

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)
- N98091 Bluebay Home Loans Pty Ltd trading as Bluebay Home Loans. 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:
Locked bag 1 Osborne Park 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 personal loans to customers who meet the lending criteria and are secured by residential real estate.
- (b) Description of the conduct or proposed conduct:
(Refer to direction 4)
- The personal loan program has been developed with the assistance of Bluebay and the ABN Group of companies. Refer annexure A for further details. The personal loan program will be available to those consumers applying for a home loan with Bluebay and purchasing an established (new) home or – entering into a contract to build a new home with the ABN Group of companies. The specific purpose of the personal loan program is to provide our customer with the option to consolidate existing consumer debt. Axiom legal Pty Ltd will be used in all instances to facilitate the payout and settlement of the existing facilities.

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 who are looking to purchase either an 'established' home or build a 'new' home and have existing consumer debt which they choose to consolidate

- (b) Number of those persons:

- (i) At present time:

The numbers of affected persons are unknown at the present time and are difficult to predict within the next year. It is anticipated that the total number of persons will exceed 50

- (ii) Estimated within the next year:
(Refer to direction 6)

The numbers of affected persons are unknown at the present time and are difficult to predict within the following year. It is anticipated that the total number of persons will exceed 50

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

Not applicable – see above

4. Public benefit claims

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

The personal loan program has been specifically designed to assist customers attain home ownership by providing a viable option to consolidate existing consumer debt, reducing monthly expenditure. Where a short time ago many lenders were providing same or similar options for customers, these options have lessened over time.

Further we consider the proposed conduct will not lessen competition because:

- i. The retail personal loan market is a well-developed, competitive market with many other loans which consumers may access
- ii. The number of customers potentially affected by the proposed conduct is immaterial compared with the total number of customers

who acquire personal loans to consolidate existing facilities at the time of applying for a home loan to purchase an owner-occupied property

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

Lenders in general have changed their lending criteria to either:

- i. Exclude debt consolidation from being an acceptable 'purpose'
- ii. Allow debt consolidation but only for customers that are able to offer suitable security (post acquisition of a home)

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 & Victoria where the home loan borrower also requires a personal loan to assist with the consolidation of existing consumer loan facilities

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 section 5, there does not appear to be any significant public detriment associated with the proposed conduct.

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

We consider the proposed conduct will lessen competition because:

- i. The personal loan market is a well-developed, competitive market with many other loans which consumers may access;
- ii. The number of consumers potentially affected by the proposed conduct is immaterial compared to the total number of customers who acquire a retail home loan and in addition – require a personal loan to consolidate existing consumer debt

iii. Potential customers will be fully informed about the full terms of the offer before taking it up

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.

Bluebay Home Loans Pty Ltd Director

donc@bluebayhomeloans.com.au

(08) 93404605

0400203889

Dated: 14 January 2015

Signed by/on behalf of the applicant

(Signature) 

DONALD WILLIAM CRELLIN
(Full Name)

BLUEBAY HOME LOANS PTY LTD
(Organisation)

COMPANY DIRECTOR
(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.

Annexure A

The ABN Group

The ABN group of companies comprises the following residential builders & finance related companies:

- i. Homebuyers Centre
- ii. Celebration Homes
- iii. Dale Alcock Homes
- iv. APG Homes
- v. Webb & Brown-Neaves
- vi. Boutique Homes (VIC)
- vii. Homebuyers Centre (VIC)
- viii. INNOV8
- ix. Bluebay Home Loans Pty Ltd
- x. Resolve Financial Solutions
- xi. Axiom Legal Pty Ltd