



**Australian
Competition &
Consumer
Commission**

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Our Ref: C2008/1757
Contact Officer: Susan Philp
Contact Number: 02 6243 1347

8 December 2008

Ms Allison Davis
Group Risk Manager
PO Box 246
Balwyn VIC 3103

Dear Ms Davis

Third line forcing notification N93630 lodged by Virginia Surety Company

I refer to the above third line forcing notification lodged with the Australian Competition and Consumer Commission (the ACCC) on 23 October 2008. The notification has been placed on the ACCC's public register.

Virginia Surety Company offers an extended warranty product (Capital Motorplan Warranty) which provides coverage in the event of mechanical / electrical break down of the vehicle. Under the notified arrangement Virginia Surety proposes to honor claims against the extended warranty on condition that the customer acquires servicing from the selling dealer / group of dealers.

Legal immunity conferred by the notification commenced on 6 November 2008.

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 Virginia Surety and any other relevant party will disclose all relevant terms and conditions to prospective purchasers of the Capital Motorplan Warranty.

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 Susan Philp on (02) 6243 1347.

Yours sincerely

A handwritten signature in black ink, consisting of a stylized capital letter 'R' followed by a horizontal line that extends to the right and then curves slightly upwards at the end.

Dr Richard Chadwick
General Manager
Adjudication Branch