

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)

N98686

Commonwealth Bank of Australia (the Bank), ABN 48 123 123 124 of
201 Sussex Street, Sydney, NSW 2000

AND

N98687

Kaligo Pte Ltd. (Kaligo), of 36B Mosque Street, Singapore 059514

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

The Bank provides banking and financial services, including credit card facilities, and holders of credit cards issued by the Bank are offered an optional membership in the Bank's loyalty program, called the Commonwealth Awards Program ("**Program**").

Kaligo provides a global online booking platform that enables customers to book hotels and earn points across a wide range of loyalty programs. Kaligo has agreed to become one of the Bank's Bonus Partners.

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

Commonwealth Bank of Australia

Jennifer Wood, Executive Manager Group Compliance

Level 13, 201 Sussex Street, Sydney NSW 2000

OR

Inka Kroon

Senior Loyalty Business Development Manager

Credit Cards, Retail Bank Services

Level 2C, 11 Harbour Street

Sydney NSW 2000

2. Notified arrangement

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

The Bank offers credit cards and optional membership in the Program. Members of the Program (“**Members**”) who earn points in the Program may redeem those points for goods, services, vouchers and airline loyalty program points.

Bonus Partners (“**Bonus Partners**”) are businesses or organisations named in Program communications which offer additional points (“**Bonus Points**”).

Bonus points are points which may be accrued by a Member when purchasing goods or services from, or utilising the services provided by Bonus Partners.

The Bonus Partner pursuant to this notification offers the goods and services described in 1(b) above.

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

Kaligo are entering into the Program as a Bonus Partner, offering Members Bonus Points for every dollar spent on their Commonwealth Bank Credit Card.

(Refer to direction 4)

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)

Members in the Program as well as potential new members to the Program.

- (b) Number of those persons:

- (i) At present time:

1.3 million members

- (ii) Estimated within the next year:

1.4 million members

- (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)

Members earn points in the Program from use of their Bank issued credit cards. The Bank will provide additional points ("**Bonus Points**") to Members who purchase goods or services from the Bonus Partners.

Members will be offered from time to time through the Program marketing material, Bonus Points and other non-cash benefits (for example, the right to enter into a trade promotion, and the provision of additional goods or services at a discounted price or without charge) (referred to from this point as "**Benefits**") where specific goods and services and specific packages of goods and services offered by individual Bonus Partners are purchased in full or in part by a Member using the Member's credit card linked to the Program.

Bonus Partners propose to give or allow, or offer to give or allow, a discount or allowance in relation to the supply of products and services, or to supply or offer to supply the goods or services at a particular price, or to supply or offer to supply particular goods, services or Benefits in relation to the supply of the products or services, on the condition that a person is either a Member, or that the Member acquires the goods or services in full or in part by using the Member's credit card linked to the Program.

The proposed conduct will have little or no public detriment.

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

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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)

The proposed conduct will not lessen competition in the relevant banking and financial services markets. Competition in the relevant markets is vigorous and consumers will continue to have the choice from a large number of credit card issuers with their associated loyalty programs. As the markets are

extremely competitive, any decision by consumers on which credit card and loyalty program to use can be made solely on an assessment of the merits of each issuer's product.

The proposal will also not lessen competition in the industries of the Bonus Partners as each of these industries is highly competitive, which enables consumers to make choices based on the price, value and quality of the products and services offered. Goods and services offered by the Bonus Partners are available for purchase by consumers independent of their membership in the Program.

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 be of benefit to the public as it will:

- promote competition amongst credit card and loyalty program providers and prompt competitors of the Bank to provide pro-competitive value added benefits to the benefit of their loyalty program members; and
- promote competition and place downward pressure on pricing for products and services provided by the competitors of the Bonus Partners;

The significant public benefits outlined above outweigh any potential public detriment considered to arise from the conduct.

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

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7. Further information

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

Inka Kroon

Senior Loyalty Business Development Manager

Credit Cards, Retail Bank Services

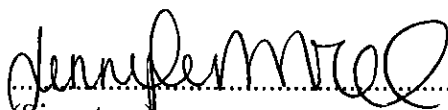
Level 2C, 11 Harbour Street

Sydney NSW 2000

Phone: 0424 309 977

Dated. 03/11/15

Signed by/on behalf of the applicant


.....
(Signature)

Jennifer Wood
(Full Name)

Commonwealth Bank of Australia
(Organisation)

Executive Manager – Group Compliance Framework
(Position in Organisation)

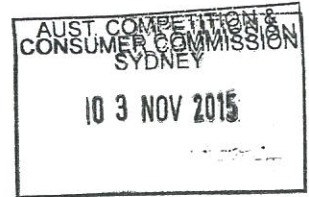
DIRECTIONS

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.

COPY



Sebastian Grobys
Chief Operating Officer
Kaligo Pte Ltd

Inka Kroon
Commonwealth Bank Australia
Senior Loyalty Business Development Manager
Credit Cards
Retail Bank Services
Level 2C, 11 Harbour Street
Sydney NSW 2000

Oct 27, 2015

Dear Inka,

This is to verify that Kaligo Pty Ltd will enter into a partnership with Commonwealth Bank of Australia to offer bonus points to Commonwealth Awards Credit Card customers. Kaligo provides authority for Commonwealth Bank of Australia to submit form G on behalf of Kaligo.

Regards,



Sebastian Grobys
Chief Operating Officer