

**Macrae, Tess**

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**Subject:** FW: Ebay and Paypal [SEC=UNCLASSIFIED]

**Categories:** SEC=UNCLASSIFIED  
**ACCC Classification:** SEC=UNCLASSIFIED

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

From: Jeff Harper (Ph:) [mailto:  
Sent: Thursday, 26 June 2008 9:04 AM  
To: 'andy cantrell'; Adjudication  
Subject: Ebay and Paypal

Dear ACCC,

Thank you for considering stopping the PayPal/EBay monopoly.

When a financial transaction takes place the deal is done between the buyer and the seller. The funding transfer agent is not usually involved. Note, funding transfer agent, not credit provider.

Let's say I buy a TV from Harvey Norman and I don't like the TV, with a cheque, I can't just automatically contact my bank and have funds withdrawn from Harvey Normans account.

I have to follow a due course of action and if still I am totally unsatisfied I would have to resort to litigation.

PayPal is NOT a credit provider, they are only a funds transfer agent.

However, if I buy via EBay, I can immediately demand my money back and the if funds transfer provider is PayPal they will automatically deduct funds from the sellers PayPal account, or even the actual BANK ACCOUNT of the seller without any form of arbitration whatsoever. If it was not a PayPal transaction then the normal course of Australian law prevails.

How does PayPal, a mere funds transfer agent, give themselves the right to deduct money from someone's account? Who ever heard of such rot?

It's because EBay OWNES PayPal that the power of the <text excluded> comes into force, that is why they (monopolies) are so dangerous, it gives the little person no choice or redress.

I feel that not only is this unfair business practice, I feel PayPal is in breach of the Merchant Credit Card laws of Australia, of course, you will know the facts about that, I am just opinionated.

Your must have been inundated with tales of woe and misery about how the EBay/PayPal cartel treats customers, it's abominable and you know it.

In fact, I would not be surprised if all the complaints would not lead the ACCC to review EBay and Pay Pal's policies & actions based on unfair business practice, restrictive trade practice and breaches of the Merchant Credit Card laws.

Coles Myer has a strangle hold on a certain segment of the market, as does Harvey Norman/Domayne. They offer many funding choices and I could imagine the uproar if they forced people to use their own funding systems.

EBay is suffering from hubris and the market will vote with their feet, once a decent alternative is found. In the meantime the EBay/PayPal <text excluded> is an unhealthy market and it needs surgery.

I have 2 personal stories where PayPal stopped over \$1,200 of my funds, illegally, and only by me taking out a writ with the Small Claims & Tenancy

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tribunal did they immediately reverse their authoritarian decision.

So, please, just allow us, the sellers on EBay, decide how we wish to be paid by offering us the choice we deserve.

Thank you

Jeff Harper

<phone number excluded>

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