



Our ref: CB10000462
Contact officer: Simon Bell
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10 January 2019

Mr Paul Schoff
Partner
Minter Ellison

By email: paul.schoff@minterellison.com
Cc: Jihan.Al-Saleh@minterellison.com

Dear Mr Schoff

Collective bargaining notification CB10000462 lodged by Pathways Advisers and the CFP Pathways Adviser Council

I refer to the above collective bargaining notification lodged with the Australian Competition and Consumer Commission (the ACCC) on 7 December 2018.

I am writing to inform you that, based on the information available, the ACCC does not object to the notification at this stage.

The notified conduct

Pathways Advisers and the CFP Pathways Adviser Council (together, the notifying parties) lodged collective bargaining notification CB10000462 proposing to collectively bargain with Commonwealth Financial Planning Limited (CFPL) in relation to the terms, conditions and other commercial matters with respect to the sale process of CFPL's client books.

The notifying parties include 46 Pathways advisers that have agreed to be part of a collective bargaining group and 14 Pathways Advisers that may join the collective bargaining process in the future.

ACCC consideration

The ACCC may revoke the immunity provided by a collective bargaining notification at any time if it considers the relevant tests in section 93AC are satisfied. Generally, if the ACCC concludes that the public benefits likely to result from the collective bargaining arrangement will not outweigh the anti-competitive detriments, the ACCC can remove the immunity provided by the notification.

The ACCC considers this collective bargaining arrangement is likely to result in public benefits in the form of transaction cost savings and greater input into negotiation for the members of the collective bargaining group.

The ACCC considers that the potential for anti-competitive detriment is limited. The conduct is voluntary for all parties and it does not include a collective boycott. Further, the conduct

relates to a maximum of 60 Pathways Advisers and there are over 25 000 registered financial planners in Australia. On the basis of the information available, the ACCC considers that the likely benefit to the public from the collective bargaining arrangement will outweigh any likely anticompetitive detriment to the public. The ACCC does not intend to take any further action in relation to the notification at this stage.

However, as with any notification, the ACCC may act to remove the immunity afforded by the notification if it is satisfied that the likely benefit to the public from the conduct no longer outweighs the likely detriment to the public from the collective bargaining arrangement. Further, the protection provided by this notification applies only to those parties named in the notification, not to any future members of the group.

Notification CB10000462 will expire on 6 December 2021.

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 Simon Bell on 02 6243 1232.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'D Jones', is positioned above the typed name.

David Jones
General Manager
Adjudication