



19th July 2012

Head of Payments Policy Department
Reserve Bank of Australia
GPO BOX 3947
Sydney NSW 2001

RE: Draft Guidance Note to Regulation Impact Statement June 2012

Dear Sir / Madam,

Having reviewed the draft guidance note and the type of costs that may be considered as part of the reasonable cost of acceptance, we would like to propose that the cost of credit card fraud (credit card charge backs) be considered as part of the reasonable cost of acceptance as this is an inevitable part of the online booking system.

This fraud is not preventable as the merchant takes the risk of any disputes even though the travel may have taken place.

Your consideration of the above would be greatly appreciated.

Thanking you in anticipation.

Yours sincerely,

Benjamin Ng
Manager Corporate Affairs
Regional Express Holdings Ltd

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