

Roy, Lauren

From: Blanch, Belinda on behalf of Adjudication
Sent: Monday, 21 April 2008 11:23 AM
To: Chisholm, Shane; Roy, Lauren
Subject: FW: Ebay restricting of choice of payment options, Notification - N93365
 [SEC=UNCLASSIFIED]
Categories: SEC=UNCLASSIFIED
ACCC Classification: SEC=UNCLASSIFIED

From: Poison [mailto:
Sent: Friday, 18 April 2008 9:05 PM
To: Adjudication
Subject: Ebay restricting of choice of payment options, Notification - N93365

**EXCLUDED FROM
 PUBLIC REGISTER**

Dear ACCC,

I wish to lodge an objection to eBay International **AG** - Notification - N93365 that is aimed at restricting the choice of payment options to either C.O.D or Paypal.

Ebay claims this is for security reasons. This is completely un-true and un-quantifiable. If a person chooses the C.O.D. option, the parcel is sent and the buyer has to pay for the item before taking possession of it. There is no security or guarantee that the item is in the condition/ or identical to that the seller states it is in, when he places his online ad for the item. Further to this there is a less amount of recourse for a buyer who uses C.O.D. as there is for Direct Deposit.

Secondly the use of Paypal only offers very limited added security for the buyer. 1. There is a 45day limit to making claims. At times postage of an item can take 20 or more days to arrive, depending on locations and postal services and other holdups etc. After the 45 days, there is less buyer protection than there is with direct deposits as Paypal will not accept dispute after the time. 2. All the seller needs to do to fulfil Paypal requirements is say s/he has posted the item and Paypal will do nothing for the buyer.

When a buyer pays for an item by Paypal, the money is sent to the seller in the timeframe that Paypal wants. If a buyer pays by Paypal that is linked to his bank account and that buyer receives a refund, due to whatever reason, Paypal does not credit the amount back to the buyers bank account but instead credits it back to the buyers Paypal account and if the amount is less than \$150.00, Paypal charges a fee of \$1 to withdraw that money back to the buyers bank account. If you leave money in your paypal account, there is no payment of interest or at least I have never received any interest from Paypal but yet I do when money is in bank account.

Paypal charge sellers fees for using Paypal and the sellers charge the buyers. Most buyers do not come out and say they are charging buyers Paypal fees as it is circumventing ebay policy, however it can be seen in the shipping and handling fees that are always higher when a seller accepts paypal compared to a seller who accepts direct deposits.

In summing up, the proposed changes made by Ebay will **only** increase fees for the buyer and does not add security when C.O.D. is used and only very limited security when Paypal is used, yes will decrease competition as the amount of sellers will reduce as a lot of them who require the funds from the sale quickly will not be able to get it.

23/04/2008

Thank you
Nigel Woodward.