

CommonwealthBank

Commonwealth Bank of Australia
ABN 48 123 123 124

Level 2
120 Pitt Street
Sydney NSW 2000
Australia

GPO Box 2719
Sydney

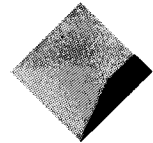
Telephone (02) 9312-7523
Facsimile (02) 9312-7666

Banking Products
Premium Business Services

14 November 2006

Mr Scott Gregson
General Manager
Adjudication Branch
Australian Competition & Consumer Commission
PO Box 1199
Dickson ACT 2602

FILE No:
DOC:
MARS/PRISM:



By email to: adjudication@accc.gov.au

Dear Mr Gregson,

**Application for revocation and substitution of authorisation lodged by the
Australian Payments Clearing Association (APCA) in respect of the
High Value Clearing System (HVCS) Regulations**

Thank you for your letter of 25 October 2006 addressed to Mr Paul Franklin. The Bank appreciates the opportunity to provide its views on this important issue.

The Bank supports the applications lodged by APCA in respect of HVCS. The Bank shares APCA's views that the revocation and substitution as proposed will result in net public benefit.

It is the Bank's view that APCA is the appropriate forum for developing and setting technical and operational rules, and that maintenance and enhancement of the integrity and efficiency of APCA's High Value Clearing System, along with the mitigation of risks affecting participants, will be assisted by the Commission's favourable consideration of the APCA application.

The Bank participates actively in APCA's deliberations on these, and related, issues and supports the revocation of the existing HVCS authorisations, and substitution of new authorisations in their stead (in relation to suspension and termination of HVCS membership), as outlined within the APCA applications and supporting submission.

Yours faithfully

Stuart Woodward
General Manager
Industry and Alliance Management

