



D01/40960



Australian Competition & Consumer Commission

Our Ref: C2001/649
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7 September 2001

Ms Doug Solomon
Solomon Brothers
PO Box Z5360, St George's Terrace
PERTH WA 6831

Dear Mr Solomon

Notification of Third Line Forcing – HBF Health Funds Inc (N70201)

I refer to the above third line forcing notification lodged by HBF Health Funds Inc (HBF) on 22 May 2001 with the Australian Competition and Consumer Commission (the Commission) and your telephone conversation with Ms Danielle Staltari on 3 September 2001. This notification has been placed on the Commission's public register.

The notification details a proposed arrangement in which HBF will supply the SmartClaims system to providers on the condition that providers enter into an EFTPOS merchant agreement with BankWest. I note in particular the assurance from Mr Ian Crease that providers are not required to switch to BankWest for any other banking service in particular EFTPOS merchant services except those necessary for accessing the SmartClaims system.

Legal immunity under the third line forcing provisions of the Trade Practices Act came into effect on 3 July 2001.

On the basis of the information that you have provided, I do not intend to make further inquiries at this time 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 likely benefit to the public from the conduct will not outweigh the likely detriment to the public from the conduct.

If you wish to discuss any aspect of this matter, please do not hesitate to contact Danielle Staltari on (02) 6243 1362.

Yours sincerely

Tim Grimwade
A/g General Manager
Adjudication Branch

