



FILE No:
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MARS/PRISM:

iiNet Limited  
ACN 068 628 937

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General Manager – Adjudication  
Australian Competition & Consumer Commission  
PO Box 1199  
Dixon ACT 2602

March 26<sup>th</sup> 2007

To whom it may concern

**Notification of Exclusive Dealing**

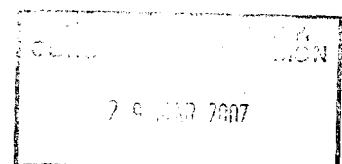
Please find enclosed for lodgement an exclusive dealing notification on behalf of iiNet Limited, ACN 068 628 937, together with a cheque for the applicable lodgement fee of \$100.00.

Please do not hesitate to contact me should you have any queries or comments.

Kind Regards



Stephen Dalby  
General Manager Regulatory  
iiNet Ltd



**Form G**  
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.

**1. Applicant**

**(a) Name of person giving notice:**

N92871

iiNet Limited, ACN 068 628 937

**(b) Short description of business carried on by that person:**

iiNet supplies a range of telecommunications products & services to retail customers. These include broadband services.

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

Graham Phillips  
Herbert Geer & Rundle Lawyers  
GPO Box 524,  
Melbourne 3001  
Tel: (03) 9641 8632

**2. Notified arrangement**

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

The Westpac Plus banking program is a product being launched by Westpac Banking Corporation (ABN 33 007 457 141) which offers customers a number of banking benefits along with a loyalty program giving them access to a number of non banking related benefits.

iiNet proposes to waive the standard setup fee (\$79.95) for Westpac Plus banking customers when they purchase an iiNet Broadband account.

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

iiNet proposes to:

- (i) Waive the standard setup fee (\$79.95) on the condition that the customer has purchased a Broadband account with iiNet and is also a Westpac Plus customer; or
- (ii) refuse to waive the standard setup fee for the reason that the customer is not a Westpac Plus customer.

The proposed conduct will be of benefit to the public because it will allow retail customers to receive free standard setup, valued at \$79.95.

The proposed conduct will not lessen competition because the retail market for telecommunication services and products are characterised by a number of competitors and intense competition.

**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:**

Retail customers who are Westpac Plus customers.

**(b) Number of those persons:**

- (i) At present time: None
- (ii) Estimated within the next year: Greater than 50

**(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:**

The proposed conduct will result in a public benefit because the offer will;

- (i) provide Westpac Plus customers who would like to purchase an iiNet Broadband service a genuine saving on their broadband service than if they were to take up this service separately;
- (ii) result in lower setup costs for Westpac Plus customers, thereby increasing price competition in the market for broadband services;

- (iii) promote competition by encouraging other suppliers of mobile phone services to offer value-added services.

The public benefits arising from the proposed conduct will clearly outweigh any possible public detriment.

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

Attached is iiNet's standard setup price, as retrieved from the iiNet website: [www.iinet.net.au](http://www.iinet.net.au) (Annexed and marked "A").

**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):**

The markets in which the goods and services described at 2(a) are supplied are the retail Broadband market.

**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:**

The proposed conduct will result in limited detriment to the public because;

- (i) Other suppliers of broadband services actively offer and supply their products along the lines described in this notification. The proposed conduct would merely allow iiNet to engage in the same type of activity as their competitors;
- (ii) there is general availability of the product in the market;
- (iii) we are not the dominant supplier in the market for this product;
- (iv) there are adequate substitutes in the market for this product;
- (v) the proposed conduct will be voluntary;
- (vi) the proposed conduct will not place any barriers in the paths of actual or potential competitors.

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

The Telecommunications Industry Ombudsman (TIO) website currently lists a total of 932 registered alternate Internet Service Providers: [www.tio.com.au](http://www.tio.com.au)

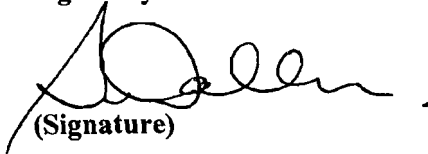
**7. Further information**

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

Graham Phillips  
Herbert Geer & Rundle Lawyers  
GPO Box 524,  
Melbourne 3001  
Tel: (03) 9641 8632

**Dated 26<sup>th</sup> of March 2007**

**Signed by:**



(Signature)

Stephen Dalby  
**(Full Name)**

iiNet Ltd (ACN 068 628 937)  
**(Organisation)**

General Manager Regulatory  
**(Position in Organisation)**

ANNEXURE A

agreement term	details	saving
24 months	Standard setup (\$79.95) and discount hardware prices apply.	save up to \$80 on modem costs
no fixed term	Standard setup (\$79.95) and hardware prices apply.	\$0