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Our Ref: C2007/39
Contact Officer: Isabelle Arnaud
Contact Phone: 02 6243 1049

4 January 2007

Mr Michael Gray Freehills Level 32, MLC Centre Martin Place SYDNEY NSW 2000

Dear Mr Gray

Third line forcing notifications N92744 and N92745 lodged by Pacific Smiles Group Pty Limited

I refer to the above third line forcing notifications lodged with the Australian Competition and Consumer Commission (the ACCC) on 21 December 2006. The notifications have been placed on the ACCC's public register.

Pacific Smiles Group Pty Limited (PSG) has described the conduct as follows:

N92744

PSG proposes to supply fully serviced dental centres to dentists on the condition that the dentists acquire commercial benefits from health care funds under preferred provider agreements (PPAs).

N92745

PSG proposes to supply commercial benefits associated with dental care centres, including: centres branded under the NIB business name and trade mark; or centres branded under PSD trade marks and business names but promoted on behalf of NIB to NIB members,

to NIB on condition that NIB acquire commercial benefits from dental practitioners at NIB and PSD dental care centres under PPAs.

Legal immunity conferred by the notifications came into force on 4 January 2007.



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. For your information, please note that the ACCC will also not take further action at this stage in relation to a related notification (N92754) lodged by NIB Health Funds Limited on 2 January 2007.

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

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 Isabelle Arnaud on 02 6243 1049.

Yours sincerely

Scott Gregson General Manager Adjudication Branch