

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:

N98413 Nissan Financial Service Australia Pty Ltd (ABN 70 130 046 794)
("NFSA")

N98414 Nissan Motor Co. (Australia) Pty Ltd (ABN 54 004 663 156) ("NMA")

NFSA and NMA are related body corporates.

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

NFSA specialises in providing motor vehicle finance for consumer and commercial loans.

NMA is the wholesale distributor of vehicles to the authorised Nissan dealer network.

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

Attention: Claude Harran
Senior Corporate Counsel
Nissan Motor Co. (Australia) Pty Ltd
260-270 Frankston-Dandenong Road
Dandenong South VIC 3175

2. Notified arrangement

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

The proposed conduct relates to the supply of motor vehicle finance and motor vehicle retail products and services, including but not limited to extended warranties, preferential finance rates, insurance and repayment discounts.

(b) Description of the conduct or proposed conduct:

NFSA and NMA propose to offer, from time to time, a variety of additional benefits to its customers in relation to specific motor vehicles purchased

from participating authorised NMA and NFSA dealerships (the “Dealerships”) during those offer periods.

The proposed additional benefits may include, but are not limited to:

- Reduced interest rates;
- Interest free and/or no repayment periods during loan terms;
- Reduced or complimentary insurance premiums;
- Complimentary scheduled servicing;
- Reduced finance repayment amounts; or
- Reduced or complimentary extended warranty.

There is a possibility that the above conduct may involve conduct of a kind described in s47(6) and/or s47(7) of the *Competition and Consumer Act 2010* (Cth) as NFSA and NMA may not offer the same additional benefits to its customers if they do not purchase or finance the specific motor vehicles from Dealerships during the offer periods.

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:

NFSA, NMA, the Dealerships and customers of motor vehicles, motor vehicle finance and insurance products.

(b) Number of those persons:

(i) At present time:

In excess of 190 authorised Nissan Dealerships

(ii) Estimated within the next year:

In excess of 190 authorised Nissan Dealerships.

(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:

The proposed conduct will result in a public benefit to consumers.

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

(i) Customers will benefit from the proposed conduct by providing them with greater flexibility with their finances;

(ii) Lower the cost of finance and/or insurance products depending on the additional benefits offered from time to time;

(iii) Benefits for the customer by offering extended warranty periods for ease of claims;

- (iv) Customers will also benefit from the proposed conduct as it may stimulate other financiers, insurance providers and other motor vehicle manufacturers and Dealers to provide beneficial and alternative financial stimuli and encourage competition.

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).

Motor vehicle finance, insurance and motor vehicle sales are the three relevant markets for the conduct described in paragraph 2. All three markets are highly competitive in nature and the abundance of motor vehicle dealerships, financiers and insurers provide for significant substitutability.

The conduct referred to in paragraph 2 is restricted to the Dealerships however, at all times during an offer period, NFSA will not restrict customers to:

- (a) obtain finance only from NFSA in relation to any vehicle purchase allowing the customers flexibility in their choice of financiers;
- (b) obtain insurance only from NFSA in relation to any vehicle purchase allowing the customers flexibility in their choice of insurer;
- (c) the proposed conduct itself, allowing customers to seek alternative financial arrangements either through NFSA or alternative financiers.

Given the highly competitive nature of the motor vehicle, financier and insurance markets and that this allows for broad consumer choice and the customers are not restricted in any way to deal with any other motor vehicle manufacturer, dealership, financier and/or insurer and to take advantage of any other competitive offers from those parties, NMA and NFSA do not restrict customer choice or substantially lessen competition.

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:

NFSA does not believe the proposed conduct is likely to result in any public detriment as the customer will not be compelled to obtain finance and/or insurance from NFSA in order to purchase a motor vehicle from the Dealerships.

NMA does not believe the proposed conduct is likely to result in any public detriment as the customer will not be compelled to purchase a motor vehicle from the Dealerships.

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

The highly competitive nature of the motor vehicle, financier and insurance markets allows for broad consumer choice and the customers are not restricted in any way to deal with any other motor vehicle manufacturers, other motor vehicle dealerships, financiers and/or insurers and to take advantage of any other competitive offers from those parties.

7. Further information

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

Claude Harran
Senior Corporate Counsel
Nissan Financial Service Australia Pty Ltd
260-270 Frankston-Dandenong Road
Dandenong South VIC 3175

Telephone No.: (03) 9797 4349
Email: claude_harran@nissan.com.au

Dated..... 4/8/2015

Signed by/on behalf of the applicant


.....
Signature

PETER ANDREW JONES
.....
Full Name

NISSAN FINANCIAL SERVICES PTY LTD,
.....
Organisation

MANAGING DIRECTOR
.....
Position in Organisation