



**Australian
Competition &
Consumer
Commission**

GPO Box 3131
Canberra ACT 2601

23 Marcus Clarke Street
Canberra ACT 2601

tel: (02) 6243 1111
fax: (02) 6243 1199

www.accc.gov.au

Our reference: C2007/2205
Contact Officer: Sharon Clancy
Contact Phone: (02) 6243 1217

*Faxed 18/12/07
SC*

18 December 2007

Ms Vicki Tzimas
Legal Counsel
Flight Centre Limited
Level 13, 316 Adelaide Street
BRISBANE QLD 4000

By facsimile: (07) 3032 9051

Dear Ms Tzimas

Third line forcing notification N93231 lodged by Flight Centre Limited (FCL)

I refer to the above third line forcing notification lodged with the Australian Competition and Consumer Commission on 23 November 2007. The notification has been placed on the ACCC's public register.

The notification concerns FCL proposing to require suppliers (other than airlines) to use a nominated transaction settlement system provided by Moneydirect Pty Ltd.

In order to assist the ACCC in its assessment of the notification, I seek your response to the following questions:


1. Please describe how the transaction settlement system will operate and how it can be accessed. For example, will settlements occur as transactions arise or will they be processed at the end of a nominated period? Is the system a two-way system whereby payments can be made both to and from FCL? Is the settlement system an internet based system? Please provide as much information as possible.
2. How does FCL currently manage the settlement of its transactions?
3. Please clarify the nature of the suppliers whom will be required to use the transaction settlement system provided by Moneydirect Pty Ltd.
4. What is the financial cost to FCL's suppliers of the introduction of the transaction settlement system provided by Moneydirect Pty Ltd? Will suppliers need to purchase new equipment or upgrade their existing equipment? Will suppliers need to undergo any training?

5. Please clarify whether FCL expects suppliers with whom its transaction value is sufficiently low to adopt the new transaction settlement system. The notification is unclear on this point.

I would appreciate your response to this letter by **18 January 2008**.

A copy of this letter will be placed on the public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact Sharon Clancy on (02) 6243 1217 or me on (02) 6243 1049.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'Isabelle Arnaud', written over a light grey rectangular background.

Isabelle Arnaud
Director
Adjudication Branch