ROYAL COMMISSION INTO MISCONDUCT IN THE BANKING, SUPERANNUATION AND FINANCIAL SERVICES INDUSTRY

CITI INTERNATIONAL TRANSACTION FEES CASE STUDY

BACKGROUND

1. The Commission's proposed factual findings (**paragraphs 80-88**) do not, with respect, correctly record what happened.

2. In September 2014, Mastercard changed its rules to charge issuers, including Citi, a fee on cross border transactions, where:[1]

> A "cross-border transaction" refers to any transaction on a MasterCard … in which the cardholder's country code differs from the country code of the merchant.

Mastercard's language was technical in nature: Mastercard was not communicating with consumers.

3. Visa used similar wording. Whilst Visa's notification of a change to its rules has not been located,[2] Citi seeks leave to tender through Counsel Assisting an extract from the current Visa Fee Listing (annexed to these submissions) which gave effect to that notification. The relevant fee is charged on "inter-region cross border (merchant country code differs from issuer country code) single currency financial transactions".

4. In December 2015, Citi varied the terms and conditions of its credit cards with the intention of permitting Citi to charge an International Transaction Fee (**ITF**) in the same situations where Visa and Mastercard imposed a cross border transaction fee.[3] Citi's Variation Notice stated that the fee would be charged on,[4]

> any transaction made with an overseas merchant …

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[1] "AM-15" to supplementary statement of Alan Saul Machet signed on 21 March 2018: CIT.5401.0023.0008.
[2] Para 5, supplementary statement of Alan Saul Machet signed on 21 March 2018 (Exhibit 1.184).
[3] Para 31, 36, statement of Alan Saul Machet signed on 28 February 2018 (Exhibit 1.183).
[4] "AM-3" to statement of Alan Saul Machet signed on 28 February 2018: CIT.5200.0001.0141.

or, for Citi's partner cards,[5]

> any transaction made with an overseas merchant in Australian dollars …

Citi's wording can be seen to be closely linked to that of Mastercard and Visa.

5. On 4 August 2016, following difficulties encountered by Westpac with its terms and conditions on this subject[6] and as part of an industry-wide review, ASIC advised Citi that it was concerned that Citi's disclosure did "not clearly and sufficiently disclose all transactions that attract the fee".[7] More precisely,

> ASIC considers that … Citibank needs to specifically disclose that the fee also applies to transactions in:
>
> - Australian dollars with merchants located overseas; or
> - Australian dollars with financial institutions located overseas; or
> - Australian dollars (or any other currency) that is processed by an entity outside Australia.

6. It should be noted that ASIC's three 'bullet points' did not reflect Mastercard or Visa's terms but, rather, different practical situations in which the fee might be charged.

7. On 19 August 2016, Citi accepted ASIC's concerns and proposed amended terms and conditions.[8] Citi explained,[9]

> The addition to our disclosure of "overseas merchant" was considered at the time to be overarching and more likely to be identified by customers, particularly those using online overseas merchants.

That is, the evidence is that Citi gave consideration to the form of wording prior to the issue of a Variation Notice and strived to select wording which would accurately capture the different situations in which the fee may be charged, employing language which its customers would readily understand.

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[5] Para 35, statement of Alan Saul Machet signed on 28 February 2018 (Exhibit 1.183).
[6] Para 39, statement of Alan Saul Machet signed on 28 February 2018 (Exhibit 1.183). Westpac's terms and conditions are at "AM-7" to statement of Alan Saul Machet signed on 28 February 2018: CIT.5200.0001.0011 at CIT.5200.0001.0018-0019.
[7] "AM-4" to statement of Alan Saul Machet signed on 28 February 2018: CIT.5200.0001.0158.
[8] "AM-5" to statement of Alan Saul Machet signed on 28 February 2018: CIT.5200.0001.0151.
[9] CIT.5200.0001.0151 at CIT.5200.0001.0152.

8. On 26 August 2016, ASIC accepted Citi's proposed wording.[10] Discussion then ensued as to the scope of a remediation programme, which depended upon the extent to which Citi's terms and conditions covered the circumstances in which the fee had been charged and whether customers might reasonably have expected the fee to be charged. In short:

   (a) ASIC was initially of the view that Citi's terms and conditions did not cover any of the situations in its three bullet points.[11]

   (b) After discussion and further consideration, ASIC accepted that Citi's disclosure covered the circumstances referred to in the first bullet point, but not the second and third bullet points,[12] which Citi acknowledged.[13]

9. **Paragraph 80** of Counsel Assisting's Closing Submissions reflects ASIC's initial view which, it is submitted, was incorrect, as ASIC ultimately accepted. Rather, Citi's improved wording had two components:

   (a) Citi improved its terms and conditions in respect of ASIC's first bullet point. Whilst transactions with overseas merchants were <u>covered</u> by Citi's original wording, Citi agreed to give further guidance as to the fact that the merchant with whom customers were transacting may in fact be an overseas merchant (that is, to address the matters referred to in Counsel Assisting's Closing Submissions **paragraph 83**).

