

## 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)

N98961 Suncorp-Metway Ltd ABN 66 010 831 722 (“**Suncorp Bank**”)

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

Financial services, including the provision of loans secured by residential real estate.

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

C/- Karyn Mauerhan  
Legal Manager & Senior Lawyer  
Suncorp  
Level 28, 266 George Street  
Brisbane Qld 4000

### 2. Notified arrangement

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

Loans secured by reverse mortgage over residential real estate for the provision of in-home and well being services.

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

- (i) Suncorp Design Pty Ltd (“**Suncorp Design**”) (a related body corporate of Suncorp Bank) has entered into a contract with Feros Care ABN 50 104 452 271 (“**Feros Care**”) for the provision of a range of in-home health and

wellbeing services to eligible consumers (“**Suncorp In-Home Care Services**”).

- (ii) Feros Care is a community owned, not-for-profit organisation that has been delivering high quality aged and community care services for 25 years. Feros Care’s principal place of registration is at Showcase on the Beach, Suite 212, Level 2, 72-80, Marine Parade, Coolangatta, Queensland.

Since the opening of the first service, a 40 bed residential aged care village in Byron Bay NSW in June 1990, the company has significantly grown, including the provision of over 80 Community Care programs spread across Tasmania, Victoria, Queensland and New South Wales; three residential aged care facilities in New South Wales; and Telehealthcare services nationally.

They strive to be a strong ambassador and partner in the lives of seniors. Their focus is on helping seniors to remain living independently, socially connected, healthy and fulfilling lives for as long as possible.

- (iii) Suncorp Bank has developed and intends to offer a reverse mortgage home loan (“Care Loan”) only to:

- (a) eligible Suncorp In-Home Care Services consumers; and
- (b) only where those services are being organised and managed by Feros Care.

- (iv) The purpose of the Care Loan is to enable consumers to access the equity in their home to pay for Suncorp In-Home Care Services. Further details regarding the Care Loan are included below in paragraph (ix).

- (v) At the consumer’s request, Feros Care representatives will attend the homes of consumers and assess their needs for various Suncorp In-Home Care Services. The full range of services that are available and which Suncorp Bank will agree to finance are listed and **attached** in “Annexure

A”. Further information regarding Feros Care is included below in paragraph 10.

(vi) With the consumers’ consent and under a referral arrangement with Suncorp Bank, Feros Care will refer the consumer to Suncorp Bank to enable one of its lenders to meet with the consumer to discuss the Care Loan product.

(vii) The arrangement with Feros Care is limited to a trial of 6 months. Following this, Suncorp intends to evaluate the trial period to ascertain whether it wishes to continue with the Suncorp Care Loan product.

(viii) Suncorp Bank will only advertise Care Loans through the use of a brochure that Feros Care will be able to provide to consumers that are interested in talking to the Bank about the product, or on a website that is not part of the Bank’s standard website but rather is linked to the Suncorp In-Home Care product information. The Bank will not advertise this product in any other way during the trial period.

(ix) Further details regarding the specific elements of the arrangements between Suncorp Bank, Suncorp Design and Feros Care are described below:

(x) ***Care Loans***

Suncorp’s *Care Loan* will enable consumers to use the equity in their home to fund Suncorp In-Home Care Services.

There are a number of key criteria that must be met:

- A consumer must be aged 70 years of age or older. There is no maximum age limit.
- A consumer must own their own home. This means that there must be no mortgage on the property at the time a consumer applies.
- A consumer must still reside in their own home.
- A consumer must be eligible for Suncorp In-Home Care Services which are managed through Feros Care.

The amount a consumer can borrow is based on two key factors:

- the agreed value of the property, based on independent valuation;
- and
- the age of the borrower.

At the time of application for the loan the consumer will have consulted with Suncorp In-Care Home Services which will have organised for a home visit by Feros Care for the consumer.

Feros Care will assess the in home care needs of the consumer and provide the consumer with a quote for listed services and average monthly amounts payable for the services the consumer requests to be provided.

Suncorp Bank will apply a credit criteria to the loan to determine the consumer's eligibility for the Care Loan. If the loan is approved, progressive draw downs of the loan amount is based upon this information being provided to it by the consumer regarding the care services being provided and organised through Feros Care and Suncorp In-Home Care Services.

A consumer is not required to make any repayments during the life of the Care Loan. The Care Loan is repaid from the sale proceeds of a consumer's home when they either:

- sell the property,
- move into ongoing aged care, or
- upon death; or
- are in default of the terms of conditions of the facility in some way.

