

**Roy, Lauren**

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**Subject:** FW: eBay International A.G. notification N93365 [SEC=UNCLASSIFIED]

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**From:** PC SMITH [mailto:  
**Sent:** Wednesday, 23 April 2008 12:32 AM  
**To:** Roy, Lauren  
**Subject:** Re: eBay International A.G. notification N93365 [SEC=UNCLASSIFIED]

**EXCLUDED FROM  
PUBLIC REGISTER**

Dear Lauren Roy,

Thanks for the invitation. Yes, I like to lodge a public submission as suggested. Please treat my email as a public submission regarding the notification.

There is a big flaw or loophole exists in the current Paypal payment system will cause significant damage to seller. Say after buyer received the item (eg. mobile phone) paid via Paypal, the buyer quickly claim the received item is "SNAD" (significantly not as described). Then, the buyer will get all the money back within 21 days and proof to Paypal that he/she already sent the SNAD item (eg a pair of smelly USED sock with small rocks in it to make up the same weight) back to the seller using registered post. Yes, buyer cheated and wins. There is no way to proof the buyer aren't receiving a pair of used sock in the first place.

Now seller, bad luck. Paypal Terms and conditions read:

4.2.4 Limitations on the Seller Protection Policy. The Seller Protection Policy will not apply to a transaction if any of the following apply:

...

f. The buyer has claimed that the item was significantly not as described (SNAD), or ...

That's right, buyer get to keep the item & money, eBay keep their commission, seller completely lose out. I been questioning eBay & Paypal on how seller can avoid this sort of scammer act, but there been no reply at all. It appears that they do not have an answer to solve this flaw / problem.

Yes, this is scammer act. A scammer act done via Paypal! It's Paypal to make this illegal scammer act possible. eBay Australia is now forcing all it's member to trade using this "SAFE" payment system!!! --> Biggest lie on earth. Paypal's policy is definitely bias towards buyer too far and unsustainable for seller.

Not every buyer is scammer but sellers do need to factor in the cost of being hurt by those scammers, and thus increasing their price/margin to cover those loss. This will definitely make those sellers less competitive, thus discouraging competition among seller.

I am not saying the current feedback system is prefect. Buyer has to trust seller to do the right thing under current system. But the introduction of Paypal's policy now forcing seller to trust the buyer. Yes, trust any buyer (including zero feedback new member) to do the right thing! This is way too risky. If we have to pick between trusting the seller or buyer, I definitely will support trusting the seller, simply because it's a much smaller group of people, with high feedback rating, actually want to do the right thing as they trying to run a business. Not a zero feedback buyer that takes the goods and money then disappear. This shift of trusting position will make online trading more vulnerable to scammer, thus making Australia online market less competitive.

Sure the use of Paypal will reduce buyer complain, how about the rising seller complain? Mr Alistair

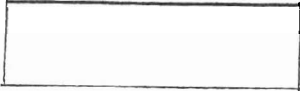
23/04/2008

MacGibbon, I think you forget your job is to make online trading safer to everybody, not just the buyer. You keep mention that Paypal is safe for buyer, do you dare to say that this system is safe for seller?

Forcing seller to accept dangerous Paypal payment is crazy; making it the only acceptable payment method is outrages. This MUST be stop.

In my opinion, the Paypal business is built on ignorant seller not knowing that they actually risking their hard-earn money. As soon as this undermined issue exposed, we shall soon witness the collapse of Paypal Corp.

Your Sincerely,  
Wan Poh LEE



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eBay Power Seller, Member ID: \*pc-smith\*

PS: For seller that still accepting Paypal, I wish you good luck. This scammer act will soon widely available in the World Wide Web. You will soon discover more & more buyer filing SNAD complain against you. You will find that you keep sending out stock but not getting paid. There is only one way to save your hard-earn money, stop accepting Paypal payment now.