



**Australian
Competition &
Consumer
Commission**

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Our Ref: N93630
Contact Officer: Susan Philp
Contact Phone: 02 6243 1347

6 November 2008

Catriona Lowe
Co-Chief Executive Officer
Consumer Action Law Centre
Level 7, 459 Lt Collins St
Melbourne
Victoria 3000

Dear Ms Lowe

**Virginia Surety Company notification of third line forcing N93630
- interested party consultation**

The Australian Competition and Consumer Commission (the ACCC) has received a notification of third line forcing from Virginia Surety Company. The ACCC invites you to comment on this notification.

Virginia Surety Company advises that it offers an extended warranty product (Capital Motorplan Warranty) which provides coverage in the event of mechanical / electrical break down of the vehicle. Under the proposed arrangement Virginia Surety will honor claims against the extended warranty on condition that the customer acquires servicing from the selling dealer / group of dealers. A copy of the notification received by the ACCC is enclosed for your information.

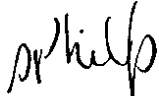
The ACCC invites you to make a submission on the likely public benefits and effect on competition, or any other public detriment, from the proposed arrangements. In particular the ACCC would appreciate your views on the nature of the restriction proposed by Virginia Surety and whether, in CALC's experience, this is a common requirement in such extended warranty contracts.

If you intend to provide a submission in relation to the notified arrangement it is asked that you do so by 21 November 2008.

Please note submissions will be placed on the ACCC's public register subject to any request for exclusion (guidelines are attached).

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 the writer on 02 6243 1347.

Yours sincerely

A handwritten signature in black ink, appearing to read 'S Philp', written in a cursive style.

Susan Philp
Director
Adjudication Branch