

Dr Richard Chadwick  
 General Manager  
 Adjudication Branch  
 Australian Competition and Consumer Commission  
 GPO Box 3131  
 Canberra ACT 2601

8 March 2011

FILE No:
DOC:
MARS/PRISM:

Dear Dr Chadwick,

**Notification of Exclusive Dealing – Travelex Limited**

We enclose a Notification of Exclusive Dealing by Travelex pursuant to section 93(1) of the *Trade Practices Act 1974 (Act)*. The Notification is lodged in respect of conduct which may constitute third line forcing as defined by section 47(6) and 47(7) of the Act. The notification is given in the prescribed form and should not be taken as an admission that the relevant conduct would contravene the statutory prohibition.

We also enclose a cheque made payable to the Australian Competition and Consumer Commission in the sum of \$100, being the prescribed lodgement fee for the Notification.

Please contact us should you require any further information about the proposed conduct described in the attached Notification.

Yours sincerely,

**Travelex Limited**



Fiona Lin  
 Legal Counsel  
 +61 2 8585 7383

Encl.

**AUST. COMPETITION &  
 CONSUMER COMMISSION  
 CANBERRA**  
 11 MAR 2011

Travelex Limited  
 ABN 36 004 179 953  
 Level 12  
 1 Margaret Street  
 Sydney NSW 2000  
 Australia

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 www.travelex.com.au

# Form G

Commonwealth of Australia  
*Trade Practices Act 1974 — subsection 93 (1)*

## NOTIFICATION OF EXCLUSIVE DEALING

To the Australian Competition and Consumer Commission:

Notice is hereby given, in accordance with subsection 93 (1) of the *Trade Practices Act 1974*, of particulars of conduct or of proposed conduct of a kind referred to subsections 47 (6) or (7) of that Act in which the person giving notice engages or proposes to engage.

PLEASE FOLLOW DIRECTIONS ON BACK OF THIS FORM

### 1. Applicant

(a) **Name of person giving notice:**

N95314 Travelex Limited (ABN 36 004 179 953) (*Travelex*)

(b) **Short description of business carried on by that person:**

Travelex:

- (i) is authorised under Australian financial services licence (**AFSL**) (No 222444) to provide financial product advice for, and deal in, basic deposit products and non-cash payment products to retail and wholesale clients; and
- (ii) provides financial services and products to retail and wholesale clients, predominantly being foreign exchange related products.

(c) **Address in Australia for service of documents on that person:**

Travelex Limited  
Level 12, 1 Margaret Street  
Sydney NSW 2000

**Attention:** Fiona Lin

Telephone: (02) 8585 7383  
Facsimile: (02) 8585 7210

### 2. Notified arrangement

(a) **Description of the goods or services in relation to the supply or acquisition of which this notice relates:**

The supply by Travelex of Australian currency dispense from a Travelex multi currency ATM in Australia.

(b) **Description of the conduct or proposed conduct:**

The proposed conduct will involve Travelex charging reduced transaction fees to certain Indue cardholders (as set out in section 3(a) below) on Australian currency transactions conducted at a Travelex multi currency ATM located in Australia. For example, certain Indue cardholders may receive a reduced transaction fee on an Australian currency ATM balance enquiry or an Australian currency ATM cash withdrawal.

3. **Persons, or classes of persons, affected or likely to be affected by the notified conduct**

(a) **Class or classes of persons to which the conduct relates:**

ATM cardholders of selected Indue card issuers (as agreed between Indue and Travelex) who choose to conduct Australian currency transactions from Travelex multi currency ATMs located in Australia.

(b) **Number of those persons:**

(i) ***At present time:***

Approximately 80,000

(ii) ***Estimated within the next year:***

Approximately the same as the previous year (80,000)

(c) **Where number of persons stated in item 3 (b) (i) is less than 50, their names and addresses:**

Not applicable.