   (b) Citi gave disclosure in respect of the second and third bullet points (the matters referred to in Counsel Assisting's Closing Submissions **paragraph 84**). Citi had not referred to instances where the merchant was in Australia but their bank or processing entity was overseas. In those instances, the fee might have been charged in circumstances <u>not covered</u> by Citi's terms and conditions.

10. Citi agreed with ASIC to remediate customers in respect of the second and third bullet points, but also agreed to remediate customers who fell within the first bullet point by making a purchase on a website accessible from Australia but who may not have appreciated, based on information presented on the merchant's website, that the merchant was in fact an overseas merchant. That is, although Citi was entitled to

[10] "AM-6" to statement of Alan Saul Machet signed on 28 February 2018: CIT.5200.0001.0122.
[11] "AM-6" to statement of Alan Saul Machet signed on 28 February 2018: CIT.5200.0001.0122.
[12] "AM-9" to statement of Alan Saul Machet signed on 28 February 2018: CIT.5200.0002.1393.
[13] "AM-7" to statement of Alan Saul Machet signed on 28 February 2018: CIT.5200.0001.0011 at 0014.

charge the fee to such customers, and therefore rightfully retain the fee, based on its original terms and conditions, Citi agreed to refund the fee with interest. Citi approached the matter conservatively so that a refund was given whenever a merchant had both a ".com" and a ".com.au" domain name, as Citi's data did not permit it to distinguish between them,[14] that is, Citi could not tell whether the customer had made their purchase over the ".com" website or the ".com.au" website.

MISCONDUCT

11. Citi assumes Counsel Assisting is referring (**paragraph 89**) to limb (d) or possibly (c) of the definition of 'misconduct' in the Terms of Reference, since the alleged breaches are not offence provisions and misleading conduct has not been asserted.

Procedural fairness

12. Whilst no doubt the Commission has received many submissions about procedural fairness, Citi is in a somewhat unusual position in that the Commission did not require its witness, Alan Machet, for cross examination. Further, Mr Machet's statements only provided evidence in answer to the Commission's specific list of questions.[15] Those questions did not elicit evidence which may have answered the concerns now articulated in Counsel Assisting's Closing Submissions.

13. In particular, Counsel's Assisting's proposed findings largely turn upon a proposed finding that Citi failed to have adequate processes in place when preparing the Variation Notice. However:

    (a) There is no evidence as to what Citi's processes were at the time that the Variation Notice was prepared in December 2015. (Citi was asked by the Commission what its processes were when the ITF issue *was discovered*,[16] and thus there is some evidence as to what the processes were the *following year*.[17])

    (b) There is no evidence that any infelicity of wording in the Variation Notice was referable to Citi's processes. Nor would such a finding automatically follow.

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[14] "AM-8" to statement of Alan Saul Machet signed on 28 February 2018: CIT.5200.0001.137 at 0138.
[15] Witness Outline attached to email from the Commission to Citi's solicitor of 23 February 2018.
[16] Question 8, Witness Outline attached to email from the Commission to Citi's solicitor of 23 February 2018.
[17] Para 42 to 48, statement of Alan Saul Machet signed on 28 February 2018 (Exhibit 1.183); para 6 to 7, supplementary statement of Alan Saul Machet signed on 21 March 2018 (Exhibit 1.184).

14. It is submitted that the rules of procedural fairness which apply to the Commission[18] have the result in these circumstances that, other than on matters conceded by Mr Machet in his written statement, the Commission may not make adverse findings in respect of Citi. This is because Citi, by its witness, was not given a proper opportunity to respond and thereby adduce evidence which might deter the Commission from making such adverse findings, particularly in respect of matters on which Citi was not originally asked to provide evidence.[19] Giving Citi an opportunity to provide written submissions in response to adverse findings already formulated by Counsel Assisting in the absence of such evidence from Mr Machet does not in the circumstances satisfy the requirements of procedural fairness.

