



RSL Ex-Servicemen's Cabs & Co-Operative Members Ltd.

ABN 29 491 565 109

14 Sarah Street, Mascot N.S.W. 2020

All correspondence to: The Secretary Manager, P.O. Box 6332, Alexandria N.S.W. 2015

Telephone: (02) 8338 8955 Fax: (02) 9693 1588

2 July 2004

The General Manager
 Adjudication Branch
 Australian Competition & Consumer Commission
 PO Box 1199
 DICKSON ACT 2602

FILE No:

DOC:

MARS/PRISM:

Dear Sir/Madam

I acknowledge receipt of your letter dated 17 June 2004. Please find the answers to your questions in number order:

1. Cabcharge Australia Ltd (Cabcharge) is a public company and RSL Ex-Servicemen's Cabs & Co-Operatives Members Ltd (RSL Cabs) has a share holding in Cabcharge. RSL Cabs processes Cabcharge dockets received from our taxi operators. Cabcharge pays RSL Cabs a processing fee for this service.
2. RSL Cabs' fleet size is 182 vehicles.
3. RSL Cabs does not have a merchant agreement with Cabcharge. RSL Cabs is a merchant for American Express and Diners Club and accepts all credit cards at our Administration office.
4. RSL Cabs belongs to the Legion Cabs Bureau, since February 2003.
5. RSL Cabs use the Cabcharge Fareway System.
6. The cards accepted on the Cabcharge Fareway System are:

Cabcharge

Bankcard

Motorpass

Transport Subsidy Scheme Dockets

Visa

American Express

JCB

Mastercard

Diners Club

Debit Cards - Bank issue

7. The 10% surcharge does apply to all cards.



8. Any transaction approved by the system will be honoured by Cabcharge. Transactions not approved are when driver and passenger use it as a bank, the passenger swipes the card, does not travel and the driver gives the passenger the moneys. Usually the card is lost or stolen. The system is for taxi travel.
9. Cabcharge pays the network twice a week the transactions of operators. We offer to the operator to collect the transaction, they collect the cash with no fees charged. The network receives the fare only, not the 10% service fee.
10. Taxi operators and drivers can install any EFTPOS machine. RSL does not enforce that they use a Cabcharge EFTPOS machine. The operator and driver are only concerned that they are paid in full for the fare.
11. The operator or driver all have the manual imprinter system, which accepts all cards. The use of the manual system, which belongs to Cabcharge, the cards accepted have to be displayed on the vehicle. RSL does not enforce the use of an electronic payment system.

The customers prefer the drivers to use the electronic system, due to the fare cannot be altered and the driver prefers the electronic system knowing he has not accepted a fraudulent card.

RSL Cabs has trialed other EFTPOS machines. The driver found the machine took longer to process the transaction. RSL found the accounting side very untidy with statements from credit card providers monthly in which drivers were not paid immediately. RSL had more reconciling and paperwork, as we are a small network we do not have the staff.

RSL finds the Cabcharge system efficient and it helps the co-operative as the operator's account is paid and RSL is not carrying the debt.

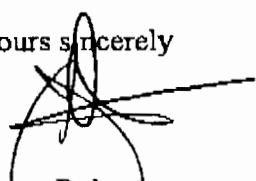
The machine can be serviced from 7.00 a.m. - 11.00 p.m. seven (7) days a week

12. RSL Cabs believes the payment system should be approved by the network. The passenger expects all taxi cabs to accept major credit cards and if they have a problem with a transaction, will contact RSL Cabs to assist with their issue.

If the authorisation is revoked, the EFTPOS machine must have the driver's details on the receipt for the passenger to contact them direct and the machine must accept all credit cards.

If you require any further information, please contact the writer. Please note our change of address.

Yours sincerely



Jenny Roberts
Secretary Manager