

28 October 2011

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MINTER ELLISON - GOLD COAST

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BY EXPRESS POST

Australian Competition and Consumer Commission
Level 7, 123 Pitt Street
SYDNEY, NSW 2000

FILE No:
DOC:
MARS/PRISM:

Dear Sir/Madam

Form G Notification - GEO Developments Pty Ltd

We refer to the above matter and confirm that we act for GEO Developments Pty Ltd (ACN 010 621 226) (GEO).

We have been instructed to notify the Australian Competition and Consumer Commission in accordance with subsection 93(1) of the *Competition and Consumer Act 2010* (Cth) that GEO proposes to engage in conduct of a kind referred to in section 47 of that Act.

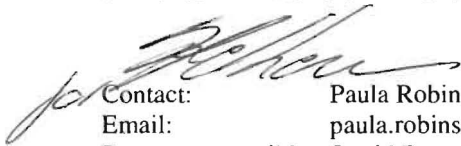
Accordingly, we enclose the following:

- (a) Form G Notification of Exclusive Dealings; and
- (b) Cheque for \$100 made payable to the Australian Competition and Consumer Commission in payment of the lodgement fee.

If you have any questions or require further information please contact our office.

Yours faithfully

MINTER ELLISON – GOLD COAST



Contact: Paula Robinson Direct phone: 07 5553 9466
Email: paula.robinson@minterellison.com
Partner responsible: David Bowers
Our reference: DJB PMR CEM 281004

Form G

Commonwealth of Australia
Competition and Consumer Act 2010 — 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 *Competition and Consumer Act 2010*, 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)

N95621 GEO Developments Pty Ltd ACN 010 621 226 (GEO).

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

GEO is a Queensland based company that develops and sells residential land lots both to builders and consumers primarily in Queensland, New South Wales and Victoria.

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

c/- Minter Ellison Lawyers
159 Varsity Parade
Varsity Lakes, QLD, 4227

2. Notified arrangement

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

Residential house and land packages

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

GEO proposes to give or offer to give a discount to purchasers of GEO land or house and land packages on the condition that the purchasers obtain finance for their purchase from Australia and New Zealand Banking Group Ltd (ANZ).

The discount will be provided by way of GEO agreeing to cover part of the purchaser's interest repayments to the ANZ each month (or fortnight) for a period of two (2) years. The portion of the monthly (or fortnightly) payment

which GEO will cover will be an amount which reduces the interest rate payable by the purchaser to ANZ by two (2) percentage points.

GEO also proposes to refuse to give or offer to give the aforementioned discount to purchasers of GEO land or house and land packages if the purchaser does not obtain finance for the purchase from ANZ.

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:
Purchasers or potential purchasers of GEO land or house and land packages.
- (b) Number of those persons:
 - (i) At present time:
Substantially in excess of 50.
 - (ii) Estimated within the next year:
Substantially in excess of 50.
- (c) Where number of persons stated in item 3 (b) (i) is less than 50, their names and addresses:
Not applicable.

4. Public benefit claims

- (a) Arguments in support of notification:
We submit that the proposed conduct will:
 - (i) allow purchasers of GEO land or house and land packages to finance their purchase at an interest rate which is two (2) percentage points lower than the standard variable interest rate offered by ANZ at the time of the purchase, thus giving the purchaser a significant saving;
 - (ii) allow purchasers to purchase land or house and land packages in circumstances where they might otherwise be unable to afford such a purchase;
 - (iii) increase competition in the market for land or house and land packages by encouraging GEO competitors to offer similar or equivalent discounts to purchasers of their land or house and land packages; and
 - (iv) improve GEO's ability to sell land or house and land packages in the current economic climate and therefore optimise GEO's chance

of succeeding in that climate and having a continued ability to apply competitive pressure on other suppliers in the market.

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

Self explanatory.

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):

The market in which the goods described in 2(a) are supplied is the market for land or house and land packages. This market is a national market with thousands of suppliers offering land or house and land packages for sale in most if not all populated areas of Australia. The market is highly competitive and consumers have a large degree of choice.

Competition in the land or house and land package market is also generated by the market for established houses. This is an alternative usually available to any consumer considering the purchase of land or a house and land package. This market also is highly competitive.

Another market potentially affected by the conduct referred to in this notice is the market for residential housing finance. Again, this is highly competitive market with hundreds of suppliers offering a wide range of finance options. Consumers have a high degree of choice.

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:

It is submitted that there is no public detriment which will arise from the proposed conduct. The strength of competition in the markets mentioned in item 5 above will ensure that the conduct will remain fair and in the interests of consumers at all times. If a consumer is averse to the proposed conduct the consumer has many options available to him/her. For example the consumer could:

- (i) purchase land or a house and land package from GEO and obtain finance from an alternative financier;
- (ii) purchase land or a house and land package from a competitor of GEO of which there are many; or

- (iii) purchase an established house.
- (b) Facts and evidence relevant to these detriments:
Self explanatory.

7. Further information

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

c/- Minter Ellison Lawyers Gold Coast
159 Varsity Parade
Varsity Lakes, QLD 4227

Dated.. 25 October 2011

Signed by/on behalf of the applicant


.....
(Signature)

JENNIFER CASSAR
.....
(Full Name)

GEO DEVELOPMENTS PTY LTD
.....
(Organisation)

LEGAL COUNSEL
.....
(Position in Organisation)



DIRECTIONS

1. In lodging this form, applicants must include all information, including supporting evidence that they wish the Commission to take into account in assessing their notification.

Where there is insufficient space on this form to furnish the required information, the information is to be shown on separate sheets, numbered consecutively and signed by or on behalf of the applicant.

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 authorised by the corporation to do so.
3. Describe that part of the business of the person giving the notice in the course of the which the conduct is engaged in.
4. If particulars of a condition or of a reason of the type referred to in section 47 of the *Competition and Consumer Act 2010* have been reduced in whole or in part to writing, a copy of the writing is to be provided with the notice.
5. Describe the business or consumers likely to be affected by the conduct.
6. State an estimate of the highest number of persons with whom the entity giving the notice is likely to deal in the course of engaging in the conduct at any time during the next year.
7. Provide details of those public benefits claimed to result or to be likely to result from the proposed conduct including quantification of those benefits where possible.
8. Provide details of the market(s) likely to be affected by the notified conduct, in particular having regard to goods or services that may be substitutes for the good or service that is the subject matter of the notification.
9. Provide details of the detriments to the public which may result from the proposed conduct including quantification of those detriments where possible.