The *Suncorp Care Loan* will:

- (i) allow this sector of consumers to access the equity accumulated in their home to allow them to remain living a fulfilling life for as long as possible in their own home, and independently;
- (ii) provide the consumer with an alternative to selling their home or being forced into an aged care facility to obtain the required level of Suncorp's In-Home Care Services; and
- (iii) removes the financial burden common in many families where children contribute to or meet the full cost of their parents' expenses and lifestyle needs.

There are limited government assistance packages available to this sector of the community to fund in home care services and the Care Loan offers consumers other alternatives.

As this is a new and innovative product, maintaining consumer protection and prudent lending is managed by using one supplier to whom money is disbursed for Suncorp In-Home Care Services, upon borrower approval.

**(xi) Suncorp In Home Care Services**

Suncorp Design Pty Ltd ("**Suncorp Design**") (a related body corporate of Suncorp Bank) has entered into a contractual arrangement with Feros Care ABN 50 104 452 271 ("**Feros Care**") for the provision of a range of in-home health and wellbeing services to eligible consumers ("**Suncorp In-Home Care Services**").

The product is being offered primarily to existing Suncorp customers. From a consumer's perspective, and for all intents and purposes, Suncorp Design will be facilitating and managing the Suncorp In-Home Care Services being provided directly to the consumer by Feros Care and its partners.

A customer's eligibility for the Suncorp In-Home Care Services has no reliance on the Bank's ability to provide a Care Loan. The In-Home Care Services are available to any interested consumer that would like this type of assistance. It is anticipated that the Care Loan may assist some consumers to obtain in-home care services where they otherwise would not have been in a position to afford either the services at all or all of the services that they would like to receive.

(xii) **Feros Care**

Suncorp Design has invested a considerable amount of time and resources in ensuring that a high quality provider of Suncorp In-Home Care Services is engaged.

Feros Care is a not for profit association that provides a wide range of care and service packages to fulfil the changing needs of older Australians including innovative holistic approaches to ageing well.

Feros Care are well established, reputable care providers who have been in operation for over 25 years. Feros Care are government accredited care providers and assessors, being subject to all government service and financial compliance benchmarks.

We have assessed Feros Care's technology capability as high which provides scope for innovations in service delivery and efficiency in care provision.

Feros Care has fully automated care scheduling, consumer needs discovery and integrated call centres that enable scale and geographical reach. Currently Feros Care provides community services as far south as Tasmania, Victoria, and NSW, through to Bundaberg in Central Queensland, providing significant scale and reach.

As part of its business operations, Feros Care have the ability to identify opportunities for consumers to make further enquiries of Suncorp Bank regarding a *Care Loan* (and if the consumer consents to their information being supplied to Suncorp for that purpose), Feros Care will provide those details to Suncorp Bank, who will then contact the consumer directly to discuss the Care Loan product.

A consumer will not be able to access the *Care Loan* by any method other than a referral from Feros Care. Consumer consent for the referral to Suncorp

Bank will be obtained at the time Feros Care is assessing the consumer for aged-care in home care products or services as part of its standard business activities.

*(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)*

*Care Loan*

Seniors (borrowers over the age of 70 years), who have been assessed as requiring a high level of care by Feros Care and who own their own home which is unencumbered at the time of application for the Care Loan. The Care Loan will enable this class of person to take advantage of the equity in their own home to obtain in-home care services and to remain living independently in their own home for as long as possible.

*Suncorp Care*

Consumers over the age of 70 years who require Suncorp In-Home Care Services. Initially, this product will be marketed to existing Suncorp customers.

- (b) Number of those persons:
- (i) At present time: Nil
  - (ii) Estimated the first year: estimated 5 – 10 people.

*(Refer to direction 6)*

- (c) Where number of persons stated in item 3 (b) (i) is less than 50, their names and addresses:

At this stage, these details are unknown, however, it is anticipated that the consumers who obtain Suncorp In-Home Care Services will already have a relationship with the Suncorp group of customers either through its insurance or banking operations.

**4. Public benefit claims**

- (a) Arguments in support of notification:  
*(Refer to direction 7)*

The proposed conduct will be of benefit to the public because:

- (i) A consumer may now be able to access the equity contained in their own home to pay for services provided by Feros Care enabling them to:
- remain living independently for a longer period of time;
  - obtain Suncorp In-Home Care Services that a consumer may not otherwise be able to afford.
- (ii) Feros Care, a credentialed and government accredited organisation, is suitably qualified to assess consumers for eligibility for government benefits and services and offer reduced priced services taking rebates into consideration;
- (iii) it allows Suncorp Bank to ensure that an enhanced level of care is maintained by restricting the supply of services to Feros Care;
- (iv) it motivates other aged care community organisations to assist consumers to obtain the full range of services needed to assist in living an independent lifestyle;
- (v) it creates a market where other in-home care service providers may wish to enter into arrangements with financial services providers to facilitate similar opportunities as those that are outlined in this application; and
- (vi) a consumer is able to have greater access to Feros Care in-home care services; and
- (vii) Feros Care's high technological capability provides scope for innovations in service delivery and efficiency in care provision for the benefit of consumers; and
- (viii) The innovative funding model not only increases the availability of the care services but may also encourage innovation in the delivery and efficiency of the services.



