

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:

N98682 Nissan Financial Service Australia Pty Ltd (ABN 70 130 046 794) trading as Renault Financial Services (“RFS”)

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

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

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

Attention: Timothy Stewart
Compliance Manager
Nissan Financial Services Australia Pty Ltd trading as
Renault Financial Services
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 and bundling of additional services such as scheduled servicing.

(b) Description of the conduct or proposed conduct:

RFS 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 Renault and RFS 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;
- Bundled financial services (which may include but is not limited to bundling 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 RFS 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:

RFS and Renault Dealerships and customers of motor vehicles, motor vehicle finance and insurance products.

- (b) Number of those persons:

- (i) At present time:

In excess of 50 authorised Renault Dealerships.

- (ii) Estimated within the next year:

In excess of 50 authorised Renault 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) Benefits for the customer in providing them with clarity around cost of ownership for bundled finance products;

- (v) 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, RFS will not restrict customers to:

- (a) obtain finance only from RFS in relation to any vehicle purchase allowing the customers flexibility in their choice of financiers;
- (b) obtain insurance only from RFS 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 RFS 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, RFS does 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:

RFS 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 RFS in order 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:

Timothy Stewart
Compliance Manager
Nissan Financial Service Australia Pty Ltd trading as
Renault Financial Services
260-270 Frankston-Dandenong Road
Dandenong South VIC 3175

Telephone No.: (03) 9797 4325

Email: timothy_stewart@nissan.com.au

Dated 28/10/2015

Signed by/on behalf of the applicant


.....
Signature

Peter Andrew Jones
.....
Full Name

Nissan Financial Service Australia Pty Ltd
.....
Organisation

MANAGING DIRECTOR
.....
Position in Organisation