

Our Ref: 248160

7 December 2007

General Manager
Adjudication
Australian Competition and Consumer Commission
23 Marcus Clarke Street
Canberra ACT 2601

FILE No:

DOC:

MARS/PRISM:

Dear Sir

Exclusive Dealing Notification

We act for Savings & Loans Credit Union (S.A.) Limited (*Savings & Loans*).

We enclose:

- an exclusive dealing notification for Savings & Loans under s93(1) of the Trade Practices Act;
- a cheque payable to the Commission for \$100.00, being the lodgement fee.

The notification relates to conduct which may constitute exclusive dealing under s47 (6) and s47 (7) of the Act.

Savings & Loans proposes offering discounts in connection with car loans to members of API Limited. Savings & Loans will not give these discounts to persons who are not API members.

Please telephone us if you need any further information.

Yours faithfully
KELLY & CO.

per:

STEFAN JURY

Partner

Direct Telephone: 08 8205 0889

Direct Facsimile: 08 8205 0807

Email: sjury@kellyco.com.au

Enclosures: Notification
Cheque



255936SMJ/1193018.2

Kelly & Co. Lawyers • ABN 95 723 883 859

Commonwealth of Australia

Trade Practices Act 1974 — 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 *Trade Practices Act 1974*, 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)

Savings & Loans Credit Union (S.A.) Limited (ACN 050 419 755), (*Savings & Loans*)

N93242

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

Financial Services including the provision of loans and deposit accounts.

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

C/- Stefan Jury
Kelly & Co
Level 17, Santos House
91 King William Street
Adelaide SA 5000

2. Notified arrangement
(Refer to direction 4)

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

The provision of loans in connection with the purchase of new and used motor vehicles, boats, caravans and trailers. (*Car Loans*)

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

- (i) Savings & Loans supplying or offering to supply Car Loans at a discount of up to 3.5% per annum off its standard interest rate and up to 35% off its loan establishment fee for similar products which it offers to persons who are not members of Australian Post-Tel Institute Limited (ACN 115 072 547) (*API*), but introduced to Savings & Loans by *API*, on the condition that the person to whom the Savings & Loans supplies or offers or proposes to supply a Car Loan is a member of *API* or a family member of that person.
- (ii) Savings & Loans refusing to supply a Car Loan at the discounts in paragraph (i), for the reason that the person is not or has not agreed to become a member of *API* or is not a family member of such a person.

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)

Existing and future *API* members and their families.

- (b) Number of those persons:
(Refer to direction 6)

- (i) At present time:

In excess of 35,000

- (ii) Estimated within the next year:

In excess of 35,000

- (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:
(Refer to direction 7)

- (i) *API* members and their families will receive discounted interest rates and establishment fees if they borrow from Savings & Loans;

- (ii) Competition is promoted by encouraging competitors to offer similar discounts;

- (iii) The choices available to consumers are enhanced. API members and their families will have access to more loan products;
 - (iv) New products are introduced in their market; and
 - (iii) Costs to API members and their families, who are otherwise not able to negotiate comparable discounts, are reduced.
- (b) Facts and evidence relied upon in support of these claims:

Not applicable.

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)

The market is suppliers of loans in New South Wales, Australian Capital Territory, Victoria and Tasmania. These may be supplied by banks, building societies, credit unions, finance companies and other lenders. Loans provided by persons other than Savings & Loans are readily available. There are no geographic or other relevant restrictions on the supply of similar loans in these markets.

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)

There is no likely detriment.

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

Not applicable.

7. Further information

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

Stefan Jury
Kelly & Co
Level 17, Santos House
91 King William Street
Adelaide SA 5000

DATED **7** December 2007.

Signed by/on behalf of the applicant



(Signature)

STEFAN MARK JURY
(Full Name)

Kelly & Co
(Organisation)

Partner
(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 *Trade Practices Act 1974* 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