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Our Ref: C2012/816
Contact Officer: Jasmine Tan
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26 September 2012

Darshika Bandaranayake Attorney General Counsel's Office American Express Australia Limited 12 Shelley Street Sydney NSW 2000

By email: <u>Darshika.S.Bandaranayake1@aexp.com</u>

Dear Ms Bandaranayake

Third line forcing notification N96144 lodged by American Express Australia Limited

I refer to the above third line forcing notification lodged with the Australian Competition and Consumer Commission (the ACCC) on 11 September 2012. The notification has been placed on the ACCC's public register.

American Express Australia Limited (AMEX) proposes to supply a credit to newly acquired American Express Platinum Edge Credit Card (Platinum Card) members on condition that these members use their Platinum Card to spend \$500 and pay for a Fitness First gym membership for the first twelve months of their Platinum Card membership. The credit will be supplied by AMEX and will be equal to 20% of the Fitness First gym membership fee. The offer will be available to new and existing Fitness First members.

Legal immunity conferred by the notification commenced on 25 September 2012.

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.

This assessment has been made on the basis that AMEX and Fitness First will disclose all relevant terms and conditions to prospective clients.

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 Jasmine Tan on (02) 6243 1363.

Yours sincerely

Dr Richard Chadwick General Manager

Adjudication Branch