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

- (i) There is generally a time delay in obtaining, and a limited scope of, government packages available to this sector of the community wishing to obtain and pay for in care services. These factors can detrimentally effect a consumer's access to in home care services.
- (ii) Suncorp Bank has identified an opportunity within the Australian market for mature aged consumers who require in-home care services.
- (i) Suncorp considered several providers of in-home aged care services, and believes that Feros Care is best placed to provide the necessary services to meet needs of our clients based on their:
  - government accreditation as an aged care provide;
  - reputation and longevity in the industry;
  - excellent knowledge of the industry;
  - demonstrated ability to appropriately identify client needs of in-home care services; and
  - capability to refer existing Feros Care clients for a Suncorp Care Loan.

However, our research identified several accredited organisations in the industry that would be capable of providing the aged care and referral services on a long term basis. For the purposes of the launch of the Care Loan product Suncorp Bank wishes to focus on one industry partner to simplify the product and maximise consumer quality control.

Given that Feros Care already evaluates consumer needs to determine their eligibility for government funding for in home care services, Suncorp Bank is of the view that Feros Care has the necessary skills to appropriately identify a referral opportunity for Care Loan product.

Given that there are numerous competitors for the provision of In-Home Care Services and residential lending, the arrangement will not lessen 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):  
*(Refer to direction 8)*

The market relevant to the provision of Care Loans applies directly to customers over the age of 70 years, who require a high level of care and who own their own home. We are not aware of any other financial institution that provides such Care Loans.

Feros Care is the sole supplier that we have engaged to assist our consumers to obtain the much needed level of in-home services. However, our research demonstrates that there are numerous other government accredited local suppliers who provide in-home care services that may be interested into entering into a relationship with a financial services provider to enable referral of Care Loans. Suncorp Bank may consider other referrers for the Care Loan product as its new product matures.

**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)*

No detriments to the public have been identified. The provision of aged care in-home care services is a well-developed competitive market. So, too are the options for loans which consumers may access. In all circumstances, the consumer will be fully informed about the terms of the Care Loan before being offered the product.

The proposed conduct is not likely to affect the provision of in-home aged care services as consumers may wish to obtain the services from an alternative provider. We also do not believe that the conduct will adversely impact on the price of loans in the affected markets as the loan market is saturated with offers from many different financiers.

- (b) Facts and evidence relevant to these detriments:  
Not applicable.

**7. Further information**

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

Karyn Mauerhan  
Legal Manager & Senior Lawyer  
Suncorp  
Level 28, 266 George Street  
Brisbane Qld 4000  
07 3135 2542

Dated.....6th March 2016.....

Signed by/on behalf of the applicant

*Karyn Mauerhan*  
.....  
(Signature)

*Karyn Mauerhan*  
.....  
(Full Name)

*Suncorp - Metway Ltd*  
.....  
(Organisation)

*Legal Manager / Senior Lawyer*  
.....  
(Position in Organisation)

**ANNEXURE A**

The table below sets out the full list of in-home care services that Feros Care are able to provide consumers of the Suncorp Care Loan. Suncorp Bank will only approve funding to service the items set out below.

Service Type
Cleaning & light housework
Personal laundry
Shopping & errands
Shopping - Travel >5kms
Home cooked meals & menu planning
Lawn mowing & gardening
Bill paying & correspondence
Pet care
Cooking for 1 class
Personal hygiene & showering
Dressing, grooming & toileting
Continence management
Accompanied medical appointment
Accompanied medical appointment - Travel >5kms
Foot care and nail care
Medication (assist with)
Palliative Nursing support
Nursing care
Assist with re-enablement program
Companionship and social support
Accompanied community outings
Accompanied community outings - Travel >5kms
In-home Respite
Crafts and hobbies
Music and dance therapy
Falls prevention program
Re-enablement program
Mobility exercise programs
Travel (for client activities outside of the home)
Care Assessment - in-home Incl. travel, referrals & report generation)
Review - phone (30min)
Review - in-home (Incl. travel, referrals & report generation)

## **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.