agreement remains unpaid for a period of fourteen (14) days after the due date;
- 12.4 Without limiting the rights which you or us may otherwise have arising from a breach of this agreement, you or us may terminate this agreement immediately by notice to the other in writing if:
- (a) you or we breach any clause of this agreement and such breach is not remedied within thirty (30) days of written notice by you or us;
  - (b) you or we become subject to any form of insolvency administration;
  - (c) you or we, being a partnership, dissolve, or resolve to dissolve or are in jeopardy of dissolving;
  - (d) you or we, being a natural person, die; or
  - (e) the System becomes unavailable for a period in excess of one month.
- 12.5 If this agreement is terminated pursuant to subclauses 12.1, 12.2, 12.3 or 12.4 or otherwise by you or us, we may, in addition to any additional or alternative remedies provided by law:

- (a) repossess computer programs and equipment relevant to this agreement;
  - (b) retain all moneys already received from you;
  - (c) charge a reasonable sum for work performed for which no sum has previously been paid; and
  - (d) be deemed to be discharged from any further obligations under this agreement.
13. **Force Majeure**  
Neither party shall be liable for any delay or failure to perform its obligations pursuant to this agreement if such delay is due to fire, flood, meteorological event, strike, industrial action, war, civil disturbance, Act of God, act of terrorism or any other event outside the reasonable control of a party which causes the delay or failure by the party in the performance of its obligations under this agreement.
14. **Sub-contracting**  
We may in our discretion sub-contract for the performance of this agreement or any part of this agreement. We shall provide notice of our intent to sub-contract 14 days prior to commencement of the sub-contract.
15. **Assignment**  
This agreement shall not be dealt with in any way by you (whether by assignment sub-licensing or otherwise) without our prior written consent.
16. **Entire Agreement**  
This agreement and the Invoice constitute the entire agreement between the parties for the subject matter of this agreement. Any prior arrangement, agreements, representations or undertakings are superseded. No modification or alteration of any clause of this agreement will be valid except in writing signed by each party.
17. **Severability**  
If any provision of this agreement is held invalid, unenforceable or illegal for any reason, this agreement shall remain otherwise in full force apart from such provision which shall be deemed deleted.
18. **Governing Law**  
This agreement shall be construed in accordance with the laws of Western Australia and the parties to this agreement submit to the jurisdiction of the Courts of Western Australia and the Commonwealth of Australia with respect to all matters arising under or relating to this agreement

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 200\_  
by

**V Cubed Pty Ltd**

**[Merchant]**

Signature \_\_\_\_\_ Signature \_\_\_\_\_

Full name \_\_\_\_\_ Full Name \_\_\_\_\_

Title \_\_\_\_\_ Title \_\_\_\_\_

### Schedule 1

a)	Licence Fee	\$0 + GST
b)	Transaction Fee (Invoiced monthly)	\$0.80 + GST per transaction
c)	Annual Support Fee (Invoiced annually from the first anniversary of the sub-licence)	\$0 + GST
(d)	On-Line Booking Fee	15% of the deposit received per transaction (including GST) on each booking made using the Vpay Merchant Software +GST

All fees are due and payable with applicable GST, by direct debit. You acknowledge and agree that late payments may attract interest at Commonwealth Bank of Australia reference rate plus 2% from due date to date of payment.

Notification to the Australian Competition and Consumer Commission

By Vcubed Pty Ltd (ACN 074 524 879)

LICENSING OF PERSONS TO SUPPLY GOODS AND SERVICES TO BUSINESS  
CLIENTS OF THE V3TRAVEL SYSTEM

19 December 2003

APPENDIX 3

NAMES AND ADDRESSES OF BUSINESS CLIENTS

1. Names and Addresses of Business Clients

The following persons are currently Business Clients of the System:

- (i) Feature Tours  
Domestic Airport Ross Drive Redcliffe WA 6104  
Phone: (08) 9475 2900
- (ii) HomeAway Australia – Kingstone on Hay Apartment Hotel  
273 Hay Street East Perth WA 6004  
Phone: (08) 9325 7933
- (iii) HomeAway Australia – Alderney on Hay Apartment Hotel  
193 Hay Street East Perth WA 6004  
Phone: (08) 9225 6600
- (iv) Kings Perth Hotel  
517 Hay Street Perth WA 6000  
Phone: (08) 9325 6555
- (v) Ocean Beach Backpackers  
1 Eric Street Cottesloe WA 6011  
Phone: (08) 9384 5111
- (vi) Swan Gold Tours  
81 John Street Welshpool WA 6106  
Phone: (08) 9451 5333
- (vii) TravelAbout Outback Adventures  
Unit 2 / 8 Carbon Court Osborne Park WA 6017  
Phone: (08) 9244 1200
- (viii) West Beach Lagoon  
251 West Coast Highway Scarborough WA 6019  
Phone: (08) 9341 6122

2. Names and Addresses of Persons Who are Currently Licensed to Supply  
Goods or Services through the System to Business Clients

The following persons are currently licensed to supply goods or services through the System to Business Clients