15. Counsel Assisting is invited to withdraw the proposed finding of misconduct and the related finding that Citi failed to have adequate processes.

16. Otherwise, Citi seeks leave to put on further evidence within 7 days addressing Citi's processes at the time of the Variation Notice and whether or not any deficiencies in the Variation Notice were referable to any particular aspect or feature of those processes.

Standard of proof

17. A fact must be proved to the Commission's reasonable satisfaction, having regard to the principles in *Briginshaw v Briginshaw*.[20] As put by past Commissioners, the facts must be 'intellectually sustainable, tempered by restraint' and bearing in mind the reputational damage that may be caused.[21] As is submitted in further detail below, the standard of proof is not achieved in respect of the proposed findings.

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[18] *Ainsworth v Criminal Justice Commission* (1992) 175 CLR 564 at 575–6, 578 per Mason CJ, Dawson, Toohey and Gaudron JJ; *Annetts v McCann* (1990) 170 CLR 596 at 598 per Mason CJ, Deane and McHugh JJ; *Ferguson v Cole* (2002) 121 FCR 402 at [34], [74] per Branson J.
[19] *Applicant VEAL of 2002 v Minister for Immigration and Multicultural and Indigenous Affairs* (2005) 225 CLR 88 at 95–97 [14]–[18].
[20] (1938) 60 CLR 336 at 362 per Dixon J.
[21] Hall, *Investigating Corruption and Misconduct in Public Office – Commissions of Inquiry – power and procedures*, at [12.1.30] citing Cole QC in the *Royal Commission into the Building and Construction Industry*, Owen J in *HIH Royal Commission*; Geoffrey Kennedy, Sir Ronald Wilson and Peter Brinsden in *Royal Commission into Commercial Activities of Government and other matters* (WA Inc).

Section 912A(1)(a) of the *Corporations Act*

18. Section 912A(1)(a) of the *Corporations Act 2001* (Cth) does not apply. "Financial services" do not include credit facilities[22] such as credit cards.[23] This finding is not available as a matter of law.

Section 47(1)(a) of the *National Consumer Credit Protection Act 2009*

19. Citi did not breach its obligation under section 47(1)(a) of the *National Consumer Credit Protection Act 2009* to "do all things necessary to ensure that the credit activities … are engaged in efficiently, honestly and fairly". The case law on s 47(1)(a) (and the equivalent obligation under s 912A(1)(a)) suggests that a breach of this obligation requires a finding of 'systemic weakness' or 'absence of proper processes' ordinarily requiring consideration of conduct "over a period of time rather than a narrow focus on a particular incident".[24] A 'one-off' or isolated instance is unlikely to amount to a breach where the licensee has otherwise acted properly, unless the breach is gross.[25]

20. Cases in which a breach of this obligation have been found generally involve a degree of moral turpitude which is absent in the Case Study. Examples include:

    (a) There was a pattern of contravening legislation combined with an absence of recognition of wrongdoing, a failure to introduce a strict system to ensure it would not re-occur or any appreciation of the need to understand one's obligations and comply with those obligations.[26]

    (b) There was a deliberate attempt to influence a market reference rate. There was also a complete failure to have proper monitoring and supervision procedures in place, which together resulted in "a repeated failure to fulfil what would generally be perceived as the most basic standards of honesty, fairness and commercial decency … ".[27]

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[22] Section 776A of the *Corporations Act 2001* (Cth) defines "financial services" subject to the regulations. It includes providing a financial product advice or dealing in a financial product (s 776A(1)(a) and (b)). "Financial products" are defined in section 762A to 765A and **excludes** credit facilities other than margin lending: section 765A(h)(i).
[23] *Corporations Regulations 2001* (Cth), Reg 7.1.06(3), sub-clause (b)(v) of definition of "credit".
[24] *Commonwealth Bank of Australia v Doggett* [2014] VSC 423 at [165] per Hargrave J.
[25] *Story v National Companies and Securities Commission* (1988) 13 NSWLR 661 at 671 per Young J.
[26] *Rent to Own (Australia) Pty Ltd v ASIC* (2011) 55 AAR 535 at [24]–[28] per President Downes and Deputy President Hack SC.
[27] *ASIC v NAB* [2017] FCA 1338 at [115] per Jagot J. See also at [40] and [85].[28] *Re Koala Hydroponics Ltd and ASIC* (2002) 40 ACSR 529 at [98]–[99] per Deputy President Handley.

