

21 December 2010

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BY EXPRESS POST

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

FILE No:
DOC:
MARS/PRISM:

Dear Sir/Madam

Allianz Australia Insurance - Exclusive Dealing notification

We act for Allianz Australia Insurance Limited (**Allianz**).

Enclosed is an Exclusive Dealing Notification lodged on Behalf of Allianz in relation to a third line forcing matter, together with a cheque for \$100 as payment of the required lodgement fee.

Please contact Alison Bruscino on 02 9921 8531 if you have any questions.

Yours faithfully

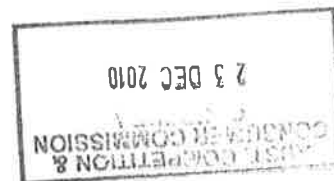
MINTER ELLISON



Katrina Groshinski
Partner

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Our reference: PMS 205299629

enclosure



MINTER ELLISON GROUP AND ASSOCIATED OFFICES

ADELAIDE AUCKLAND BEIJING BRISBANE CANBERRA DARWIN GOLD COAST
HONG KONG LONDON MELBOURNE PERTH SHANGHAI SYDNEY WELLINGTON

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:

N95226 **Allianz Australia Insurance Limited ABN 15 000 122 950 (Allianz)**

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

Provision of general insurance services including motor vehicle insurance

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

**Deborah Sorensen
Corporate Solicitor
Level 12, 2 Market Street, Sydney, New South Wales 2000**

2. Notified arrangement

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

Home loans provided by Greater Building Society Limited ABN 88 087 851 956 (Greater)

Home, contents, landlord and motor vehicle insurance offered by Allianz

(b) Description of the conduct or proposed conduct:

Allianz proposes to offer a reduction in the first year's Premium for any home, contents, landlord and motor vehicle insurance products purchased by customers who obtain a qualifying home loan from Greater

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:
Customers with a qualifying home loan seeking home, contents, landlord or motor vehicle insurance from Allianz
- (b) Number of those persons:
- (i) At present time:
None (the promotion will only apply to home loans acquired after the commencement of the promotion)
- (ii) Estimated within the next year:
Approximately 180
- (c) Where number of persons stated in item 3 (b) (i) is less than 50, their names and addresses:
N/A

4. Public benefit claims

- (a) Arguments in support of notification:
- Consumers can obtain a substantial saving on the Premium payable for the first year of their home, contents, landlords, and motor insurance if a qualifying loan is in place.
 - The saving can be applied to any or all of the abovementioned insurances. The saving is available while a qualifying loan is applied for by a certain date and drawn down by a certain date;
 - Consumers may elect not to utilise the applicable home, contents, landlord or motor insurance by taking insurance with an insurer of their choice as the loan product is not affected by their choice;
 - The product is unqualified and there are alternate products which the consumer can select which do not have the discounted insurance Premium; and
 - The conduct would promote competition in the markets as defined in question 5.
- (b) Facts and evidence relied upon in support of these claims:
- GBS presently only holds 3.02% as at 10 July 2010 of the New South Wales and Queensland home loan market as defined in question 5;

- GBS only carries on business in selected regional areas of New South Wales and South East Queensland (67 branches in total) and as such it is unlikely that it could substantially lessen competition in the market; and
- The markets as defined in question 5 are vigorous and highly competitive markets with many possible alternate product and service providers. There are a large number of suppliers in the general insurance market who provide general insurance.
- The conduct is likely to promote competition in the markets defined in question 5.

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 relevant markets are the retail market for home loans and the retail markets for general insurance products, in New South Wales and Queensland. The relevant markets are highly competitive and there is a high degree of substitutability between various home loan products and between various general insurance products.

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:

Allianz does not believe that there is any public detriment to consumers associated with the proposed offer. Eligible customers are not required to take up the offer of discounted insurance and are free to obtain insurance from a provider of their choice. All relevant markets remain highly competitive.

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

Purchasers have a choice of insurance providers and are not required to take insurance products from Allianz when they acquire the loan. Customers will decide on whether to acquire insurance from Allianz based on a comparison of pricing and coverage. Similarly, customers who do not acquire a qualifying home loan from Greater remain able to acquire general insurance services from Allianz. Customers will decide whether to acquire a home loan from Greater based upon a comparison of pricing and services.

7. Further information

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

Deborah Sorensen Corporate Solicitor Allianz Australia Insurance Limited

Dated..... *21st December 2010*

Signed on behalf of the applicant



.....
(Signature)

.....Katrina Groshinski.....
(Full Name)

**Partner
Minter Ellison Lawyers**