

Roy, Lauren

From: Blanch, Belinda on behalf of Adjudication
Sent: Friday, 18 April 2008 9:33 AM
To: Chisholm, Shane; Roy, Lauren
Subject: FW: Spam: submission re Ebay International exclusive dealing notification N93365
[SEC=UNCLASSIFIED]

Categories: SEC=UNCLASSIFIED
ACCC Classification: SEC=UNCLASSIFIED

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-----Original Message-----

From: [redacted] [mailto:[redacted]]
Sent: Friday, 18 April 2008 8:38 AM
To: Adjudication
Subject: Spam: submission re Ebay International exclusive dealing notification N93365

Dear Sir/ Madam

I wish to make a submission in regard to the intention by Ebay International to impose payment by Paypal only, as of 17 June 2008.

eBay International AG - Exclusive Dealing Notification - N93365

Both as a buyer and a seller I have not found the performance of Paypal to be reliable as a payment means. There is currently a 'known problem' [paypal's words] whereby when it buyer elects to pay for their item from their paypal balance, the system instead opts to take the funds from the bank account that is linked to the paypal account, exposing the buyer to the risk of overdrawn fees if their bank account does not have sufficient funds to cover the impending unexpected withdrawal.

I purchased an item on 13 March 2008, and elected to pay for it immediately from my paypal balance.

It was not until I received a transaction record from Paypal via email that I was made aware that the payment was 'pending' meaning it would be withdrawn from my bank account rather than the paypal balance that I had elected for it to be taken from.

Apart from the rare instance where the recipient's account has not been verified by Paypal, there is no way for a payment to be cancelled. As Paypal is owned by eBay, I contacted Ebay immediately, and was told that I would need to telephone Paypal the following morning, which I did. I was told that it was "a known problem", but that they were unable to correct the payment method on the transaction.

Upon investigation, I discovered similar complaints registered in the Ebay forums by other members for some weeks prior to this, with the most recent at this stage being posted yesterday (17 April 2008.)

Given that I personally was told that this was a known problem over a month ago, Paypal appears to be disinclined to correct this 'glitch' which results in them accumulating interest on funds stored in paypal accounts when they are not used as per the customer's request.

Paypal will not accept trackable Express Post as proof of postage, but where a seller has not sent the goods, will accept (without checking the number actually exists), a registered post number as a means of evading buyer protection, which they claim is the basis for this new payment policy.

Where a currency conversion is necessary, Paypal takes a fee for this conversion. In cases where a payment is for some reason rejected by the recipient, it is returned to the payer, with yet another fee for converting back to the original currency further deducted from the amount.

Ebay does not allow sellers to charge any extra to cover paypal fees, yet the paypal fee is calculated on the total amount of the payment, including the cost of postage, which, if charged at cost, as many sellers do, leaves them out of pocket on the

postage component of their payment. Those who do not have ready funds available to cover the cost of postage from their own pocket have no choice but to request that the funds be transferred from their paypal account to their bank account, which results in a further fee of \$1.00 if the transfer request is less than \$150, and a wait of 7 working days (sometimes longer) before the transfer is complete.

Given that the recipient had a period of up to seven (or more) working days prior to receiving the abovementioned funds in their PAYPAL account, this is a total of anything up to three weeks from when a buyer pays for their goods and their payment is received by the buyer.

In summary, eBay's proposed payment policy insisting that all payments be made to a via a method that is unreliable and slow, (and may result in bank overdrawn fees because of Paypal error) is not so much about buyer protection, but additional fees for Ebay.

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Yours sincerely

PS my Ebay user name is [] although I respectfully request that this and any other identifying information be removed from any publicly available information please.