



ATTACHMENT 4: UNDERTAKINGS FROM THE THREE PARTY SCHEMES

UNDERTAKING

This Undertaking is made by Diners Club Pty Limited ABN 35 004 343 051 ("Diners Club") of 1193 Toorak Road, Hartwell, Victoria in favour of the Reserve Bank of Australia ("Reserve Bank") of 65 Martin Place, Sydney and dated 16th day of August 2002.

In consideration of the Reserve Bank not designating the Diners Club charge card payment system under the terms of the *Payment Systems (Regulation) Act 1998* for the purposes of determining a standard on merchant pricing pursuant to that Act, Diners Club undertakes and agrees with the Reserve Bank that:

- (i) subject to the qualification in the following paragraph, Diners Club will not prohibit, or take any action that has the effect of prohibiting, a merchant in Australia from charging a Diners Club card holder any fee or surcharge for use of a Diners Club charge card in a transaction.

It would not be inconsistent with this undertaking if a merchant in Australia agrees with Diners Club that any such fee or surcharge charged to Diners Club charge card holders will be limited to the fees incurred by the merchant in respect of Diners Club charge card transactions.

- (ii) Diners Club will, as soon as practicable and in writing, notify each merchant in Australia to whom it provides charge card services of the undertaking in (i) that it has given to the Reserve Bank.

This undertaking comes into force upon the date a standard on merchant pricing for the designated Bankcard, MasterCard and Visa credit card schemes comes into force.

The Reserve Bank reserves its rights to proceed with a designation of Diners Club under the *Payment Systems (Regulation) Act 1998* at any time should it consider this best serves the purposes of the Act.

Signed by Diners Club Pty Limited
by its duly authorised representative


Bryan Ericson
Managing Director 16/8/2002

In the presence of

Kerry Miles 
Credit & Operations Executive
16/8/2002



UNDERTAKING

This Undertaking is made by American Express International, Inc., ABN 15 000 618 208 ("American Express") of 175 Liverpool Street, Sydney in favour of the Reserve Bank of Australia ("Reserve Bank") of 65 Martin Place, Sydney and dated 21st day of August 2002.

In consideration of the Reserve Bank not designating the American Express credit card and charge card payment system under the terms of the *Payment Systems (Regulation) Act 1998* for the purposes of determining a standard on merchant pricing pursuant to that Act, American Express undertakes and agrees with the Reserve Bank that:

- (i) subject to the qualification in the following paragraph, American Express will not prohibit, or take any action that has the effect of prohibiting, a merchant in Australia from charging an American Express card holder any fee or surcharge for use of an American Express credit or charge card in a transaction.

It would not be inconsistent with this undertaking if a merchant in Australia agrees with American Express that any such fee or surcharge charged to American Express credit or charge card holders will be limited to the fees incurred by the merchant in respect of American Express credit or charge card transactions.

- (ii) American Express will, as soon as practicable and in writing, notify each merchant in Australia to whom it provides credit and charge card services of the undertaking in (i) that it has given to the Reserve Bank.

This undertaking comes into force upon the date a standard on merchant pricing for the designated Bankcard, MasterCard and Visa credit card schemes comes into force.

The Reserve Bank reserves its rights to proceed with a designation of American Express under the *Payment Systems (Regulation) Act 1998* at any time should it consider this best serves the purposes of the Act.

Signed by American Express International, Inc.
by its duly authorised representative

In the presence of

COLM LORIGAN