



**Australian
Competition &
Consumer
Commission**

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Our Ref: C2011/704
Contact Officer: Clare McGinness
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14 December 2011

Rowan McMonnies
Special Counsel
Corrs Chambers Westgarth
Governor Phillip Tower
Level 32, 1 Farrer Place
Sydney NSW 2000

Dear Mr McMonnies

Third line forcing notification N95514 lodged by Bank of Western Australia Ltd

I refer to the above third line forcing notification lodged with the Australian Competition and Consumer Commission (the ACCC) on 8 August 2011.

Bank of Western Australia Ltd (Bankwest) proposes to provide first home buyers that obtain the 'Rate Cutter Home Loan' for borrowing between 95% and 97% of the property value (or loan-to-value-ratio, LVR) for the construction of a new home with finance for the land at the time the land is purchased, and finance for the construction of the home by way of progress payments throughout the construction period, on condition that the customer acquires construction services from BCG (Australia) Pty Ltd (BCG) and/or Alcock Brown-Neaves Group (ABN).

Currently, where a first home buyer applies for a Rate Cutter Home Loan for borrowing of up to 95% of the property value for the construction of a new home, Bankwest provides finance for the construction of the home by way of progress payments throughout the construction period.

Legal immunity conferred by the notification commenced on 22 August 2011.

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 Bankwest will disclose all relevant terms and conditions to prospective home loan customers.

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 Clare McGinness on (03) 9290 6909.

Yours sincerely

A handwritten signature in black ink, appearing to be 'R Chadwick', written over a horizontal line.

Dr Richard Chadwick
General Manager
Adjudication Branch