

**From:** [REDACTED]  
**Sent:** Tuesday, 23 October 2018 12:32 AM  
**To:** Foreign Exchange and Remittance  
**Subject:** Conspiracy by banks to charge fees on [REDACTED] transactions

I contend that Australian banks have conspired to charge Australian consumers a fee for using [REDACTED] to make purchases from overseas sellers, because of lost overseas currency exchange revenue to [REDACTED] payment processing service.

[REDACTED] charges 3% fee on Credit card International Transactions, the same as all banks, and has done so for many years. On its own, we have copped that.

[REDACTED]  
"International transactions are transactions where the merchant, financial institution, or entity processing the transaction is located outside Australia"

its worth noting that every bank has the same description in their terms and conditions

[REDACTED] is a payment processor based in Australia. We Australians do a lot of shopping on [REDACTED] and make payments in AUD with our [REDACTED] account, and have the charge processed to our AU Bank credit card.

The bank then hits us with a 3% fee, and when we ask why when the transaction is in AUD and processed in Australia, they advise we are charged because the "merchant [REDACTED] is located outside Australia" The hard thing for us consumers, is we normally don't know up front whether a bank will hit us with this fee. The banks are denying responsibility for these fees.

On one day, I made 5 [REDACTED] purchases simultaneously, all in AUD, on [REDACTED] from 'overseas merchants' and paid with [REDACTED] charged to my [REDACTED] credit card. [REDACTED] charged the overseas fee on just one of these transactions. Coincidentally it was the only one of the 5 merchant names that an internet search would show that they had an online presence and indeed are an overseas merchant. [REDACTED] in the UK. The other 4 were nondescript usernames of sellers that are located in China.

I have contacted [REDACTED] multiple times why I have been charged this fee, followed by why didn't I get charged for the others. [REDACTED] have fluffed around back and forth giving contradictory answers, misinformation and outright lying. They are clearly just making it up as they go along. Further compounding the issue, is they charged only 2% fee instead of 3%. I think that makes it obvious that these fees are manually investigated and calculated, because they used the wrong maths!

The [REDACTED] final response is they are standing on the fact the merchant is in UK, and therefore the merchant's own bank account is in British pounds, so that makes my purchase a multi-currency transaction. Even though the transaction was conducted in Australia, with an Australian company [REDACTED] in Australian dollars, not to mention [REDACTED] banks with [REDACTED], and the only link that they can make to the UK, is by using Google, and that gives them the right to charge a 3% fee!

I have contacted [REDACTED] several times, they insist they don't provide the bank with any transactional evidence where the merchant is located.

In one online discussion, a contributor has alluded that "he knows for certain but cannot say why he knows" that a certain bank runs exception reports on paypal transactions in order to try and identify which ones might be "overseas merchants".

It is very clear, that there is no cost to the bank when we make transactions in AUD through [REDACTED] australia, compared to transacting at any merchant in australia, if there was a cost, this would be borne by VISA/MC/AMex not the banks themselves, and it would apply to all transactions, not just one of the five that they cherry picked out. So this 3% fee based on a banks guesswork that the 'merchant location' is overseas is just price gouging and is surely not legal. All banks are doing this, and as their terms and conditions are the exact wording, they must have colluded.

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regards

