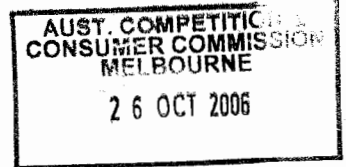


MALLESONS STEPHEN JAQUES



NOT
RECORDED

Mr Gavin Jones
Australian Competition & Consumer Commission
Level 35 The Tower
360 Elizabeth Street
Melbourne VIC 3000

26 October 2006

Lisa Huett
Partner
Direct Line
(61 3) 9643 4163

Dear Mr Jones

GE Capital Finance Australia - Third line forcing notification

We act for GE Capital Finance Australia.

We enclose a completed Form G notice and a cheque for \$1,000 in payment of the filing fee in respect of conduct which may constitute third line forcing pursuant to sections 47(6) and 47(7) of the Trade Practices Act 1974 (Cth).

If you have any queries about the notice or the proposed conduct, please do not hesitate to contact Lisa Huett on (03) 9643 4163.

Yours faithfully

Mallesons Stephen Jaques

EXCLUSIVE DEALING NOTIFICATION

Commonwealth of Australia

Trade Practices Act 1974 — Subsection 93(1)

To the Australian Competition and Consumer Commission:

Notice is hereby given, in accordance with subsection 93(1) of the *Trade Practices Act 1974* of particulars of conduct or of proposed conduct of a kind referred to in subsection 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.

1 (a) Name of person giving notice

GE Capital Finance Australia (ABN 42 008 583 588) ("**GECFA**")

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

GECFA provides financial services (including credit accounts and credit cards) to consumers, and credit facilities (including private label credit card programs) to retailers.

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

Stephen Harris, Company Secretary
572 Swan Street
Richmond VIC 3121

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

It is proposed by GECFA and Myer Ltd ("**Myer**") that:

- i. GECFA and Myer launch a private label credit card for use by consumers at Myer's stores, to be known as the "Myer Card" ("**Offer**");
- ii. GECFA will issue a Myer Card to eligible consumers who enter into a credit agreement with GECFA for the purpose of purchasing goods or services from Myer pursuant to an account specifically opened for that purpose ("**Accountholder**"). In addition to Accountholders, GECFA may issue a Myer Card to persons nominated by the Accountholders ("**Additional Cardholder**");
- iii. The Myer Card will have an associated loyalty program that Accountholders must join, which will be the current MYER one program provided by Myer ("**Loyalty Program**"). Members of MYER one can earn shopping credits, gift cards and other program benefits for redemption at Myer's stores pursuant to the Loyalty Program terms and conditions as determined by Myer;

- iv. Membership of the Loyalty Program will be free of charge for Accountholders; and
- v. The reward value received by an Accountholder will be a percentage equivalent of each dollar spent by the Accountholder and Additional Cardholders in Myer's stores. GECFA will contribute an amount ("**Contribution Amount**") for every dollar of reward value Myer provides to the Accountholder. GECFA will pay to Myer the relevant Contribution Amount accrued in respect of its Accountholders on a monthly basis.

(b) Description of the conduct or proposed conduct

Outline of proposed conduct

Under the Offer:

- (i) GECFA will offer to supply credit facilities (including a credit account and credit card on standard, reduced or interest-free interest terms, as and when applicable, and related services) to eligible persons on condition that those persons agree to use those credit facilities to acquire goods or services from Myer; and
- (ii) GECFA will refuse to supply the credit facilities described above, to persons for the reason that the person does not agree to use those credit facilities to acquire goods or services from Myer; and
- (iii) GECFA will offer to supply the credit facilities described above to eligible persons on condition that those persons agree to acquire membership of the Loyalty Program and have the Loyalty Program linked to their Myer Card; and
- (iv) GECFA will refuse to supply the credit facilities described above to persons for the reason that that those persons do not agree to acquire membership of the Loyalty Program and have the Loyalty Program linked to their Myer Card.

The proposed conduct will be of benefit to the public and will have little or no public detriment.

No anti-competitive detriment

Importantly, consumers are completely free to choose whether or not to apply for the Myer Card from GECFA, whether or not to use the Myer Card to purchase goods or services from Myer and whether or not to take up any promotional benefits or privileges.

The proposed conduct will not lessen competition in the relevant banking and financial services markets. Competition in the relevant markets is vigorous and consumers will continue to be able to choose from a large number of credit card issuers with their associated benefits and loyalty programs. Relevantly, consumers can use credit cards issued by the various other credit providers to purchase goods or services from Myer. As these markets are extremely competitive, consumers

will continue to have regard to the individual merits of each issuer's product to make their decision on which credit card and loyalty program to use.

Nor will the proposed conduct lessen competition in the highly competitive market(s) in which Myer operates. Consumers make, and will continue to make, choices based on the price, value and quality of the products and services offered by retailers. Goods and services offered by Myer are also available for purchase by consumers independent of whether they are Cardholders. In addition, membership in the Loyalty Program is available to non-account holders.

Public benefit

The proposed conduct will be of benefit to the public as it will:

- promote competition amongst credit card and loyalty program providers and prompt competitors of GECFA and Myer to provide pro-competitive offers to consumers. This will result in increased choice for persons who wish to obtain a credit card with an associated loyalty program and increased competition for these products;
- promote competition and place downward pressure on pricing for products and services provided by competitors of Myer; and
- result in benefits to Accountholders, such as the opportunity to receive periodic promotional benefits and privileges from GECFA and Myer, and the opportunity to earn and use Loyalty Program points.

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

Persons who are or who apply to become Accountholders

- (b) Number of those persons —

- (i) At present time

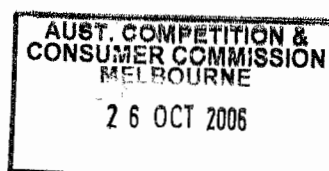
There are no Accountholders at the present time. The Myer Card will be offered to existing members of the MYER one loyalty program and other members of the public.

- (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 Name and address of person authorized by the person giving this notice to provide additional information in relation to this notice:

Lisa Huett
Partner, Mallesons Stephen Jaques
Lv 50, Bourke Place
600 Bourke Street
Melbourne VIC 3000

Dated 26 October 2006

Signed on behalf of the applicant

A handwritten signature in cursive script, appearing to read 'L Huett', is written over a horizontal dotted line.

Lisa Huett
Partner
Mallesons Stephen Jaques

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 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 signing the notice, and the notice is to be signed by a person authorized 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 subsection 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 subsection 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 subsection 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 subsection 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.