

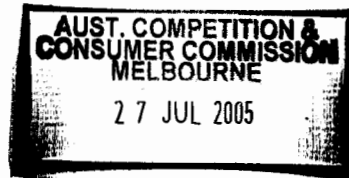
MALLESONS STEPHEN JAQUES

FILE No:
DOC: 005/46435
MARS/PRISM:

Australian Competition and
Consumer Commission
Level 35 The Tower
360 Elizabeth Street
Melbourne Centre
Melbourne VIC 3000

27 July 2005

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 (ABN 12 004 044 937).

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

Please do not hesitate to contact Amanda Bodger of this office on (03) 9643 4069 should you have any queries or comments.

Yours faithfully

Mallesons Stephen Jaques

Encls.

EXCLUSIVE DEALING NOTIFICATION

Commonwealth of Australia

Trade Practices Act 1974 — Subsection 93(1)

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.

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- 1 (a) Name of person giving notice
- National Australia Bank Limited (ABN 12 004 044 937) of Level 24, 500 Bourke Street, Melbourne (“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 50, Bourke Place
600 Bourke 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 the Bank of New Zealand Limited of Level 14, 125 Queen Street, Auckland, New Zealand (“BNZ”) including banking services, products and systems, and specifically, transaction accounts and transaction and processing services (“BNZ Products”). BNZ is a wholly owned subsidiary of the National.

(b) Description of the conduct or proposed conduct

The National proposes to enter into arrangements pursuant to which the National proposes to:

- (a) supply or offer to supply a National Product on the condition that the customer acquires a BNZ Product; or
- (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 a BNZ Product.

Specifically, pursuant to arrangements between the National and BNZ, the National proposes to provide the National Accounts Payable System ("NAPS") product to corporate and business customers who establish a payment account with BNZ. Payment accounts are transaction accounts operated and administered by BNZ in New Zealand and used by the account holders for making and receiving payments under NAPS.

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

- provide corporate and business customers with greater convenience in dealing with the National and BNZ;
- reduce the costs and administrative burden of corporate and business customers when dealing with the National and BNZ;
- promote competition in the relevant markets by encouraging competitors to offer similar value added services; and
- assist the National and BNZ (as related bodies corporate) to achieve greater efficiencies within their domestic markets and on a trans-Tasman basis.

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 National and BNZ who intend to use NAPS on a trans-Tasman basis.
- (b) Number of those persons —
- (i) At present time
Not applicable
- (ii) Estimated within the next year
Six (6)
- (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 authorized by the person giving this notice to provide additional information in relation to this notice

Amanda Bodger
Mallesons Stephen Jaques
Level 50, Bourke Place
600 Bourke Street
Melbourne VIC 3000

Dated 27 July 2005

Signed on behalf of the applicant

M Bodger

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Amanda Bodger
Mallesons Stephen Jaques



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 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 authorized 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 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.