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COMMONWEALTH OF AUSTRALIA
Trade Practices Act 1974 – Sub-section 93 (1)

EXCLUSIVE DEALING

NOTIFICATION

To the Australian Competition and Consumer Commission:

Notice is 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 (6) or (7) of that Act in which the person giving notice engages or proposes to engage.

1. (a) Name of person giving notice:

Notification is given by the following companies:

N93313 Commonwealth Bank of Australia ACN 123 123 124 of Level 7, 48 Martin Place, Sydney, NSW (the "Bank");

and

the following companies referred together as the "Bonus Partners":

N93314 Sony Australia Limited ABN 59 001 215 354 of 33 – 39 Talavera Road, North Ryde, NSW 2113

and

N93315 Rendezvous Hotels & Resorts International ABN 65 081 207 838 of Level 8, 36 Carrington Street, Sydney, NSW 2000

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

The Bank provides banking and financial services, including credit card facilities, and holders of credit cards issued by the Bank are offered an optional membership into the Bank's loyalty program, called the Commonwealth Awards Program ("Program").

Sony is a leading manufacturer of electronics, video, communications, video game consoles and information technology products for the consumer and professional markets.

Rendezvous Hotels & Resorts International operates hotels in strategically located cities throughout the Asia Pacific region under the Rendezvous and Marque brands

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

c/o – Sarah Goddard-Jones

Executive Manager,

Group Compliance

Commonwealth Bank of Australia

Level 8, 48 Martin Place

Sydney NSW 1155

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

The Bank offers credit cards and optional membership into the Program. Members of the Program ("**Members**") who earn points in the Program may redeem those points for goods, services, vouchers and airline loyalty program points;

The Bonus Partners offer the goods and services described in 1(b) above.

(b) Description of the conduct or proposed conduct

Members earn points in the Program from some use of their Bank issued credit cards. The Bank will provide additional points ("**Bonus Points**") to Members who purchase goods or services from the Bonus Partners.

Members will be offered from time to time through the Program newsletter and collateral marketing material, Bonus Points and other non-cash benefits (for example, the right to enter into a trade promotion, and the provision of additional goods or services at a discounted price or without charge) (referred to from this point as "**Benefits**") where specific goods and services and specific packages of goods and services offered by individual Bonus Partners are purchased in full or in part by a Member using the Member's credit card linked to the Program.

Bonus Partners propose to give or allow, or offer to give or allow, a discount or allowance in relation to the supply of products and services, or to supply or offer to supply the goods or services at a particular price, or to supply or offer to supply particular goods, services or Benefits in relation to the supply of the products or services, on the condition that a person is either a Member, or that the Member acquires the goods or services in full or in part by using the Member's credit card linked to the Program.

The proposed conduct will have little or no public detriment.

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 have the choice from a large number of credit card issuers with their associated loyalty programs. As the markets are extremely competitive, any decision by consumers on which credit card and loyalty program to use can be made solely on an assessment of the merits of each issuer's product.

The proposal will also not lessen competition in the industries of the Bonus Partners as each of these industries is highly competitive, which enables consumers to make choices based on the price, value and quality of the products and services offered. Goods and services offered by the Bonus Partners are available for purchase by consumers independent of their membership in the Program.

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 the Bank to provide pro-competitive value added benefits to the benefit of their loyalty program members; and
- promote competition and place downward pressure on pricing for products and services provided by the competitors of the Bonus Partners;

The significant public benefits outlined above outweigh any potential public detriment considered to arise from the conduct.

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

Members and potential Members.

(b) Number of those persons

1.55 million

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

Not applicable

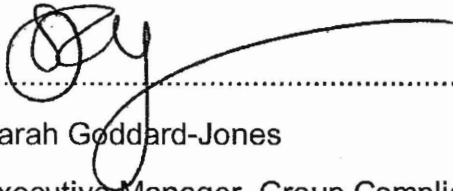
4. Name and address of person authorized by that person giving this notice to provide additional information in relation to this notice:

Sarah Goddard-Jones
Executive Manager,
Group Compliance
Commonwealth Bank of Australia
Level 8, 48 Martin Place
Sydney NSW 1155

Should the Commission wish to make any enquiries about the conduct described in this notification, the Commission is respectfully requested to contact Sarah Goddard-Jones in the first instance, prior to doing so.

Dated: 25th January 2007

Signed on behalf of the person giving this notice

A handwritten signature in black ink, appearing to be 'S. Goddard-Jones', written over a horizontal dotted line.

Sarah Goddard-Jones

Executive Manager, Group Compliance

