



Australian
Competition &
Consumer
Commission

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Our Ref: N94780-N94842
Contact Officer: Jaime Martin
Contact Number: (03) 9290 1477

12 August 2010

Michael Gray
Partner
Freehills
GPO Box 4227
Sydney NSW 2001

Via email: michael.gray@freehills.com; jennifer.singkey@freehills.com

Dear Mr Gray

Third line forcing notifications N94780-N94842 lodged by Avis and Budget Rent a Car businesses

I refer to the above third line forcing notifications lodged with the Australian Competition and Consumer Commission (the ACCC) on 2 July 2010. I refer also to the further information provided by the notifying parties on 27 July 2010.

Under the notified arrangements, Avis and Budget Rent a Car businesses ('Avis and Budget') will offer to supply rental vehicles on condition that customers enter into a contract with the Roads and Traffic Authority of NSW to acquire an 'E-Toll Facility'. Avis and Budget will refuse to supply a rental vehicle to a customer who does not agree to acquire such a facility.

I understand that the notified conduct (which is primarily an e-tag based solution) is designed to reduce the administrative burden arising from the collection of tolls across Australia by directly charging the rental vehicle driver for any tolls incurred during the rental period.

Legal immunity conferred by the notifications commenced on 16 July 2010.

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 these 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.

This assessment has been made on the basis that Avis and Budget will disclose all relevant terms and conditions of to prospective customers, including fees charged under the arrangements at the point of sale.

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 contact Jaime Martin on (03) 9290 1477 or via email at jaime.martin@accc.gov.au.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'R Chadwick', with a long horizontal flourish extending to the right.

Dr Richard Chadwick
General Manager
Adjudication Branch