



Australian
Competition &
Consumer
Commission

Our Ref: N92540
Contact Officer: Cameron Martin
Contact Number: 02 6243 1107

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26 July 2006

Parasol EMT (Franchising) Pty Ltd
C/- Peter Sanfillippo
The Franchise Lawyer
PO Box 1173
LEICHARDT NSW 2040

Dear Mr Sanfillippo

**Re: Third line forcing notification N92540 lodged by
Parasol EMT (Franchising) Pty Ltd**

I refer to the above third line forcing notification lodged with the Australian Competition and Consumer Commission (the ACCC) on 14 June 2006. The notification has been placed on the ACCC's public register. The attached copy of the franchise agreement has not been placed on the public register.

The notification has been described as follows:

Unless the Franchisor otherwise consents, the Franchisee must acquire from the Franchisor or its nominated supplier (which may be a corporation or entity associated with or related to the Franchisor) all equipment, stock, goods and services (referred to in this subclause 10.5 as "items") which the Franchisor or its nominated supplier has available for purchase by franchisees, and which the Franchisee wishes to purchase or is required pursuant to this agreement to purchase for or in connection with the Franchised business. The Franchisee may acquire from other sources, items that are not available from the Franchisor or its nominated supplier, provided it first notifies the Franchisor in writing and gives the Franchisor a reasonable opportunity by itself or through a nominated supplier to make those items available for purchase. The Franchisee does not have to allow the Franchisor more than 21 (twenty-one) days to so make the items available for purchase, provided that the time of delivery of the items may be greater than 21 days from the date of the first written notification by the Franchisee, but must be within a reasonable time of the Franchisor indicating to the Franchisee that it or its nominated supplier has the items available for purchase.

Legal immunity conferred by the notification will come into force on 28 July 2006.



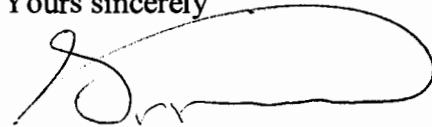
On the basis of the information that you have provided, it is not intended that further action be taken in this matter at this stage.

As with any notification, please note that the ACCC may act to remove the immunity afforded by the notification 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.

In addition, I would like to bring to your attention the requirement under the Franchising Code of Conduct for a franchisor to disclose in the Franchise Disclosure Document any rebate or financial benefit received from the supply of goods or services to franchisees.

A copy of 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 Cameron Martin on 02 6243 1107.

Yours sincerely

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

Scott Gregson
General Manager
Adjudication Branch