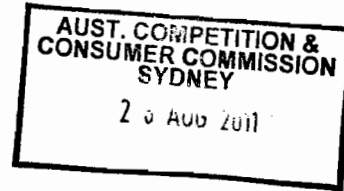


MALLESONS STEPHEN JAQUES



Confidential communication

Dr Richard Chadwick
General Manager
Adjudication Branch
Australian Competition and Consumer Commission
Level 20
175 Pitt Street
SYDNEY NSW 2000

26 August 2011

FILE No:
DOC:
MARS/PRISM:

Dear Dr Chadwick

Notification of Exclusive Dealing - SuperIQ Pty Ltd

We act for SuperIQ Pty Ltd.

We enclose a Notification of Exclusive Dealing by SuperIQ pursuant to sub-section 93(1) of the *Competition and Consumer Act 2010* (Cth). The Notification is lodged in respect of conduct which may constitute third line forcing as defined by sub-sections 47(6) and 47(7) of the Act.

We also enclose a cheque made payable to the Australian Competition and Consumer Commission in the sum of \$100, being the prescribed lodgement fee for the Notification.

The proposed conduct described in the Notification will involve SuperIQ offering a discount, allowance, rebate, or credit, in relation to services for self-managed superannuation funds on the condition that customers acquire services from SuperIQ's preferred suppliers.

The proposed conduct will result in a net public benefit, including because SuperIQ is a new entrant to the market and other service providers will be able to match or better SuperIQ's offering.

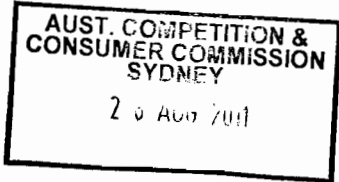
Please contact us should you require any further information about the proposed conduct described in the enclosed Notification.

Thank you for your assistance.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Sharon Henrick'.

Sharon Henrick
Partner (Competition Law & Regulatory Group)
Direct line +61 2 9296 2294
Mobile +61 (0)438 323 765
Email sharon.henrick@malleasons.com



Form G

Commonwealth of Australia
Competition and Consumer Act 2010 - 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 *Competition and Consumer Act 2010*, 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)

N95534 SuperIQ Pty Ltd (ABN 27 147 105 164)

- (b) Short description of business carried on by that person:
(Refer to direction 3)

SuperIQ is a self-managed superannuation fund administrator that offers administration services to advisers, accountants, trustees and members of self-managed superannuation funds.

SuperIQ is a start-up company and currently has negligible market share.

In December 2010, AMP acquired a 49% stake in SuperIQ.

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

Sharon Louise Henrick
Partner - Competition Law and Regulatory Group
Mallesons Stephen Jaques
Level 61, Governor Phillip Tower
1 Farrer Place Sydney NSW 2000

Telephone: (02) 9296-2294
Email: sharon.henrick@mallesons.com

2 Notified arrangement

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

The services to which this notice relates are:

- administration services to be offered and supplied by SuperIQ to customers and prospective customers; and
- products and services associated with self-managed superannuation funds including trust deeds, bank accounts, loan products, term deposits, online

broking services, portfolio rebalancing services, audit services, risk insurance policies and financial planning services to be offered and supplied by each of SuperIQ's preferred suppliers to customers and prospective customers.

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

(Refer to direction 4)

SuperIQ proposes to provide a discount, allowance, rebate or credit in relation to its services on the condition that the customer or prospective customer acquires services from suppliers preferred by SuperIQ ("**Preferred Suppliers**").

SuperIQ may refuse to provide a discount, allowance, rebate or credit in relation to its services for the reason that the customer or prospective customer does not acquire services from Preferred Suppliers.

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)

Customers and prospective customers of SuperIQ. As set out above, SuperIQ's customers will include advisers, accountants, trustees and members of self-managed superannuation funds.

- (b) Number of those persons:

- (i) At present time:

SuperIQ currently provides administration services to approximately 66 trustees and members representing 37 self-managed superannuation funds.

- (ii) Estimated within the next year:

(Refer to direction 6)

Expected to be substantially more 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:

(Refer to direction 7)

SuperIQ expects that its Preferred Suppliers will become familiar with SuperIQ's systems and requirements, thereby reducing transaction costs. SuperIQ will also be able to work with Preferred Suppliers to ensure they provide services through efficient, electronic means.

The transaction cost and efficiency savings achieved by SuperIQ will allow SuperIQ to offer lower prices to customers and prospective customers if they acquire services from Preferred Suppliers. This benefit will arise directly as a result of the proposed conduct and will stimulate competition.

Potential Preferred suppliers will need to satisfy SuperIQ that they are reputable and reliable. This is likely to increase competition between potential Preferred Suppliers.

Other self-managed superannuation fund administrators could easily match the proposed conduct. This will also likely increase competition.

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

Please see above.

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)

Various financial services markets.

Financial services markets are highly competitive. In particular, the self-managed superannuation fund sector is a \$420 billion sector and is the fastest-growing sector within the superannuation industry.¹

As Super IQ is a start-up company, SuperIQ does not have a substantial degree of market power (and in fact, currently has negligible market share).

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)

The proposed conduct will not give rise to any appreciable public detriment or adverse impact on competition because:

- customers will not be compelled to use Preferred Suppliers. They will still be able to obtain SuperIQ's services if they chose to use other suppliers;
- financial services markets are competitive and the self-managed superannuation fund sector is growing; and
- SuperIQ is a start-up company and currently has negligible market share.

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

Not applicable.

¹ Business Spectator, 22 March 2011, 'AMP buys into growing super sector'. Available: <http://www.businessspectator.com.au/bs.nsf/Article/AMP-buys-into-growing-super-sector-report-pd20110321-F6R6Y?OpenDocument&src=hp14>

7 **Further information**

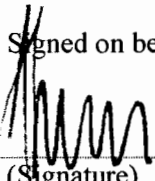
- (a) Name, postal address and contact telephone details of the person authorised to provide additional information in relation to this notification:

Sharon Louise Henrick
Partner - Competition Law and Regulatory Group
Mallesons Stephen Jaques
Level 61, Governor Phillip Tower
1 Farrer Place Sydney NSW 2000

Telephone: (02) 9296-2294
Email: sharon.henrick@mallesons.com

Dated 26 August 2011

Signed on behalf of the applicant



(Signature)

(Sharon Louise Henrick)

(Mallesons Stephen Jaques)

(Partner)



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 *Competition and Consumer Act 2010* 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.