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Dr Tony Richards
Head of Payments Policy Department
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Review of Card Surcharging: Draft Guidance Note - June 2012

Dear Tony

Thank you for the opportunity to contribute to the Payments System Board review of card surcharging and in particular the draft Guidance Note.

Our view is that draft Guidance Note is broadly right and is a useful document.

In our view the key issue will be the way that any scheme rules around surcharging will be applied. We agree with APCA's submission (February 2012) which noted that "*... the defining of reasonable costs should not lead to imposition of a burdensome compliance regime, for instance, imposition of an audit process that would require acquirers to monitor surcharging practice or costs of all merchants.*"

Rather we expect that the schemes will identify the merchants who may be exceeding the allowed price principles and then work with the relevant acquirer and merchant towards resolution.

Please feel free to contact me if you should wish to discuss further.

Yours Sincerely

Chris Campbell
Head of Payments Policy and Strategy