(c) The chairman of an investment scheme delayed complying with the statutory framework to transition to a managed investment scheme, with the result that the scheme's investments became illegal. The chairman then failed to inform the investors what had occurred so they could make decisions as to what to do.[28]

(d) A dealer made baseless recommendations to potential investors.[29]

(e) There were serious breaches of the *Corporations Act 2001* (Cth) relating to financial product advice, with the same conduct also resulting in breaches of directors' duties of skill and diligence.[30]

21. This Case Study concerned well-intentioned but deficient drafting. There was no plan or pattern to deceive. It was an isolated event. Citi's conduct bears no resemblance to the cases in which breaches of section 47(1)(a) (or equivalent provisions) have been found. It is submitted no such breach occurred.

Clause 3.2 of the Code of Banking Practice

22. Clause 3.2 of the Code of Banking Practice required Citi to act fairly and reasonably towards its customers in a consistent and ethical manner. As interpreted by the Courts, this clause requires a bank to act in good faith,[31] having due regard to the interests of both the bank and consumer.[32]

23. The language of Clause 3.2 does not readily apply to the facts in this Case Study. Clause 3.2 rather apprehends that a bank will act capriciously in its dealings with a particular customer. Indeed, the (limited) cases on this clause concern:

(a) a bank's refusal to permit the customer to re-finance part of their debts with another lender and release some of the securities held by the bank;[33] and

(b) a bank's reliance on acts of default in appointing receivers.[34]

24. Here, there is no evidence or suggestion that Citi did not act in good faith with due regard to the interests of both Citi and its customers. The evidence indicates that Citi had the interests of customers in mind when preparing the Variation Notice. There

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[28] *Re Koala Hydroponics Ltd and ASIC* (2002) 40 ACSR 529 at [98]–[99] per Deputy President Handley.
[29] *Felden v ASIC* (2003) 73 ALD 149 at [380]–[382] per Member Limbury.
[30] *ASIC v Cassimatis (No 8)* [2016] FCA 1023 at [673] – [674] per Edelman J.
[31] *Sam Management Services (Aust) Pty Ltd v Bank of Western Australia Ltd* [2009] NSWCA 320 at [74] per Young JA, at [81] per Sackville JA.
[32] *Seeto v Bank of Western Australia Limited* [2010] NSWSC 922 at [39] per Nicholas J.
[33] *Sam Management Services (Aust) Pty Ltd v Bank of Western Australia Ltd* [2009] NSWCA 320.
[34] *Seeto v Bank of Western Australia Limited* [2010] NSWSC 922.

was no unfairness, unreasonableness, inconsistency or unethical behaviour. Citi could simply have done a better job.

CONDUCT FALLING BELOW COMMUNITY STANDARDS AND EXPECTATIONS

25. The submission in respect of procedural fairness is repeated in respect of Counsel Assisting's Closing Submissions (**paragraph 90**).

26. Further, the unchallenged evidence is that Citi chose the particular wording in a genuine attempt to explain a Scheme rule change in a way that customers would understand. The disclosure was imperfect. This happens, particularly where complex or technical concepts inherent in the Mastercard and Visa Schemes are sought to be conveyed simply. The imperfections were exacerbated by online merchants not making it clear to customers the path by which credit card purchases would be processed.

27. Citi readily accepted ASIC's suggestion that it revise the wording, agreed to remediate customers and promptly did so. Citi approached remediation in a manner which had the result that many of its customers in respect of whom Citi was entitled to charge and retain the fee were nonetheless refunded the fee with interest.

28. The community does not expect perfection. The community does expect, however, that, when a bank does not get it right, or could have done things better, the bank will take prompt action to improve what it has done and compensate customers promptly and generously. Citi did that. It is submitted that this Case Study is an illustration of a bank responding promptly and appropriately and, in that regard, *meeting* community standards and expectations.

INADEQUACY OF INTERNAL SYSTEMS

29. Counsel Assisting's submission (**paragraph 91**) is premised on a finding of misconduct which, for the reasons stated above, is not available.

30. Further, as submitted in paragraph 13, there is no evidence to support a finding that any such misconduct can be attributed to Citi's failure to have adequate processes:

    (a) There is no evidence as to what Citi's processes were at the time that the Variation Notice was prepared in December 2015.

    (b) There is no evidence that any infelicity of wording in the Variation Notice was referable to Citi's processes. Nor would such a finding automatically follow.

