

Our reference
ECS/SUNC2793-9062508

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FILE No:
DOC:
MARS/PRISM:

30 June 2009

Dr Richard Chadwick
General Manager
Adjudication Branch
Australian Competition and Consumer Commission
GPO Box 3131
CANBERRA ACT 2601

Partner
Eddie Scuderi (07) 3228 9319
Email: eddie.scuderi@corrs.com.au

Dear Sir

Notification by Vero Insurance Limited

We act for Vero Insurance Limited (**Vero**), which is a member of the Suncorp Group of companies.

From time to time, Vero has offered, and intends to continue to offer, discounts on its insurance products on the condition that the customer also acquires a banking product (generally a loan) from Bank of Western Australia Limited (**BankWest**).

The relationship between BankWest and Vero is longstanding. Similar conduct has been notified to the ACCC, for example:

- notification N40961 by BankWest, lodged on 9 February 2006
- notification N93949 by Vero, lodged on 21 April 2009.

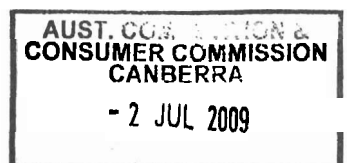
Because of the frequency and relatively short durations of the proposed marketing campaigns, Vero wishes to lodge a notification that will cover future campaigns. We **attach** a Form G notification covering this conduct and a cheque for the prescribed lodgement fee of \$100.

Yours faithfully
Corrs Chambers Westgarth



Eddie Scuderi
Partner

attachments



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.

PLEASE FOLLOW DIRECTIONS ON BACK OF THIS FORM

1. Applicant

- (a) Name of person giving notice:

(Refer to direction 2)

Vero Insurance Limited ACN 005 297 807 (**Vero**). N94030

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

(Refer to direction 3)

Insurance.

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

Corrs Chambers Westgarth

Level 35

Waterfront Place

1 Eagle Street

BRISBANE QLD 4000

2. Notified arrangement

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

General insurance.

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

- (i) Vero proposes to, from time to time:

- supply, and offer to supply, insurance-related goods and services (or certain insurance-related goods and services) (**Insurance Products**) at a particular price; and
- give or allow, and offer to give or allow a discount, allowance, rebate, or credit in relation to the supply of Insurance Products,

on the condition that the person who acquires the Insurance Products will acquire services from Bank of Western Australia Limited (**BankWest**).

- (ii) Vero may from time to time refuse to:

- Supply Insurance Products at a particular price; and

- give or allow a discount, allowance, rebate or credit in relation to the supply of Insurance Products,

for the reason that the person wishing to acquire the Insurance Product has not acquired or has not agreed to acquire services from BankWest.

(Refer to direction 4)

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)

BankWest customers and potential BankWest customers.

- (b) Number of those persons:

- (i) At present time:

Unknown (currently, Vero understands that BankWest has more than 900,000 customers).

- (ii) Estimated within the next year:

(Refer to direction 6)

Unknown.

- (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)

The principal public benefit of the notified conduct is reducing the price to customers of insurance products.

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

Vero relies on the arguments set out in item 4(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):
(Refer to direction 8)

The market for the supply of general insurance.

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)

Vero considers that any public detriment is likely to be minimal (if any) for the following reasons:

- BankWest customers are not obliged to acquire insurance products from Vero: they are free to acquire insurance from another insurer (of which there are many in a competitive market) or not acquire insurance at all.
- The notified conduct is not designed to allow Vero to refuse to offer insurance to any person: the issue relates only to the price of that insurance and whether the customer is eligible for a discount, allowance, credit or rebate.
- The conduct is unlikely to appreciably affect competition in either the general insurance market or the banking market, each of which is competitive.

(b) Facts and evidence relevant to these detriments:

Vero relies on the arguments set out in item 6(a).

7. Further information

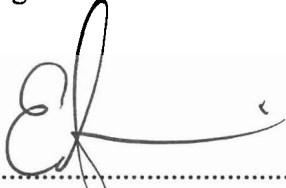
(a) Name, postal address and contact telephone details of the person authorised to provide additional information in relation to this notification:

Eddie Scuderi
Partner
Corrs Chambers Westgarth
Level 35
Waterfront Place
1 Eagle Street
BRISBANE QLD 4000

Phone: (07) 3228 9319
Fax: (07) 3228 9444
Email: eddie.scuderi@corrs.com.au

Dated 30 June 2009.

Signed on behalf of the applicant



.....
(Signature)

Eddie Scuderi

Partner, Corrs Chambers Westgarth, solicitors for the State

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.