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20 October 2004

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Dear Mr Hatfield

### GrainCorp and AWB - Applications for Authorisation (A30233-A30235) ("Applications")

We refer to our telephone conversations with you on 18 October 2004 and thank you for responding to our queries promptly.

As indicated in the above conversation, we act for Pacific National. We are currently reviewing the publicly available material relating to the Applications on behalf of Pacific National. From our review it appears that there is information which has either been withheld by the parties as confidential or, it would appear, has not been provided to the Australian Competition & Consumer Commission ("**Commission**").

It would assist Pacific National in responding to the Applications if it could be provided the material set out below.

#### 1. Supply Agreements

The exclusivity provisions in clause 11.1 of the Joint Venture Shareholders Agreement ("**Shareholders Agreement**") refer to the services to be solely and exclusively provided to the parties by the JV Company as those defined in the AWB Supply Agreement and the GrainCorp Supply Agreement.

As these Supply Agreements have not been made publicly available, it is difficult to understand the precise scope of the services which are the subject of the exclusivity clause. In our view, Pacific National is unable to determine its position without reference to this definition. These Supply Agreements are clearly fundamental to the transaction and we are therefore concerned that these documents, or the relevant parts of them, are not publicly available.

#### 2. Ring-fenced information

Clause 18.2 of the Shareholders Agreement provides for the ring-fencing of certain information. The information the subject of this provision is set out in Schedule 2 of the Shareholders Agreement, which has been withheld from public view as confidential. It is therefore impossible for Pacific National to assess whether the scope of the ring-fencing arrangements is adequate to address some of its concerns about the joint venture arrangements proposed in the Applications.

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Sydney Melbourne Brisbane Perth Canberra Darwin Adelaide

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Mr David Hatfield, Australian Competition & Consumer Commission

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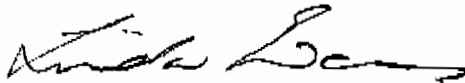
### 3. Requirements for Rail Freight Service Contract

Part B of Schedule 1 to the Shareholders Agreement is entitled "Requirements for Rail Freight Service Contract". The contents of this Schedule has been withheld as confidential. Clause 3.1(a) of the Shareholders Agreement relevantly requires the JV Company (as defined) to "use its reasonable endeavours to ensure that each Service Contract includes specific details of fees and charges, includes the terms and reflects the principles set out in Parts A and B of schedule 1". Again, in the absence of this information it is difficult for our client to fully assess the impact of the arrangements proposed in the Applications.

We would appreciate if the Commission would consider these issues and discuss with the parties to the Applications whether this information can be made available.

Please contact us if you would like to further discuss this request.

Yours sincerely



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