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**Mr Gavin Jones Director, Adjudication ACCC** PO Box 3131 Canberra ACT 2601

22 February 2019

Dear Sir,

## Application by MFAA for revocation and substitution.

The MFAA submits the following brief comments on the submission by the FBAA in respect of the MFAA application for re-authorisation.

We do not propose to go into the detail of the FBAA comments and leave those up to the ACCC to assess.

The MFAA makes the following comments.

## The coverage of the application.

The MFAA has, from the very first authorisation, limited its application to the Disciplinary Rules based on" the putting into effect" of an agreement or arrangement. It is the view of the MFAA that the Disciplinary Rules are the only part of the MFAA Governance regime that may breach the CCA and then only to a limited extent. Hence the authorisation is limited to those Rules.

The MFAA has also submitted to the ACCC the MFAA Constitution and Code of Practice as background.

Consequently, the MFAA is of the view that its application is appropriate.

## The condition as to third line forcing.

The MFAA would strongly oppose the condition suggested by the FBAA in relation to third line forcing conduct. The MFAA that has never been involved in such conduct, its members might but that is quite separate from the MFAA Rules.

It is also pointed out that third line forcing is now subject to a competition test and hence less likely to be an issue.

If the FBAA is aware of conduct that might currently breach the CCA then it should advise the ACCC.

## The time period.

In relation to 10 years authorisation the MFAA is of the view that after several authorisations by the ACCC that 10 years is now appropriate. The MFAA does indicate in its submission that it may re- apply to the ACCC should situations change in the 10-year period.

Yours truly,

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