



DDU/38484 C2000/1478

Australian Competition & Consumer Commission

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Our Ref: C2000/1477
Your Ref: RJT/SHS/991978
Contact Officer: Anita George
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27 October 2000

Mr Robert Tracy
Henry Davis York Lawyers
Level 25 135 King St
SYDNEY NSW 2000

Dear Mr Tracy

Re: Notifications N31038 and N31039 lodged in relation to conduct by the Australian Derivatives Exchange (ADX) and Options Clearing House Limited (OCH)

The above notifications were lodged with the Australian Competition and Consumer Commission (the Commission) on 15 September 2000 and have been placed on the Commission's public register. Legal immunity provided by the third line forcing notifications came into force on 28 September 2000 and legal immunity afforded by the full line forcing notification came into force on 15 September 2000.

On the basis of the information provided to the Commission by ADX and OCH, I have decided not to make inquiries concerning the notified conduct.

The Commission may act to remove the immunity afforded by these notifications if, in the case of the third line forcing notifications, it is satisfied that the public benefit arising from the notified conduct does not outweigh the public detriment arising from the conduct. In the case of the full line forcing notification, the Commission may act to remove the immunity if the conduct substantially lessens competition and the public benefit arising from the conduct does not outweigh the detriment to the public constituted by any lessening of competition resulting from the notified conduct.

I note that the administration of the ADX and OCH membership and disciplinary provisions may have a direct impact on the effect on competition and public benefit resulting from the notified conduct. Should it come to the attention of the Commission that an anti-competitive or unduly restrictive approach is being adopted in relation to the membership or the disciplinary provisions of the ADX or OCH, then the Commission may review the notifications.



The lodgement fee for notification of full line forcing is \$2 500, for notification of third line forcing at the discount proprietary company rate is \$100 and for notification of related additional third line forcing is \$200. Therefore a cheque for \$200 will be forwarded to you, being the overpaid amount of the lodgement fee.

This letter has been placed upon the Commission's public register. If you wish to discuss any aspect of this matter further, please do not hesitate to contact Richard Chadwick on (02) 6243 1221 or Anita George on (02) 6243 1235.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tim Grimwade', written in a cursive style.

Tim Grimwade
A/g General Manager
Adjudication Branch