

13 August 2008

Susan Philp
Australian Competition & Consumer Commission
GPO Box 3131
Canberra ACT 2601

By Email

ABN 47 702 595 758
Deutsche Bank Place
Corner Hunter and Phillip Streets
Sydney NSW 2000
Australia
Tel 61 2 9230 4000
Fax 61 2 9230 5333
Correspondence
GPO Box 50
Sydney NSW 2001
DX 105 Sydney
www.aar.com.au

Dear Ms Philp

Authorisation Application A91086 Insurance Council of Australia - Request for time extension

We refer to your fax of 7 August 2008 requesting the Insurance Council of Australia's (Insurance Council) agreement to an extension of two months to the authorisation period for the above Authorisation under section 90 (10A) of the *Trade Practices Act 1974* (Cth).

The Insurance Council notes the 5 month public consultation process already undertaken by the ACCC.

We are advised by the Insurance Council that any further delay to the issue of the ACCC's final decision will prolong the commercial uncertainty for Insurance Council members, some of whom are awaiting the September final determination by the ACCC so they can finalise their own positions in respect of flood insurance.

As previously indicated in Insurance Council submissions to the ACCC, authorisation for the voluntary common definition is only one part of a wider project designed to facilitate greater availability of flood insurance to consumers.

We are further advised that a delay beyond the anticipated September 19 determination deadline could jeopardise product development where it is occurring, before the next flood season begins.

Consequently, the Insurance Council does not agree to extend the time for authorisation for a further 2 months.

Yours sincerely



Carolyn Oddie
Partner
Carolyn.Oddie@aar.com.au
Tel +61 2 9230 4203

Charlotte Ahearne
Lawyer
Charlotte.Ahearne@aar.com.au
Tel +61 3 9613 8871

Our Ref 205866281:205866281

cuas A0110901664v1 205866281 13.8.2008

Bangkok
Beijing
Brisbane
Hanoi
Ho Chi Minh City
Hong Kong
Jakarta
Melbourne
Perth
Phnom Penh
Port Moresby
Shanghai
Singapore
Sydney