4. **Public benefit claims**

(a) **Arguments in support of notification:**

The notified conduct will provide the following public benefits:

- (i) The notified conduct offers benefits to certain Indue cardholders by giving them the opportunity to obtain reduced transaction fees on Australian currency transactions conducted at a Travelex multi currency ATM in Australia.
- (ii) There are a number of suppliers in the relevant retail banking and foreign exchange services markets. Travelex considers that the market for Australian currency transactions is competitive. As a result, competitors in the market may consider offering similar discounts in order to attract consumers to use their products. Therefore, the proposed arrangement will

facilitate competition in the market for Australian currency transactions by encouraging other competitors in this market to offer similar discounts and other value added services to their customers.

(b) **Facts and evidence relied upon in support of these claims:**

Travelex refers to the matters outlined in section 4(a) above.

**5. Market definition**

**Provide a description of the market(s) in which the goods or services described at 2 (a) are supplied or acquired and other affected markets including: significant suppliers and acquirers; substitutes available for the relevant goods or services; any restriction on the supply or acquisition of the relevant goods or services (for example geographic or legal restrictions):**

The relevant market likely to be affected by the proposed conduct is the market for the supply of Australian currency transactions to retail customers. The suppliers in this market include:

- Retail banks which supply Australian currency;
- Retail bank ATMs which supply Australian currency; and
- Other ATMs independent of the retail banks

**6. Public detriments**

(a) **Detriments to the public resulting or likely to result from the notification, in particular the likely effect of the notified conduct on the prices of the goods or services described at 2 (a) above and the prices of goods or services in other affected markets:**

Travelex does not consider that the notified conduct will result in or be likely to result in any public detriment for the following reasons:

- (i) Indue cardholders are under no obligation to acquire services from Travelex. Rather, the notified conduct will provide a benefit to Indue cardholders who conduct Australian currency transactions at a Travelex multi currency ATM.
- (ii) Consumers may obtain Australian currency dispense from Travelex ATMs without acquiring retail banking services from Indue and may obtain retail banking services from Indue without acquiring Australian currency transaction services from Travelex.

- (iii) Consumers are under no obligation to acquire services from either Indue or Travelex. Consumers will continue to have the option of acquiring retail banking services and Australian currency transaction services including Australian currency dispense, from a wide range of other suppliers of those services. Suppliers of Australian currency transaction services include specialist providers such as rediATM, Customers ATM and Kwik Cash, as well as banks and financial institutions.
  - (iv) Competition in retail banking and
  - (v) The market for Australian currency transactions is vigorous and there are many competitors. The notified conduct is likely to promote competition in those markets, not lessen it.
- (b) **Facts and evidence relevant to these detriments:**

Travelex refers to the matters outlined in section 6(a) above.

**7. Further information**

- (a) **Name, postal address and contact telephone details of the person authorised to provide additional information in relation to this notification:**

Fiona Lin  
Legal Counsel  
Travelex Limited  
Level 12, 1 Margaret Street  
Sydney NSW 2000

Telephone: 02 8585 7383  
Email: fiona.lin@travelex.com.au

Dated..... 8 March 2011 .....

Signed by/on behalf of the applicant



Fiona Lin  
Legal Counsel  
Travelex Limited

## DIRECTIONS

1. In lodging this form, applicants must include all information, including supporting evidence that they wish the Commission to take into account in assessing their notification.

Where there is insufficient space on this form to furnish the required information, the information is to be shown on separate sheets, numbered consecutively and signed by or on behalf of the applicant.

2. If the notice is given by or on behalf of a corporation, the name of the corporation is to be inserted in item 1 (a), not the name of the person signing the notice, and the notice is to be signed by a person authorised by the corporation to do so.
3. Describe that part of the business of the person giving the notice in the course of the which the conduct is engaged in.
4. If particulars of a condition or of a reason of the type referred to in section 47 of the *Trade Practices Act 1974* have been reduced in whole or in part to writing, a copy of the writing is to be provided with the notice.
5. Describe the business or consumers likely to be affected by the conduct.
6. State an estimate of the highest number of persons with whom the entity giving the notice is likely to deal in the course of engaging in the conduct at any time during the next year.
7. Provide details of those public benefits claimed to result or to be likely to result from the proposed conduct including quantification of those benefits where possible.
8. Provide details of the market(s) likely to be affected by the notified conduct, in particular having regard to goods or services that may be substitutes for the good or service that is the subject matter of the notification.
9. Provide details of the detriments to the public which may result from the proposed conduct including quantification of those detriments where possible.