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15 June 2010

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The General Manager
Adjudication Branch
Australian Competition & Consumer Commission
PO Box 3131,
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Your Ref: 42245
Contact Officer: John Rouw

Dear Dr Chadwick,

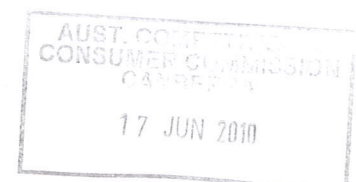
**Re: Suncorp-Metway Ltd and Bendigo and Adelaide Bank Ltd - applications for authorisation
A91232-A91233 - interested party consultation**

Cashcard Australia Limited (Cashcard) refers to your letter dated 3 June 2010 inviting comment on the above applications for authorisation.

The applications refer to there being no joint venture, no interchange fee and no direct charge by one organisation for the usage of the cards issued by the other organisation at the first organisation's ATMs. However, the application also refers to a licence agreement. As confidentiality has been claimed for that licence agreement, Cashcard is unable to comment on the consideration that underpins that licence agreement but notes that some consideration would be required for contractual validity.

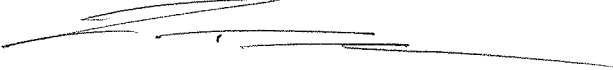
Cashcard refers to the document called "An Access Regime for the ATM System" issued by the Reserve Bank of Australia in February 2009, under which the move to direct charging at ATMs was introduced, and notes that the RBA contemplated the maintenance of interchange fee arrangements (no other fee arrangement) in certain specific circumstances in lieu of a direct charge being levied by the acquirer to the issuer's cardholders. Those exceptions, which allowed interchange fee consideration to be payable by an issuer to an acquirer as consideration for the usage of the acquirer's ATM in substitution for a direct charge, were (1) where both issuer and acquirer were participants in a sub-network arrangement; (2) where a one way card acceptance arrangement was entered into with one only direct connector participant in the ATM system; or (3) ad hoc arrangements specifically approved by the RBA. No other fee or consideration exceptions to the implementation of direct charging were stated in that document.

Cashcard also notes that the arrangement referred to in the applications for authorisation seems to be a "reciprocal" one way card acceptance arrangement between two direct connector participants in the ATM system, for which no direct charge and no interchange fee is charged, but which is likely to be supported by other consideration as stated under the licence agreement that is referred to in the application. It seems therefore that the arrangement referred to in the applications for authorisation does not seem to be based on the exceptions contemplated by the RBA, as primary regulatory of the payments industry, when introducing direct charging.



Save for the above notation, Cashcard has no further comment about the applications.

Yours Sincerely,



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