

Form G
Commonwealth of Australia
Trade Practices Act 1974 — Sub-section 93(1)
**EXCLUSIVE DEALING
NOTIFICATION**

N50184

To the Australian Competition and Consumer Commission:

Notice is hereby given, in accordance with sub-section 93(1) of the *Trade Practices Act 1974*, of particulars of conduct or of proposed conduct of a kind referred to in sub-section 47(2), (3), (4), (5), (6) or (7), or paragraph 47 (8) (a), (b) or (c) or (9) (a), (b), (c) or (d) of that Act in which the person giving notice engages or proposes to engage.

(PLEASE READ DIRECTIONS AND NOTICES ON BACK OF FORM)

1. (a) Name of person giving notice

Virgin Blue Airlines Pty Limited ABN 36 090 670 965

(See Direction 2 on the back of this form)

(b) Short description of business carried on by that person

Operation of commercial air transport services across Australia

(c) Address in Australia for service of documents on that person

Level 7, Centenary Square Building, 131 Barry Parade, Fortitude Valley, Queensland 4006

2. (a) Description of the goods or services in relation to the supply or acquisition of which this notice relates

Air travel

(b) Description of the conduct or proposed conduct

Virgin Blue will offer a specified discount on certain airfares to consumers who use their Visa card to purchase specified fares during the period 17 August 2006 to 31 August 2006.

(See Direction 4 on the back of this Form)

3. (a) Class or classes of persons to which the conduct relates

Visa cardholders who purchase certain Virgin Blue airfares (and/or airfares on Virgin Blue's international carriers Pacific Blue and Polynesian Blue) with their Visa card during the period 17 August 2006 to 31 August 2006.

(b) Number of those persons--

(i) At present time *unknown*

(ii) Estimated within the next year: *unknown*

(c) Where number of persons stated in item 3 (b) (i) is less than 50, their names and addresses

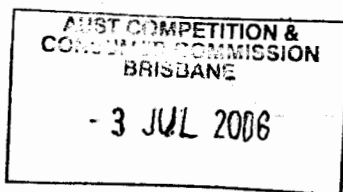
N/A

4. Names and address of person authorised by the person giving this notice to provide additional information in relation to this notice

Leigh Balderson
Senior Legal Counsel
Level 7, 131 Barry Parade
Fortitude Valley QLD 4006

Dated: 30 June 2006

Signed by/on behalf of the applicant giving notice



Leigh Balderson
.....
(Signature)

Leigh Balderson
(Full Name)

Senior Legal Counsel
(Description)

DIRECTIONS

1. If there is insufficient space on this form for the required information, the information is to be shown on separate sheets, numbered consecutively and signed by or on behalf of the person giving the notice
2. If the notice is given by or on behalf of a corporation, the name of the corporation is to be inserted in item 1(a), not the name of the person giving the notice, and the notice is to be signed by a person authorised by the corporation to do so.
3. In item 1(b), describe that part of the business of the person giving the notice in the course of which the conduct is engaged in.
4. If particulars of a condition or of a reason of the type referred to in sub-section 47(2), (3), (4), (5), (6), (7), (8) or (9) of the *Trade Practices Act* 1974 have been reduced in whole or in part to writing, a copy of the writing is to be provided with the notice.
5. In item 3(a), describe the nature of the business carried on by the persons referred to in that item.
6. In item 3(b)(ii), state an estimate of the highest number of persons with whom the person giving the notice is likely to deal in the course of engaging in the conduct at any time during the next year.

NOTICE

If this notification is in respect of conduct of a kind referred to in sub-section 47(6) or (7) or paragraph 47(8)(c) or (9)(d) of the *Trade Practices Act* 1974 ("the Act"), it comes into force at the end of the period prescribed for the purposes of subsection 93(7a) of the Act ("the prescribed period") unless the Commission gives a notice under sub-section 93A(2) of the Act within the prescribed period, or this notification is withdrawn.

The prescribed period is 21 days (if this notification is given on or before 30 June 1996) or 14 days (if this notification is given after 30 June 1996), starting on the day when this notification is given.

If the Commission gives a notice under sub-section 93A(2) of the Act within the prescribed period, this notification will not come into force unless the Commission, after completing the procedures in section 93A of the Act, decides not to give a notice under subsection 93(3A) of the Act. The notification comes into force when that decision is made.

If this notification is in respect of conduct of a kind referred to in subsection 47(2), (3), (4) or (5), or paragraph 47(8)(a) or (b) or (9)(a), (b) or (c), of the Act, it comes into force when it is given.

**Submission to accompany
Form G notification dated 30 June 2006**

Lodged with ACCC by Virgin Blue Airlines Pty Limited on 30 June 2006

The proposed promotion is to reward customers who use their Visa card to purchase specified Virgin Blue, Pacific Blue and Polynesian Blue fares during the period from 17 August 2006 to 31 August 2006 with a specified discount off those fares.

Customers who use their Visa card to purchase a Virgin Blue, Pacific Blue or Polynesian Blue Sale fare (V Class) during the period 17 August to 23 August 2006 (for travel during the periods 17 October - 30 November 2006 and 01 - 28 February 2007) will be provided with a \$10 discount off that fare.

Customers who use their Visa card to purchase a Virgin Blue, Pacific Blue or Polynesian Blue lead-in Blue Saver fare (R Class) during the period 24 August to 31 August 2006 (for travel during the periods 17 October - 30 November 2006 and 01 - 28 February 2007) will be provided with a \$20 discount off that fare.

The promotion will bring benefits to that group of consumers who make the choice, in this instance, to purchase the specified Virgin Blue, Pacific Blue and Polynesian Blue fares with their Visa card during the promotion period. We note that Visa is one of the most widely used forms of electronic payment in Australia – which means that a significant proportion of the general public will be able to take advantage of this offer.

Consumers wishing to fly with Virgin Blue, Pacific Blue or Polynesian Blue but who are not Visa cardholders will not be excluded from purchasing fares at the normal every day low prices offered by Virgin Blue, Pacific Blue and Polynesian Blue nor will they be excluded from purchasing airfares with the other air carriers in Australia, New Zealand or the South Pacific. They will however be excluded from the special discount on Virgin Blue, Pacific Blue and Polynesian Blue airfares available to Visa cardholders. This is a potential negative impact.

However the negative impact is outweighed by the reward being offered to those consumers who do take advantage of the special offer by using their Visa card to purchase Virgin Blue, Pacific Blue and Polynesian Blue airfares during the relevant period.

Given the small scale of the promotion and its brief nature, we believe that the public benefit of the promotion outweighs any potential negative impact.

If you have any concerns with the above submission please do not hesitate to contact the undersigned.

Yours Sincerely



Leigh Balderson
Senior Legal Counsel
Virgin Blue Airlines Pty Limited