

JOHNSON WINTER & SLATTERY
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30 October 2008

Dr Richard Chadwick
General Manager, Adjudication Branch
Australian Competition and Consumer Commission
PO Box 1199
DICKSON ACT 2602

Dear Dr Chadwick

ING GI - Notification of Potential Third Line Forcing Exclusive Dealing Conduct

We act for ING General Insurance Pty Limited ABN 56 072 892 365 (ING GI).

ING GI proposes to engage in conduct which may constitute exclusive dealing within the meaning of section 47(6) and (7) of the *Trade Practices Act 1974 (Act)*. ING GI therefore wishes to notify the ACCC of this proposed conduct under section 93 of the Act.

We enclose for lodgement an exclusive dealing notification on behalf of our client together with a cheque for the applicable lodgement fee of \$100.00.

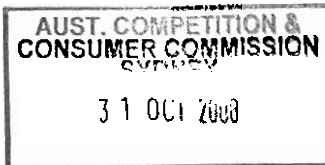
Please do not hesitate to contact Aldo Nicotra or Elizabeth Hersey of this office should you have any queries or comments.

Yours faithfully

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**COMMONWEALTH OF AUSTRALIA
TRADE PRACTICES ACT 1974 – Subsection 93(1)
EXCLUSIVE DEALING NOTIFICATION**

TO THE AUSTRALIAN COMPETITION & CONSUMER COMMISSION:

Notice is hereby given, in accordance with sub-section 93(1) of the *Trade Practices Act 1974*, of particulars of conduct or of proposed conduct of a kind referred to in sub-section 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 (a) Name of person giving notice:

N93634 ING General Insurance Pty Ltd (ABN 63 008 425 652) (ING GI)

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

ING GI provides general insurance and related products to individuals and businesses.

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

C/- Aldo Nicotra
Johnson Winter & Slattery
Level 30
264 George Street
SYDNEY NSW 2000

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

The supply of general insurance products including Home Insurance, Landlord Insurance and Car Insurance (“general insurance products”).

(b) Description of the conduct or proposed conduct:

ING GI general insurance products are sometimes badged and sold through different distribution channels such as the ANZ Bank. Where the products are distributed through the ANZ Bank, the products are badged as ANZ general insurance products.

ING GI will supply its general insurance products (through ANZ Bank) with an offer of a premium discount on car insurance and an additional month of free cover on home insurance and landlord insurance. The discount and additional month of free cover is only available for the first year and is only available to customers who have the “ANZ Breakfree Package”. The ANZ Breakfree Package is a package of three ANZ products: an ANZ mortgage account, credit card account and transaction account.

From time to time, the discounts or offers for this package may be revised. That is, ING GI propose to enter into arrangements with ANZ Bank pursuant to which ING GI will:

- i. give or allow or offer to give or allow a discount, allowance, rebate or credit, including free or bonus offers, in relation to ING GI products on the condition that the customer acquires an ANZ product or service;

- ii. refuse to give or allow a discount, allowance, rebate or credit, including free or bonus offers, in relation to ING GI products for the reason that the customer has not acquired or has not agreed to acquire an ANZ product or service.

3 (a) Class or classes of persons to which the conduct relates:

New and existing customers of ING GI and ANZ Bank

(b) Number of those persons

i. At present time:

More than 50

ii. Estimated within the next year:

More than 50

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

Not Applicable

4 (a) Arguments in support of notification:

The proposed conduct will be of benefit for several reasons, including:

- 1. It will reduce costs for customers who may be otherwise unable to negotiate discounts or other benefits in relation to ING GI products on their own behalf;
- ii. The promotion of competition by encouraging competitors to offer similar discounts; and
- iii. The provision to customers of the opportunity to obtain ING GI products at discounted rates or with other benefits.

Consumers can still acquire the general insurance products from ING GI and ING GI is not restricted in offering similar benefits and discounts to other consumers from time to time.

Consumers can also acquire general insurance from a large number of entities in the market all of which compete vigorously for provision of these services. Consequently there are a large number of competitive packages available to the public in relation to general insurance at any given time.

5 (a) Market Definition

The relevant market to which the proposed offer relates is the market in Australia for the provision of general insurance products to consumers. We believe this market is highly competitive and ING GI has no market power.

6 (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 not result in any detriment to the public. Customers are not compelled to acquire ING GI products. There is no compulsion to obtain the insurance, and likewise no compulsion to obtain the ANZ products in order to obtain the ING GI products at the normal competitive price.

Competition in the relevant market is vigorous and there are many competitors who are able to provide competing products. Provision of ING GI products at a discount will not affect any relevant market.

While the particular discount described above will only be available to customers who have the ANZ mortgage account, credit card account and transaction account, ING GI is still free to offer other discounts and special benefits to new and existing customers from time to time.

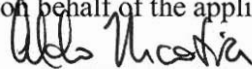
Disclosure of the conditions for eligibility will be made allowing a fully informed choice by the customer pursuant to the terms of the *Corporations Act*.

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

Aldo Nicotra
Johnson Winter & Slattery
Level 30
264 George Street
SYDNEY NSW 2000

Dated 31 October 2008

Signed on behalf of the applicant


.....
(Signature)

Aldo Nicotra
.....
(Full Name)

Johnson Winter & Slattery
.....
(Organisation)

Partner
.....
(Position in Organisation)