- (i) Feature Tours  
Domestic Airport Ross Drive Redcliffe WA 6104  
Phone: (08) 9475 2900
- (ii) Liquid Wit  
Robert de Pinto - Founder/President  
PO box 7068  
Bondi Beach NSW 2026  
Phone: 0418 188004  
(V-MARKETING: Creative Services)
- (iii) Paper Print Logistics  
Neil Armstrong – Managing Director  
1<sup>st</sup> Floor 230 Victoria Road  
Gladesville NSW 2111  
PH: (02) 9817 3682  
(V-SUPPLY)
- (iv) Quintessential Foods  
10 Ruse Street  
Osborne Park WA 6017  
PH: (08) 9201 0623  
(V-SUPPLY)
- (v) Fearis Salter Power Shervington  
52 Ord Street West Perth  
Phone: 9481 8700  
(BUSINESS SUPPORT SERVICES: Contract Management)
- (vi) Export Solutions  
Unit 6 / 1 Clive Street West Perth WA 6005  
Phone: (08) 9481 8699  
(BUSINESS SUPPORT SERVICES: Grant Support Services)
- (vii) WiredCity Pty Ltd  
Level 9 / 256 Adelaide Terrace Perth WA 6805  
Phone: (08) 9218 9780  
(BUSINESS SUPPORT SERVICES: Internet Service Provider/Service)
- (viii) Market Equity  
1292 Hay Street West Perth WA 6005  
Phone: (08) 9321 5415  
(BUSINESS SUPPORT SERVICES: Market Research)
- (ix) V3 Service – Marketing Services  
28 John Street Northbridge WA 6003  
Phone: (08) 9227 3933  
(BUSINESS SUPPORT SERVICES: Marketing Services)
- (x) V3 Service – Public Relations  
28 John Street Northbridge WA 6003  
Phone: (08) 9227 3933  
(BUSINESS SUPPORT SERVICES: Public Relations)

(xi) **Selling Australia**  
**PO Box 1159 Leederville WA 6901**  
**PH: (08) 9443 4262**  
**(BUSINESS SERVICES: Tourism Sales and Support)**

Notification to the Australian Competition and Consumer Commission

By Vcubed Pty Ltd (ACN 074 524 879)

LICENSING OF PERSONS TO SUPPLY GOODS AND SERVICES TO BUSINESS  
CLIENTS OF THE V3 TRAVEL SYSTEM

19 December 2003

APPENDIX 4

SUMMARY OF PUBLIC BENEFIT AND DETRIMENT ARISING FROM THE  
CONDUCT TO WHICH THE NOTIFICATION RELATES

1. General

A notable feature of the market for the supply of tourism products and services in Australia is that a very large number of the firms offering such products and services are small or medium size enterprises. Such businesses often have difficulty marketing their products to the enormous number of potential consumers around the world in a cost effective manner.

The V3Travel System ('System'), the operation of which is described in detail in Appendix 2, is designed to ameliorate those difficulties by providing a mechanism whereby small tourism operators can market and sell their products to a worldwide audience efficiently without compromising their independence.

The System thereby offers a number of significant public benefits.

The System substantially improves the marketing capability of Australian small business tourism operators by providing them with access to a fully integrated booking and management system that allows for distribution of live inventory of their products to be made available to multiple distributors, synchronized to allow contemporaneous bookings from multiple sources. The distribution channels that can be accessed via the System are in many cases only available because of the aggregation of content that the System will offer, although there is no restriction on Business Clients continuing to use their own distribution channels in conjunction with or outside the System. Further, Business Clients are given access to e-commerce facilities that they would almost certainly otherwise be unable to develop themselves due to cost and time constraints and the System enables those Clients to reduce business costs (e.g reduction of overheads, marketing expenses and merchant service fees).

The System, therefore, improves the efficiency of Australian small business tourism operators, improves their competitiveness, leading to increases in Australia's export earnings as those operators attract custom they would be unable to access on their own.

The System delivers these public benefits without placing any significant restrictions upon the independence of the business that use it. Rather, the System merely facilitates transactions between autonomous businesses.

In general, therefore, the System provides the public benefits described above without imposing any restrictions upon competition in any markets.

Nevertheless, the Notification (at paragraph 2(b)) identifies one feature of the System described therein that may possibly amount to exclusive dealing. This Appendix describes the public benefit and detriment arising from that feature. In doing so, the public benefits arising generally from the System which are described above are not restated but it is intended that those general benefits be added to the specific benefits identified in the discussion below.

2. The Listing of One Supplier in Each Product or Service Category on the System

This feature of the System is described at paragraph 2(b)(i) of the Notification.

The public detriment resulting from this aspect of the System is minimal, if any. Although licences to supply Business Clients through the System are granted to only one Supplier in the various categories of goods or services, the licenses relate only to supply of goods or services through the System. Business Clients remain free to deal outside the System with whomever they choose to supply such goods or services. There is no obligation to transact exclusively through the System and no requirement to utilize the supply features of the System.

Given their limited scope, the grant of these licences are likely to barely impinge on competition in markets for the supply of goods or services for the supply of goods or services in the various categories in which the licences are granted.

On the other hand, the listing of only one Supplier in each category of goods or services does provide opportunities to increase the efficiency of the supply of goods or services to Business Clients. Business Clients can use the information provided by those Suppliers listed in the System to assess the competitiveness of their current suppliers.

Further, the listing of only one Supplier in each product or service category enables the operator of the System to exert some influence over the performance of the listed Suppliers and to access Suppliers who would otherwise not deal with individual small business customers. The System operator has the option to remove Suppliers from the System who do not adhere to specified standards.

As many of the Business Clients of the System will be small businesses who may not be able to exert the same leverage over their Suppliers, the listing of only one Supplier in each product or service category improves the aggregated bargaining strength of the System's Business Clients vis a vis their suppliers.

Accordingly, the minimal anti-competitive detriment resulting from the listing of only one Supplier in each product or service category is outweighed by the public benefits accruing from this aspect of the System.