



**Australian
Competition &
Consumer
Commission**

Our Ref: 51650
Contact Officer: Hayley Parkes
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1 July 2013

Mr Eddie Scuderi
Corrs Chambers Westgarth

By email: eddie.scuderi@corrs.com.au

Dear Mr Scuderi

Third line forcing notifications N96828 & N96829 lodged by AAI Limited and APIA Pty Ltd

I refer to the above third line forcing notifications lodged with the Australian Competition and Consumer Commission (the ACCC) on 24 June 2013 and 27 June 2013 respectively. These notifications have been placed on the ACCC's public register.

AAI Limited (trading as Suncorp Insurance, GIO, Vero Insurance and AAMI) and APIA Pty Ltd (the Insurers) propose to offer, pursuant to the terms of each Insurer's home insurance policy, varying benefits to the customer, including a lifetime guarantee on repairs, on condition that the customer uses a Recommended Repairer or the Insurer authorises the repairs quoted by the customer's choice of repairer.

Customers are able to obtain repairs from non-Recommended Repairers however under the notified conduct if the non-Recommended Repairer is not authorised by the Insurer on the basis their quote was not the most competitive and complete quote, they will not be eligible for the various benefits offered by the Insurers including a lifetime guarantee on repairs.

The Insurers have entered into non-exclusive agreements with various Recommended Repairers.

Legal protection conferred by N96828 (AAI Limited) will commence on 8 July 2013 and N96829 (APIA Pty Ltd) will commence on 11 July 2013.

On the basis of the information that you have provided it is not intended that further action be taken in these matters at this stage.

As with any notification, please note that the ACCC may act to remove the legal protection provided by either of the notification sat a later stage if it is satisfied that the likely benefit to the public from the conduct will not outweigh the likely detriment to the public from the conduct.

This assessment has been made on the basis that AAI Limited, APIA Pty Ltd and any Recommended Repairer will disclose all relevant terms and conditions to prospective customers.

A copy of this letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact Hayley Parkes on 03 9290 6926.

Yours sincerely

A handwritten signature in blue ink, consisting of a stylized initial 'R' followed by a long horizontal line.

Dr Richard Chadwick
General Manager
Adjudication Branch