

Roy, Lauren

Subject: FW: PROTEST - re eBay International A.G. notification N93365 [SEC=UNCLASSIFIED]

From: D and M Killey [mailto:]
Sent: Thursday, 1 May 2008 10:40 PM
To: Roy, Lauren
Subject: Re: PROTEST - re eBay International A.G. notification N93365 [SEC=UNCLASSIFIED]

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Hi Lauren,

Thank you for your invitation to be part of this consultation process, I consent the use of this correspondence based on my initial email as a public submission for this occasion.

As an ebay patron since January 2000 with close to 3000 transactions and a paypal user since 2002 with over 400 transactions I have 100% positive feedback and many repeat customers. Our personal situation is that we live in a small country town with limited employment opportunities, we have four small children and need both ebay and paypal to provide us with some of our income. Fortunately we have had many years of collecting and still have thousands of items to sell.

However I wish to lodge a protest at eBay Australia's planned move to force all sellers and buyers to use their own private payment system for all eBay transactions. I do not believe this system is safe or their action is fair. I also do not believe it is fair that any business can undermine an individuals freedom of choice, and many people will be unable to comply with this direction. Many of my buyers do not have credit cards or on line banking and have no choice but to use a personal check, money order or direct deposit. I do not know of any other business in Australia where a buyer does not have a choice of payment options.

In eBay's policy statement it states that ebay is a "platform on which buyers and sellers contact and takes no part in the transaction between buyers and sellers". This action appears is direct in controversy with this statement.

Personally I have had some bad experiences with the paypal system and there is no recall for sellers who have lost their money. On one occasion I (finally) did get through to a paypal centre in America the operator said he was 'sorry this had happened to you' but as a bank had reversed the buyers check (one month after the transaction) there was nothing he could do, the only action I could take was to re-negotiate with the purchaser who had the goods and would not answer emails or letters, leaving me out of pocket. Apparently this a common complaint with paypal users. Current accepted payment methods (personal cheque, postal money order, direct money transfer etc) have proved far less inconvenient than using Paypal for transactions, and with no loss (in my experience). Also the 'safe gaurentee' appears to only be in efect if the item is sent via registered post or similar, and for all smaller transactions it is not a viable proposition. Less than 5% of my buyers wish to register their items.

Paypal users are forced to keep non interest bearing funds in their paypal accounts as it can take several days for Paypal to acknowledge funds placed in their accounts from other sources (credit cards etc). It also takes several days for money to be transferred from a Paypal account to a personal account where it can be accessed. In the US the money is guaranteed to be transferred in three to four working days (five to seven days in Australia) If they are to implement this action, the same time transaction rate should apply here. As it is sellers have to wait up to a week for the money to come through and many sellers (including me) need to use the money sent via 'other' means to pay

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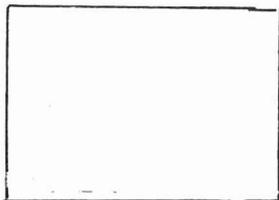
for the postage of the items paid for with paypal.

Buyers expect their items to be sent as soon as they are paid for. If these changes were to take place most smaller sellers will have to delay posting until the money is available. I trust ebay will be able to explain this situation to them, and change the feedback rating system to be fair to sellers (ie no negative feedback for postage delays).

Apart from personal feelings for this policy, I believe this action will have a severe and detrimental effect in employment (also a rise in unemployment), in the banking and postal sector as there will daily be hundreds of thousands fewer transactions processed through these venues. In short, this action will cost the Australian government tens of millions of dollars in lost revenue, taxes and unemployment. If 'eBay Australia' is truly an Australian registered company, operating under Australian jurisdiction, I would urge you to investigate the ethics and legality of this proposed change.

I would like to add that to my knowledge, eBay has not directly notified buyers and sellers of this proposed action, only in the 'eBay is changing' frame on the home page which few people bother to look at, indeed I was alerted to it by a buyer. This seems to be a rather underhanded approach and I am suprised that ebay has taken these measures. I do not believe that this policy is being implimented in any other country and can only surmise it is a proffit making exercise, or an attempt to down-size operations by removing many of the small time buyers and sellers from the scene. (I think there will be a bit of an up-roar when the proposed dates come around...)

Yours Sincerely, David Killey



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