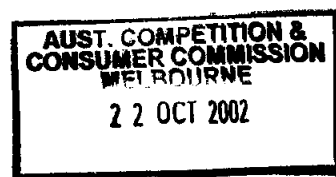




Coles Myer Ltd.
ABN 11 004 089 936



22 October 2002

BY COURIER

Mr Tom Fahy
Regional Director
Australian Competition and Consumer Commission
Level 35 The Tower
Melbourne Central
360 Elizabeth Street
MELBOURNE VIC 3000

FILE No:
DOC: D02/56505
MARS/PRISM:

Dear Mr Fahy

RE: THIRD LINE FORCING NOTIFICATION

We advise that Kmart Australia Ltd proposes to enter into a consumer promotion with McDonalds Australia Limited.

Please find enclosed for lodgment the Notification pursuant to sub-section 93(1) of the *Trade Practices Act 1974 (Cth)*. As you will see from the Notification, the conduct in question concerns the promotional offer of discounts by Kmart to customers who purchase goods from McDonalds restaurants.

We refer to the lodgment fee of \$1000 and advise that we have arranged for this amount to be transferred to the ACCC electronically.

Please contact me at any time if you wish to discuss any aspect of the Notification further.

Yours sincerely,

**KEVIN ELKINGTON,
COMPANY SECRETARY.**

FORM G**COMMONWEALTH OF AUSTRALIA***Trade Practices Act 1974 – subsection 93(1)***EXCLUSIVE DEALING: NOTIFICATION**

To the Australian Competition and Consumer Commission:

Notice is hereby given, in accordance with subsection 93(1) of the *Trade Practices Act 1974*, of particulars of conduct or of proposed conduct of a kind referred to in subsection 47(2), (3), (4), (5), (6) or (7), or paragraph 47(8)(a), (b) or (c) or 9(a), (b), (c) or (d), of that Act in which the person giving notice engages or proposes to engage.

(PLEASE READ DIRECTIONS AND NOTICE ON BACK OF FORM)

1. (a) Name of person giving notice:
Kmart Australia Ltd.
- (b) Short description of business carried on by that person:
Operation of discount department stores throughout Australia.
- (c) Address in Australia for service of documents on that person:
800 Toorak Road, Tooronga, Victoria, 3146.
2. (a) Description of the goods or services in relation to the supply or acquisition of which this notice relates:
Goods sold by Kmart Australia Ltd.
- (b) Description of the conduct or proposed conduct:
Kmart Australia Ltd will provide to a customer certain specified goods at a discounted price on the condition that the customer has purchased goods at McDonalds Australia Limited.
3. (a) Class or classes of persons to which the conduct relates:
Current and future customers of Kmart Australia Ltd and McDonalds Australia Limited.
- (b) Number of those persons:
 - (i) At present time: *unknown*
 - (ii) Estimated within the next year: *unknown*
- (c) Where number of persons stated in item 3(b)(i) is less than 50, their names and addresses:
Not applicable
4. Name and address of person authorised by the person giving this notice to provide additional information in relation to this notice:

Kevin Elkington
Company Secretary
Kmart Australia Ltd
800 Toorak Road
Tooronga, Vic 3146

Dated 22 OCT. 2002

Signed by/on behalf of the person giving this notice:

K. Elk
(Signature)

KEVIN JOHN ELKINGTON
(Full name)

DIRECTOR
(Description)

DIRECTIONS

1. If there is insufficient space on this form for the required information, the information is to be shown on separate sheets, numbered consecutively and signed by or on behalf of the person giving the notice.
2. If the notice is given by or on behalf of a corporation, the name of the corporation is to be inserted in item 1(a), not the name of the person signing the notice, and the notice is to be signed by a person authorised by the corporation to do so.
3. In item 1(b), describe that part of the business of the person giving the notice in the course of which the conduct is engaged in.
4. If particulars of a condition or of a reason of the type referred to in subsection 47(2), (3), (4), (5), (6), (7), (8) or (9) of the *Trade Practices Act 1974* have been reduced in whole or in part to writing, a copy of the writing is to be provided with the notice.
5. In item 3(a), describe the nature of the business carried on by the persons referred to in that item.
6. In item 3(b)(ii), state an estimate of the highest number of persons with whom the person giving the notice is likely to deal in the course of engaging in the conduct at any time during the next year.

NOTICE

If this notification is in respect of conduct of a kind referred to in subsection 47(6) or (7), or paragraph 47(8)(c) or (9)(d), of the *Trade Practices Act 1974* ("the Act"), it comes into force at the end of the period prescribed for the purposes of subsection 93(7A) of the Act ("the prescribed period") unless the Commission gives a notice under subsection 93A(2) of the Act within the prescribed period, or this notification is withdrawn.

The prescribed period is 21 days (if this notification is given on or before 30 June 1996) or 14 days (if this notification is given after 30 June 1996), starting on the day when this notification is given.

If the Commission gives a notice under subsection 93A(2) of the Act within the prescribed period, this notification will not come into force unless the Commission, after completing the procedures in section 93A of the Act, decided not to give a notice under subsection 93(3A) of the Act. The notification comes into force when that decision is made.

If this notification is in respect of conduct of a kind referred to in subsection 47(2), (3), (4) or (5), or paragraph 47(8)(a) or (b) or (9)(a), (b) or (c), of the Act, it comes into force when it is given.