Tania Mayrhofer Australian Competition and Consumer Branch 470 Northbourne Ave Dickson ACT 2602

Wednesday, 25 August 2004

RE: Clarification of Exclusive Dealings Notification N40744 and N40732-36

As discussed on the telephone today, FAL would like to clarify the intent of the Exclusive Dealings Notification of August 12th 2004.

As detailed in our cover letter of August 12th, BP had approached FAL to discuss participating in an Action discount fuel promotion in regard to three BP owned sites, being two BP outlets in Toowoomba and one BP outlet in Cairns.

The Exclusive Dealings Notification dated 13 August 2004 sought an exemption in relation to participating service stations operated by BP or at which fuel is sold as BP's agent in Queensland and NSW. At this stage, however, it is BP's intention that the Action discount fuel promotion will only apply in relation to the three sites referred to above, as well as the eight sites in Townsville which are the subject of a previous exclusive dealing notification. FAL has been advised by BP that it has no plans to run the promotion throughout Queensland and NSW at stores BP directly operates.

The recent ACCC media release MR 172/04 states the Action offer is available at all BP outlets in NSW and QLD. However, as stated above, the correct position is that, in relation to sites owned by BP, the Action vouchers are only available to be redeemed at the three sites referred to above and the eight BP owned sites in Townsville which are the subject of a previous exclusive dealing notification.

To avoid further confusion Centrel P/L, Doojoo P/L, M and HJ Webb P/L, and the Dragos as operators of BP Branded facilities, are accepting Action vouchers at the following centres in Old and NSW

Queensland

Cairns, Townsville, Mackay, Rockhampton, Sunshine Coast, and Gold Coast

New South Wales

• Kingscliff, Ballina, Coffs Harbour, Kempsey and Port Macquarie

Please feel free to contact me if you require any further clarification.

Sincerely,

Peter Hede Division Manager Quickstop – Fuel and Convenience.