



Australian Competition & Consumer Commission

D01/22449



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16 July 2001

Mr Jonathan Hamer
Partner
Mallesons Stephen Jacques Solicitors
Level 28 Rialto
525 Collins St
MELBOURNE VIC 3000

Dear Mr Hamer

Re: Third line forcing notification N40446 lodged by Equity Margins Limited

The above notification was lodged with the Australian Competition and Consumer Commission (the Commission) on 18 May 2001 and has been placed on the Commission's public register. You have described the third line forcing conduct notified as including the provision of loans to customers by Equity Margins Limited ("EML"), in order for customers to acquire a preselected portfolio of ten Australian Shares ("the portfolio"), which are to be partly from Merrill Lynch (Australia) Futures Limited ("MLAF") and partly from the market, depending upon the particular stocks which are owned by MLAF at the time. In addition, MLAF will grant EML a put option over the portfolio at the acquisition price.

Legal immunity provided by the third line forcing notification came into force on 1 June 2001.

On the basis of the information which you provided to the Commission, I have decided not to make inquiries concerning the notified conduct.

Please note that the Commission may act to remove the immunity afforded by this notification at a later stage if it is satisfied that the public benefit arising from the notified conduct does not outweigh the public detriment arising from the conduct.



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 Anita George on (02) 6243 1235.

Yours sincerely

A handwritten signature in black ink, appearing to be 'T. Grimwade', written in a cursive style.

Tim Grimwade
General Manager
Adjudication Branch