



**Australian
Competition &
Consumer
Commission**

Our Ref: N31564
Contact Officer: Gina D'Ettorre
Contact Number: (03) 9290 1483

PO Box 1199
Dickson ACT 2602
470 Northbourne Ave
Dickson ACT 2602
ph (02) 6243 1111
fax (02) 6243 1199
www.accc.gov.au

24 April 2006

Ms Pauline Pereira
General Manager
Group Compliance
Commonwealth Bank
Level 8, 48 Martin Place
SYDNEY NSW 2000

Dear Ms Pereira

Third line forcing notifications No's N31564 – N31595 lodged by the Commonwealth Bank Group (CBG), Allianz Australia Insurance Limited (Allianz) and others

I refer to the above third line forcing notifications lodged with the Australian Competition and Consumer Commission (the ACCC) on 31 March 2006. The notifications have been placed on the ACCC's public register.

I note that the notifications were accompanied by a lodgement fee of \$6000. The prescribed fee for a notification given by a person other than an individual or proprietary company is \$1000. The prescribed fee for an additional related notification given by a person other than an individual or proprietary company is \$200. The prescribed fee for a notification given by an individual or proprietary company is \$100. Accordingly, the applicable fee in this instance is \$5,900, being \$1000 for the notification lodged by The Commonwealth Bank of Australia, \$200 for each of the 18 related notifications lodged by persons other than individuals or proprietary companies and \$100 for each of the 13 notifications lodged by proprietary companies. Accordingly, please find attached a cheque for \$100 by way of refund for the overpaid amount.

CBG has described the conduct as follows:

CBG will allow a discount or allowance to a customer, in relation to the supply of particular products or services, on condition that the customer



acquires a product or service from another member of the Commonwealth Bank Group or from Allianz.

Legal immunity conferred by the notifications commenced on 14 April 2006.

I note that the notified arrangements appear to cover a broad range of promotions, including as yet unknown promotions, involving many different products and services. However, you have provided a number of examples which provide guidance as to the manner in which it is intended that the notified arrangements will operate.

On the basis of the information provided, it is not intended that further action be taken in this matter at this stage. However, should promotions be entered into under the notified arrangements which are significantly different to those contemplated in the examples provided, the ACCC would reconsider this matter. In this regard, I request that the CBG advise the ACCC on a quarterly basis of promotions commenced under the notification. I seek your response on this issue by 16 May 2006.

In this respect, please note that, as with any notification, the ACCC may act to remove the immunity afforded by these notifications 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 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 Gina D'Ettorre on (03) 9290 1483.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Scott Gregson', with a large, sweeping loop at the end.

Scott Gregson
General Manager
Adjudication Branch