31. It would be unsafe to conclude that Citi's Variation Notice was caused by a failure to have adequate processes where no finding is proposed (nor available) as to what, if any, feature of Citi's processes were associated with the incident, why that aspect may have been deficient, why that deficiency caused the incident and whether any alternative systems or processes could or should have been adopted to prevent its occurrence. Nor was Citi asked to provide evidence on these matters.

QUESTIONS FOR WRITTEN SUBMISSIONS IN RESPONSE

(a) Are the terms and conditions provided to consumers in respect of credit cards specifically, and credit products generally, too complex for consumers to understand the circumstances in which they will be liable for fees?

32. No, because the *National Credit Code*[35] requires key financial information to be distilled into a Financial Table[36] on the front page[37] of one of the documents comprising the contract.[38] Citi's Financial Table in respect of its credit card fees is CIT.5200.0003.0005.[39]

33. The Financial Table must include the credit limit, each interest rate and (if there are more than one) how they apply, as well as information on fees, charges and repayments.[40] The table must state the fees and charges that are, or may become payable, when they become payable, the amount payable and the total amount payable if that is ascertainable. If the amount of a fee is not ascertainable, then the method of its calculation must be disclosed (for example, where the fee is calculated as a percentage of another amount).

34. The Financial Table facilitates clear, concise and effective disclosure of fees and charges.[41] The prominence and format of the table summarises and highlights the

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[35] Schedule 1, *National Consumer Credit Protection Act 2009* (Cth).
[36] The Financial Table is required to form part of the pre-contractual statement: see s 16 of the *National Credit Code* and reg 72 of the *National Consumer Credit Protection Regulations 2010* (Cth), which provides for certain specified content to be included in a tabular form.
[37] Excluding the cover page.
[38] *National Consumer Credit Protection Act 2009* (Cth) sch 1, ss 16(1)(a), 16(4); *National Consumer Credit Protection Regulations 2010* (Cth) regs 72(2)(b), 72(5).
[39] "AM-1" to statement of Alan Saul Machet signed on 28 February 2018 (Exhibit 1.183)
[40] *National Consumer Credit Protection Act 2009* (Cth) sch 1, s 17.
[41] Australian Securities and Investments Commission, Regulatory Guide 168 – Disclosure: Product Disclosure Statements (and other disclosure obligations) 168.82.

significance of this information to the consumer.[42] Thus, any complexity in the credit contract's terms and conditions section should not adversely affect a consumer's understanding of fees.

(b) What steps could, and should, banks take to ensure more transparency in respect of the circumstances in which customers are charged fees in connection with credit products?

35. The circumstances in which banks are entitled to charge fees and the amount of those fees are regulated under the *National Credit Code*,[43] under unfair contract terms legislation,[44] and by the general law.[45]

36. Citi considers that the Financial Table does provide transparency. Attempts to further simplify wording can result in a failure to describe all scenarios where a fee may apply, of which this Case Study may be considered an example. However, the following are some suggestions if further reform is thought necessary.

37. Interactive digital documents may be used to endeavour to achieve an appropriate balance between brevity and consumer fairness. For example, a menu feature could be used to enable customers to immediately navigate to the section of the disclosure document which might be most important to them.[46] Some elements of ASIC's guidance on e-disclosure may be suitably extended to the provision of credit[47], where necessary by legislative amendment.

38. A more fundamental change would be to reduce the volume of other documentation required to be provided before entering into a credit contract[48] in order to encourage

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[42] Explanatory Statement, Select Legislative Instrument 2010 No. 44, 35 (*National Consumer Credit Protection Regulations 2010* (Cth): "[t]he purpose of the regulation is to give the debtor a prominent statement, in summary form, of the main financial aspects of the transaction. The regulation requires the relevant financial information to be kept separate from the remainder of the information that is to be set out in the pre-contractual statement to highlight the significance of the information to the debtor."

[43] For example, see *National Credit Code* s 32 (third party charges), s 78 (review of establishment and early termination fees), and s 31 (a regulation making power to prohibit fees or classes of fees, which has been used in relation to certain early termination fees, see reg. 79A).

[44] Specifically *ASIC Act* 2001, Part 2, Division 2-BA. A term imposing a fee which does not form part of the upfront price may be void if it is it is unfair in the circumstances.

[45] For example, the doctrine of penalties.

[46] Australian Securities and Investments Commission, Regulatory Guide 221 – Facilitating digital financial services disclosures 221.103-104.

[47] Australian Securities and Investments Commission, Regulatory Guide 221 – Facilitating digital financial services disclosures.

