



Australian
Competition &
Consumer
Commission

Our Ref: N41031
Contact Officer: Jaime Norton
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16 November 2006

Caroline Coops
Partner
Mallesons Stephen Jaques
Level 50
Bourke Place
600 Bourke Street
MELBOURNE VIC 3000

Dear Ms Coops

Third line forcing notification N41031 – Your Managed Communications Pty Limited

I refer to the above third line forcing notification lodged with the Australian Competition and Consumer Commission (the ACCC) on 25 October 2006. The notification has been placed on the ACCC's public register.

Your Managed Communications Pty Ltd (YMC) and the National Australia Bank Limited (NAB) propose to enter into arrangements whereby YMC proposes to:

- (i) supply a YMC Service on the condition that the customer also acquires or has acquired one or more NAB Products and uses the NAB Product(s) to purchase the YMC Service;
- (ii) refuse to supply a YMC Service for the reason that the customer has not acquired or has not agreed to acquire one or more NAB Products, or is not using the NAB Product to purchase the YMC Service; or
- (iii) offer a discount in relation to a YMC Service on the condition that the customer also acquires or has acquired one or more NAB Products and uses the NAB Product(s) to purchase the YMC Service.

The notification defines a YMC Service to include broadband internet services, electronic mail management and archiving services, and virus and spam conduct services offered by YMC. NAB Products are defined to include banking services, products and systems, transaction accounts, credit and debit accounts, credit cards and debit cards, transaction and processing services and other credit and debit card related services.



I note the notification contains a broad description of the conduct and includes numerous products and services offered by YMC and the NAB. The broad description, particularly at (i) and (ii), could potentially extend to a complete refusal to supply a range of YMC Services unless customers acquired one or more NAB Products.

Having said that, I note your submission that under the notified conduct consumers will be able to acquire a YMC Service at the usual price without acquiring any services from the NAB and vice versa.

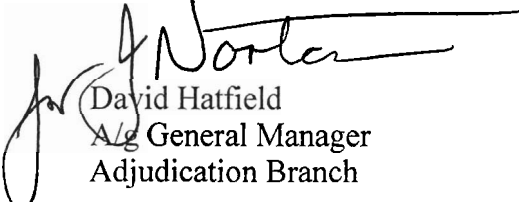
Legal immunity conferred by the notification commenced on 8 November 2006.

On the basis of the information that you have provided, and in particular that customers will still be able to acquire a YMC Service at the usual price, 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 this 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.

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 Ms Jaime Norton on (03) 92901477.

Yours sincerely



David Hatfield
A/g General Manager
Adjudication Branch