CHANGES TO THE CREDIT CARD SERVICE FEE

Effective 19 September 2008

FREQUENTLY ASKED QUESTIONS

1. Why does Qantas charge the Credit Card Service Fee?

Qantas is charged a merchant service fee on all credit and charge card transactions by the credit or charge card providers.

Since July 2003 Qantas has implemented a credit card service fee on credit and charge card transactions to partially recoup the significant and increasing cost to Qantas of credit and charge card merchant fees.

2. What is the current method of Credit Card Service Fee collection?

The current Credit Card Service Fee (CCSF) is applied at a fixed rate per passenger per ticket. The current fixed rates are:

- $6.60 (including GST) for Domestic bookings
- $6.60 for Tasman & Domestic NZ bookings
- $18.00 for all other International bookings

3. What is the change to the Credit Card Service Fee?

Qantas will increase the current CCSF rates, which will continue to be applied on a per passenger per ticket basis, to:

- $7.70 (including GST) for Domestic bookings
- $7.70 for Tasman & Domestic NZ bookings
- $25.00 for all other International bookings

No other changes in the collection procedures or processing of the CCSF are being made.

4. Are there any services to which the CCSF will not apply?

The CCSF does not apply to:

- Cash forms of payment (See Q.9 for types of cash payment.)
- Ticket re-issues
- The following loyalty program payments even where payment is by credit or charge card:
  - Charges and taxes on Qantas and Partner Classic Awards
  - Qantas Frequent Flyer membership fees
  - Qantas Club membership and renewal fees
5. **Why is Qantas changing the Credit Card Service Fee rates?**
   Due to further increases in credit card costs, Qantas has reviewed its CCSF to more adequately, but not fully, recover the total costs of merchant service fees.

6. **When will Qantas implement this change?**
   The change will be effective for new tickets issued on or after 19 September 2008.

7. **When is the Credit Card Service Fee applicable?**
   The CCSF is applicable for all tickets issued in Australia, validated to QF (081) where the itinerary has at least one Qantas (QF) sector present and is paid for wholly or partly using a credit or charge card.

8. **How can customers avoid the Credit Card Service Fee?**
   By using cash, or a cash equivalent form of payment.
   
   **Online and Qantas Telephone Sales:** For bookings made on qantas.com and via Qantas Telephone Sales* there is a BPay option allowing cash payment for bookings made more than 7 days prior to departure. The BPay option is not available for customers purchasing tickets within 7 days of departure.

   * Booking fees will apply to bookings made via Qantas Telephone Sales.

   **In person:** Customers can also avoid the CCSF when using cash payment options through travel agents, Qantas Travel and Qantas Airports. However, Booking fees will apply to bookings made via Qantas Travel and Qantas Airport locations. Travel agents may also apply booking or service fees.

9. **What forms of payment will incur the Credit Card Service Fee?**
   Non-cash forms of payment will incur the CCSF. These include (but are not limited to) the following:
   - American Express
   - Visa
   - Diners Club
   - Mastercard
   - Eurocard
   - Access Card
   - Carte Blanche
   - JAL Card
   - JCB
   - UATP Card
   - Other similar forms of payment where Qantas is charged a merchant service fee

10. **What forms of payment are exempt from the Credit Card Service Fee?**
   All cash equivalent forms of payment are exempt from the CCSF. These include:
   - Cash
   - Cheque
   - EFTPOS / BPay
   - Travellers Cheque
Servicing Questions

11. How do I service a booking that was ticketed prior to 19 September 2008?

There is no CCSF applicable to reissued tickets.

12. If a booking is made prior to 19 September 2008, but ticketed on or after 19 September 2008, what Credit Card Service Fee level will apply?

The new CCSF levels will apply for all tickets issued on or after 19 September 2008, regardless of the date the original booking was made.

13. Will there be any changes to the processes for collecting the Credit Card Service Fee?

No. The increased rate will automatically apply for fares quoted on or after 19 September 2008. All current procedures and conditions for the collection of the CCSF remain unchanged.