[48] Examples include credit card terms (*National Credit Code* ss 16(a), 17 and 22, to the extent not included in the Financial Table), the Information Statement (*National Credit Code*, s 16(1)(b)), warnings required before a customer consents to electronic communications (*Electronic Transactions Regulations 2000* (Cth), reg 10), credit guide (*National Consumer Credit Protection Act 2009* (Cth), s 126), a key facts sheet (*National Consumer*

customers to focus on the important financial information in the Financial Table and to read it.[49] Information in other required documents and how to access them could be identified and these could be made readily available to customers (for example, on the issuer's website or provided directly on request). This requires a judgment about the relative importance of the types of information in each document, the likelihood of increased customer engagement with a smaller set of documentation, and the overall benefits of increased customer engagement with that key financial information.

39. One suggestion which does *not* work for credit cards is real time fee disclosure. The Khoury report recommended fee disclosure immediately prior to each transaction that results in a fee being incurred (as is the case for ATM transactions).[50] Real time fee disclosure does not work for credit cards because the main purpose of a credit card is to be able to effect payments to retailers by direct communication between the customer and the retailer, without requiring the customer to make a direct request to the issuer. Consequently, the issuer has no means to notify a fee at the time of the transaction, either directly or through the retailer. Issuers do not have direct relationships with most retailers. Imposing a real time notification requirement on credit cards would effectively prevent charging any fees associated with a particular transaction, in circumstances where the credit card provider is providing a credit service for which it would ordinarily be entitled to charge a fee in accordance with its terms and conditions already communicated to, and accepted by, the customer.

40. In relation to ITFs, it may be a merchant's own payment processing arrangements that trigger these fees in unexpected situations. An international merchant may change its arrangements for processing subscriptions by Australian customers from Australia to The Netherlands, for example, which may lead to Australian subscribers incurring monthly ITFs.

41. A card issuing bank cannot monitor or control this. Overseas merchants can and do use websites that look, to all intents and purposes, Australian but this is just a shop

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Credit Protection Act 2009 (Cth), s 133BD), and credit reporting warnings (see, for example, *Privacy Act 1988* (Cth), s 21C and the Credit Reporting Code, cl 4).

[49] See, for example, Transcript at P-747.1 where the Commissioner expressed some doubts about whether customers in fact read all disclosure documents ("Can I – just as a matter of human experience and people signing forms in a car dealership, people signing forms generally, do you have any view on how often people actually read the form they're asked to sign?").

[50] Khoury Report – Independent Review of the Code of Banking Practice at 151.

window for an international processing path. Accordingly, merchants should be obliged to disclose their full payment architecture to customers and that the merchant's card payment arrangements may result in additional fees. Whilst some international merchants refer to the possibility of their transactions leading to the imposition of ITFs, many do not, and those who do make reference to it do not do so in any uniform way. A positive example of such disclosure is Royal Caribbean which says,

> When using your credit or debit card to pay us directly for your cruise, please be aware that we may process that transaction via a bank outside of Australia and your card issuer may choose to charge you a foreign processing fee. We advise you to check the terms and conditions of such foreign transactions with your card issuer in advance of making a payment to us.[51]

42. Part IVC of the *Competition and Consumer Act 2010* already imposes obligations on merchants in relation to card surcharging. An obligation could be added to require merchants who quote pricing in A$ and have these overseas processing arrangements to notify customers that:

    (a) the transaction will be treated as an international transaction for a card issued in Australia; and

    (b) this may result in a card issuer imposing additional card transaction fees for international transactions.

43. Obvious difficulties are presented by the fact that these merchants are not in Australia and may chose not to comply with such a law. However, some will have sufficient points of connection for the law to be applicable.[52]

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[51] https://www.royalcaribbean.com.au/contentPage.do?pagename=terms_and_conditions_australia
[52] See *Australian Competition and Consumer Commission v Valve Corporation (No 3)* [2016] FCA 196 and *Valve Corporation v Australian Competition and Consumer Commission* [2017] FCAFC 224.

Billing Line Listing

Line No.	Invoice Description	Long Description
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
4F3529312	ISA CHARGE-INTER-REGIONAL	International Service Assessment (ISA) fee charged on inter-region cross border (merchant country code differs from issuer country code) single currency financial transactions. A single currency transaction is a transaction for which the transaction currency is the same as the cardholder's billing currency e.g. Internet transactions where the merchants are in foreign countries but price their products in the cardholder's currency. [BASEII]. Visa Asia Pacific Fee Guide - Service Fees.