

MALLESONS STEPHEN JAQUES

FILE No:
DOC:
MARS/PRISM:

Regional Director
Australian Competition and
Consumer Commission
Level 35, The Tower
360 Elizabeth Street
Melbourne Centre
Melbourne Vic 3000

21 November 2002

A Bodger
Partner
Direct line
(61 3) 9643 4069

Dear Sir/Madam

National Australia Bank Limited - Notification of Third Line Forcing Exclusive Dealing

We act for National Australia Bank Limited ("National").

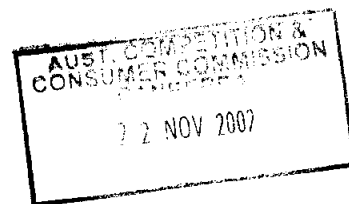
We enclose for lodgement an exclusive dealing notification on behalf of the National together with a cheque for the applicable lodgement fees of \$1,000.00.

Please do not hesitate to contact Amanda Bodger should you have any queries or comments.

Yours faithfully

Mallesons Stephen Jaques

Encls. 1



COMMONWEALTH OF AUSTRALIA
TRADE PRACTICES ACT 1974 - Subsection 93(1)
EXCLUSIVE DEALING: NOTIFICATION

TO THE AUSTRALIAN COMPETITION & CONSUMER COMMISSION:

Notice is hereby given, in accordance with sub-section 93(1) of the *Trade Practices Act 1974*, of particulars of conduct or of proposed conduct of a kind referred to in sub-section 47(6) or (7) of that Act in which the person giving notice engaged or proposes to engage.

1 (a) Name of person giving notice:

National Australia Bank Limited (ABN 12 004 044 937) of Level 24, 500 Bourke Street, Melbourne, Victoria (“**National**”).

(b) Short description of business carried on by that person

The National provides banking services, products and systems.

(c) Address in Australia for service of documents on that person

C/- Amanda Bodger
Mallesons Stephen Jaques
Level 28, Rialto
525 Collins Street
Melbourne Vic 3000

2 (a) Description of the goods or services in relation to the supply or acquisition of which this notice relates:

Products and services supplied by the National being banking services, products and systems; loans (including home loans with fixed, variable or capped interest rates, and personal loans); credit accounts; vehicle and equipment leasing; revolving credit; special purpose loans; commercial bills, bonds, overdrafts; credit cards and stored value cards; payment services and treasury services ranging from vanilla products to complex derivative transactions; foreign currency; equity finance, forwards, options, interest rate and derivative products; margin lending (“**National Products**”).

Products and services supplied by Medfin Australia Pty Limited (ABN 89 070 811 148) of Level 8, 621 Pacific Highway, St Leonards, NSW (“**Medfin**”) including business loan facilities and referral services (including referrals to providers of home loans, personal loans and financial planning services) (“**Medfin Products**”). Medfin is a related body corporate of the National.

(b) Description of the conduct or proposed conduct:

The National proposes to enter into arrangements with Medfin pursuant to which the National will:

- (a) supply or offer to supply a National Product on the condition that the customer acquires one or more Medfin Products from Medfin;

- (b) refuse to supply or refuse to offer to supply a National Product for the reason that that the customer has not acquired or has not agreed to acquire one or more Medfin Products from Medfin; and/or
- (c) give or allow or offer to give or allow a discount, allowance, rebate or credit in relation to a National Product on the condition that the customer acquires one or more Medfin Products from Medfin.

Examples of the proposed conduct are set out below

The National proposes to offer discounts on its standard fees and charges and/or other benefits relating to its National Choice Package to customers who otherwise meet the National's criteria for the offer and who are referred to the National by Medfin and/or acquires business lending products or referral services from Medfin.

The proposed conduct will be of benefit to the public as it will:

- reduce costs of customers who may be otherwise unable to negotiate discounts or other benefits in relation to National Products on their own behalf;
- promote competition in the relevant markets by encouraging competitors to offer similar value added services;
- assist the National and Medfin (as related bodies corporate) to achieve greater efficiencies;
- provide National customers with the opportunity to obtain National Products at discounted rates or with additional benefits; and
- provide customers with greater convenience in dealing with the National and Medfin.

The proposed conduct will not lessen competition in the markets for the relevant products and services as:

- competition in the relevant markets is vigorous and there are many competitors;
- the parties are related bodies corporate;
- the number of consumers potentially affected by the proposed conduct is insignificant compared to the total number of consumers who acquire banking services; and
- consumers may acquire the relevant products and services from a range of other suppliers.

The applicant believes that the benefits from the proposed conduct outlined above will outweigh any possible detriment considered to arise from the conduct.

- 3 (a) Class or classes of persons to which the conduct relates:**
New and existing customers of Medfin.
- (b) Number of those persons**
N/A
- (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 is:

Amanda Bodger
Mallesons Stephen Jaques
Level 28, Rialto
525 Collins Street
Melbourne Vic 3000

Dated: 21 November 2002

Signed on behalf of the person giving this notice:



Amanda Bodger

Solicitor

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, decides not to give a notice under subsection 93(3A) of the Act. The notification comes into force when the 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.