



**Australian
Competition &
Consumer
Commission**

Our Ref: N31462 & N31463
Contact Officer: Shashi Sivayoganathan
Contact Phone: 03 9290 1832

PO Box 1199
Dickson ACT 2602
470 Northbourne Ave
Dickson ACT 2602
ph (02) 6243 1111
fax (02) 6243 1199
www.accc.gov.au

14 October 2005

Mr Adam Bold
Director, Risk & Compliance
Level 11
15 London Circuit
Canberra ACT 2601

Dear Mr Bold

**Re: Third line forcing notification No. N31462 lodged by
Westpac Securities limited ("WSL") & No. N31463 lodged by
Westpac Banking Corporation ("WBC")**

I refer to the above third line forcing notifications lodged by WSL and WBC with the Australian Competition and Consumer Commission ("the ACCC") on 4 October 2005. These notifications have been placed on ACCC's public register.

The conduct, subject to the notifications, has been described as follows:

Notification N31462 lodged by WSL

The offer or supply of discounted services to customers that use the Westpac Broking Trading Facility ("the Service") provided by WSL via the internet on the condition that the customer:

- (i) Acquires or has an existing Westpac Cash Management Account Investor Option ("CMAIO"), Westpac Max-i Direct Account ("Max-i Direct"), Westpac Cash Management Account ("CMA") or other specified deposit account from WBC;
- (ii) Executes or has a new Direct Debit Request Service Agreement authorising WSL to arrange for amounts that become payable to WSL under the Service to be made by deduction from their CMAIO, Max-i Direct, CMA or other specified WBC deposit account; and



- (iii) Settle their securities transactions conducted under the Service by direct debit to their CMAIO, Max-i Direct, CMA or other specified WBC deposit account.

Notification N31463 lodged by WBC

The provision of higher than standard interest rates for deposits held in a Westpac CMAIO or other specified WBC deposit account for a WBC customer on the condition that the customer:

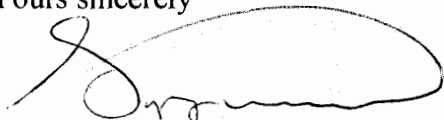
- (i) uses the Service via the internet;
- (ii) Executes or has an existing Direct Debit Request Service Agreement authorising WSL to arrange for amounts that become payable to WSL under the Service to be made by deduction from their CMAIO or other specified WBC deposit account; and
- (iii) Settles their securities transactions conducted under the Service by direct debit to their CMAIO or other specified WBC deposit account.

Legal immunity conferred by the notifications will commence on 18 October 2005. On the basis of the information that you have provided, it is not intended that further action be taken in this matter at this stage.

As with any notification, please note that the ACCC may act to remove the immunity afforded by these notifications at a later stage if it is satisfied that the likely benefit to the public from the conduct will not outweigh the likely detriment to the public from the conduct.

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact Shashi Sivayoganathan on 03 9290 1832.

Yours sincerely



Scott Gregson
General Manager
Adjudication Branch