



Australian
Competition &
Consumer
Commission

Our Ref: C2006/190
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Facsed 26/4/06.
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26 April 2006

Mr Anthony Calvi
Group General Counsel & Group Company Secretary
MAB Corporation Pty Ltd
Level 1, 54 St Kilda Road
St Kilda VIC 3182

By facsimile: (03) 8530 2200

Dear Mr Calvi

Third line forcing notification No. N92351 lodged by Nolan Properties Investments Pty Ltd (Nolan)

I refer to the above third line forcing notification lodged with the Australian Competition and Consumer Commission (the ACCC) on 27 January 2006 and to recent correspondence concerning the notification. In particular, I refer to your letter of 12 April 2006 in which you note that conditions (i) and (iii) of the conduct described in the notification may involve third line forcing.

Based on the information provided in your letter of 12 April 2006 and the notification, I understand that under condition (i), purchasers of subdivided retail properties in the Nolan Tower of the NewQuay precinct at Melbourne Docklands (the Retail Properties) are required to comply with various covenants and obligations. This requirement will be enforced by PMS (a company within the MAB Group) and as such, purchasers of Retail Properties may be required to acquire services from PMS. You consider this arrangement may involve third line forcing conduct.

In the event that the arrangement associated with condition (i) involves third line forcing conduct, it will be subject to the protection afforded by notification N92351. I note that a copy of the relevant covenants and other obligations has not been provided to the ACCC.

With respect to condition (iii), I understand that Nolan will require the first purchaser of a Retail Property to impose upon any subsequent purchaser the requirement that the subsequent purchaser acquire the property management services of PMS.

From the information provided in your letter, it would appear that the first purchaser, rather than Nolan, may be the party at risk of engaging in third line forcing conduct in the context of condition (iii). The notification lodged by Nolan does not in my view afford legal immunity to the first purchasers of Retail Properties or to condition (iii).



Having otherwise considered the information provided, it is not intended that any further action be taken in relation to the notification at this stage.

This letter will be placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact Sharon Clancy on (02) 6243 1217.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Scott Gregson', with a long horizontal flourish extending to the right.

Scott Gregson
General Manager
Adjudication Branch