



**Australian
Competition &
Consumer
Commission**

Our Ref: 51650
Contact Officer: Hayley Parkes
Contact Number: 03 9290 6926

GPO Box 3131
Canberra ACT 2601
23 Marcus Clarke Street
Canberra ACT 2601
tel: (02) 6243 1111
fax: (02) 6243 1199
www.accc.gov.au

1 July 2013

Mr Eddie Scuderi
Corrs Chambers Westgarth

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

Dear Mr Scuderi

Third line forcing notifications N96830 & N96831 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 AAMI) and Australian Pensioners Insurance Agency Pty Limited (the Insurers) propose to offer, pursuant to the terms of the Insurers' comprehensive motor vehicle insurance policy, various benefits (for example discounts on the use of a hire car, or use of a hire car at no additional cost, while the insured vehicle is being repaired or was stolen, together with insurance for the hire car at no additional cost on terms that are generally better than those provided or arranged by hire car providers) on condition that the customer enters into a hire contract with a hire car provider nominated by the Insurer (Nominated Hire Car Provider).

Customers are not able to use a hire car provider of their choice. The insurers have entered into a non-exclusive agreement with Hertz Australia Pty Limited however, other car providers may be appointed as Nominated Hire Car Providers in the future.

Legal protection conferred by N96830 (AAI Limited) will commence on 8 July 2013 and N96831 (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 Hertz 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