

ACCC

11 DEC 2009

PERTH

The Quadrant
1 William Street, Perth
Western Australia 6000
GPO Box F338, Perth
Western Australia 6841
BX 600-015
Tel +61 8 9288 6000
Fax +61 8 9288 6001
www.lavanlegal.com.au

Our ref: RJN: 1131201
Partner: Ronnie Nardizzi
Direct Line: (08) 9288 6986
Email: ronnie.nardizzi@lavanlegal.com.au

10 December 2009

LAVAN LEGAL
Leaders in Law

Chief Executive Officer
Australian Competition & Consumer Commission
P.O. Box 6381
EAST PERTH WA 6892

Dear Sir

Notification of Exclusive Dealing

I *enclose*:

- 1 a notification of exclusive dealing by Bluebay Finance Corporation Pty Ltd; and
- 2 a cheque for \$100.00 in respect of your fee.

If you have any queries in relation to this letter, or the notification, please do not hesitate to contact me.

I look forward to hearing from you.

Yours sincerely



Ronnie Nardizzi
Senior Associate

DOC

Encl

Form G

Commonwealth of Australia
Trade Practices Act 1974 — subsection 93 (1)

NOTIFICATION OF EXCLUSIVE DEALING

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 subsections 47 (2), (3), (4), (5), (6), (7), (8) or (9) of that Act in which the person giving notice engages or proposes to engage.

PLEASE FOLLOW DIRECTIONS ON BACK OF THIS FORM

1. Applicant

- (a) Name of person giving notice:
(Refer to direction 2)

N94386 Bluebay Finance Corporation Pty Ltd trading as Bluebay Finance. ABN 62 127 824 524 (Bluebay).

- (b) Short description of business carried on by that person:
(Refer to direction 3)

Mortgage Manager

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

PO Box 1602 Osborne Park DC WA 6916.

2. Notified arrangement

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

Provision of home loans to customers who meet the Lender criteria.

- (b) Description of the conduct or proposed conduct:

The home loan in question has been developed with the assistance of the Bluebay and the ABN group of companies.

The ABN group of companies comprises residential builders:

- i. Homebuyers Centre;
- ii. Celebration Homes;
- iii. Dale Alcock Homes;
- iv. APG Homes;
- v. Webb & Brown-Neaves;
- vi. TR Homes;
- vii. Boutique Homes (VIC); and

viii. Homebuyers Centre (VIC).

Bluebay (which is also part of the ABN group of companies) proposes to offer a home loan product to the general public.

The home loan will fund either:

- i. **the acquisition of an** established home, on the condition that it be offered for sale through one of the ABN group of companies; or
- ii. the construction of a residential dwelling (regardless of who the seller/owner of the land is) on the condition that the builder is one of the builders belonging to the ABN group of companies.

(Refer to direction 4)

3. Persons, or classes of persons, affected or likely to be affected by the notified conduct

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

(Refer to direction 5)

Consumers that are currently searching for a home loan with these characteristics who are looking to purchase either an “established” home or build a “new” home.

- (b) Number of those persons:

- (i) At present time:

The numbers of affected persons are difficult to predict either at the present time or within the next year. The total number of persons is expected to exceed 50.

- (ii) Estimated within the next year:

(Refer to direction 6)

.....
.....

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

.....
.....
.....
.....
.....

4. Public benefit claims

- (a) Arguments in support of notification:
(Refer to direction 7)

The Home Loan product has been specifically designed to assist customers attain home ownership. Where a short time ago, major lenders were providing the same or similar options for customers, they no longer do. This home loan provides a viable alternative for consumers.

- (b) Facts and evidence relied upon in support of these claims:

Lenders in general have reduced their maximum Loan to Valuation Ratios to 90% of the properties valuation. In addition, they ask for a minimum of 5% genuine savings. Whilst commercial Mortgage Insurance companies (ie: Genworth) have policies to provide cover for loans greater than 90% Loan To Valuation Ratio & for those consumers without genuine savings, lenders have chosen to limit their home loan options. Bluebay's home loan provides consumers the opportunity to lend to a maximum Loan to Valuation Ratio of 95% coupled with non genuine savings (ie: the consumer may use a gift from family). These loans are mortgage insured by Genworth.

5. Market definition

Provide a description of the market(s) in which the goods or services described at 2 (a) are supplied or acquired and other affected markets including: significant suppliers and acquirers; substitutes available for the relevant goods or services; any restriction on the supply or acquisition of the relevant goods or services (for example geographic or legal restrictions):
(Refer to direction 8)

Markets that are likely to be affected are the residential housing market in Western Australia and Victoria.

6. Public detriments

- (a) Detriments to the public resulting or likely to result from the notification, in particular the likely effect of the notified conduct on the prices of the goods or services described at 2 (a) above and the prices of goods or services in other affected markets:
(Refer to direction 9)

Given the highly competitive status of the market referred to in paragraph 5, there does not appear to be any significant public detriment associated with the proposed conduct.

- (b) Facts and evidence relevant to these detriments:

Not Applicable

7. Further information

- (a) Name, postal address and contact telephone details of the person authorised to provide additional information in relation to this notification:

Don Crellin
Director
Bluebay Finance Corporation
donc@bluebayfinance.com.au
0400 203 889

Dated.....10 DECEMBER 2009.....

Signed by/on behalf of the applicant

.....*Renato Joseph Nardizzi*.....

(Signature)

.....RENATO JOSEPH NARDIZZI.....

(Full Name)

.....LAVAN LEGAL.....

(Organisation)

.....LAWYERS FOR THE APPLICANT.....

(Position in Organisation)