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Our Ref:

C2005/1895 Contact Officer: Isabelle Arnaud Contact Phone: 02 6243 1049

6 December 2005

Ms Anna Sharpe Partner Clayton Utz GPO Box 55 **BRISBANE OLD 4000**

Dear Ms Sharpe

Third line forcing notifications N50174 and N50175 lodged by Velocity Rewards Pty Ltd

I refer to the above third line forcing notifications lodged with the Australian Competition and Consumer Commission (the ACCC) on 22 November 2005.

Velocity Rewards has described the conduct as the allocation of reward points to members of the Loyalty Program associated with the Virgin Blue Group when members apply for and obtain a specifically branded Loyalty Program credit card issued by National Australia Bank within 60 days of the credit card becoming available (N50174) and purchase goods or services using the Loyalty Program credit card issued by National Australia Bank (N50175).

Legal immunity conferred by the notifications commenced on 6 December 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.

I note that when promoting the Loyalty Program consumers should be made aware of any conditions attached to the earning of reward points, as well as any limitations or restrictions on their ability to redeem reward points earned.



This letter has been placed on the ACCC's public register. Should you have any query about this matter, please do not hesitate to contact Isabelle Arnaud on 02 6243 1049.

Yours sincerely

Scott Gregson

General Manager

Adjudication Branch