

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)

N99357 *Travel Insurance Partners Pty Limited* (“**TIP**”)
ABN 73 144 049 230
AFSL 360138

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

TIP arranges travel insurance under a binder authority from Great Lakes Australia, the issuer and underwriter of the insurance policies. TIP will arrange travel insurance policies branded with the AHM brand

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

*Travel Insurance Partners Pty Limited
Level 10, 60 Miller Street
North Sydney
New South Wales 2060
Attention: Head of Risk and Compliance*

2. Notified arrangement

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

Supply of travel insurance

*Australian Health Management Group Pty Limited (ABN 96 003 683 298) (“**AHM**”) is a business of Medibank Private Ltd (ABN 47 080 890 259) (“**MPL**”), a national private health insurance provider. AHM wishes to distribute travel insurance products under the AHM brand.*

*The AHM branded travel insurance products will be arranged by TIP and underwritten by Great Lakes Reinsurance (UK) SE (ARBN 127 740 532, ABN 18 964 580 576, AFSL 318603) trading as “Great Lakes Australia” (“**GLA**”).*

- (b) Description of the conduct or proposed conduct:
(Refer to direction 4)

The AHM travel insurance will be made available for purchase by any AHM member or any member of the public who access the AHM website for the purchase of travel insurance. However if AHM or MPL members purchase travel insurance through the AHM website or other agreed distribution channels, AHM and MPL members will be eligible for a discount off travel insurance (“AHM discount”). As at the date of this notification, the parties to this notification do not contemplate that the AHM discount will be made available to members of the public who are not AHM or MPL members.

TIP and AHM have entered into a written agreement under which TIP will arrange to issue the travel insurance products to those AHM and MPL members who purchase travel insurance through the AHM website or other agreed distribution channels.

This means that TIP will engage in conduct that involves:

- *supplying, or offering to supply, additional benefits or discounts on travel insurance on the condition that the discounts are only made available to AHM or MPL members.*

It also means that TIP will engage in conduct that involves:

- *refusing to supply, or offering to supply, additional benefits or discounts on travel insurance if that consumer is not an AHM or MPL member.*

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)

Consumers who purchase travel insurance

- (b) Number of those persons:

- (i) At present time:

Substantially in excess of 50

- (ii) Estimated within the next year:
(Refer to direction 6)

Substantially in excess of 50

- (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)

The proposed conduct offers benefits to the public for the following reasons:

- (i) *AHM and MPL members in Australia will be offered a benefit in the form of discounted travel insurance;*

(ii) *the conduct will encourage competitors of AHM to offer similar discounted goods or services, or other benefits, to consumers thereby promoting competition in relation to the supply of health insurance products generally, and*

(iii) *the conduct will encourage those engaged in the supply of travel insurance products and services to retail customers to offer similar discounts, directly or as a part of 'loyalty programs', thereby promoting competition in relation to travel insurance products and services.*

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

(i) *the discount proposed as at the date of this notification is 10%.*

(ii) *other health care funds offer competing products, discounts and loyalty programs. For example HCF (<https://www.hcf.com.au/insurance/travel>), Bupa (<http://www.bupa.com.au/other-insurance/travel-insurance/bupa-travel-insurance-options>), and NIB (<http://www.nib.com.au/travel-insurance>).*

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)

In broad terms the markets primarily relevant to the assessment of this notification is the market for the supply of travel insurance products and services to consumers in Australia.

There are other various organisations in Australia that offer competition to TIP in the range of travel insurance products. We would characterise this market as highly competitive.

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)

We consider that the proposed conduct will not give rise to any public detriments.

(b) Facts and evidence relevant to these detriments:

We submit that the proposed conduct will not result in any detriments to the public because:

We believe the notified conduct will have little, if any, public detriment because

- (i) non-members are free to purchase the products and services at regular competitive prices, irrespective of whether the consumer chooses to purchase AHM health insurance services.*
- (ii) non-members can seek and obtain similar offers of health insurance membership and travel insurance products from competing businesses as in 4(b) above.*
- (iii) members who buy health insurance will not be under any obligation to buy travel insurance services from TIP*

For the reasons outlined above TIP considers that the proposed conduct will:

- increase competition in the market for travel insurance services; and*
- given the strong competition among health insurance providers, the notified conduct will have a negligible effect on competition within that market*

7. Further information

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

Head of Risk and Compliance


Travel Insurance Partners Pty Ltd

Postal Address: Level 10, 60 Miller Street, North Sydney NSW 2060

Direct telephone: 02 8907 5308

Dated.....30/8/2016.....

Signed by/on behalf of the applicant


.....

(Signature)

PAUL TAYLOR
.....

(Full Name)

TRAVEL INSURANCE PARTNERS PTY LTD
.....

(Organisation)

.....HEAD OF RISK & COMPLIANCE
(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 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.