



Australian
Competition &
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Commission

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17/02/2017

By email

Dear Sir / Madam

Aioi Nissay Dowa Insurance Company Australia Pty Ltd & Ors applications for authorisation A91556 – A91557— draft determination

The Australian Competition and Consumer Commission (the ACCC) has issued a draft determination in respect of the applications for authorisations lodged by Aioi Nissay Dowa Insurance Company Australia Pty Ltd & Ors on 13 September 2016.

A summary of the authorisation process including how to make a submission to the ACCC can be found here: [summary of the authorisation process](#).

The Applicants seek authorisation on behalf of themselves and potentially other insurers to implement a proposal that will limit the commissions and other payments or benefits paid to distributors of "add-on" insurance products through the motor vehicle dealership channel. The Applicants propose to enter into a contract, arrangement or understanding that will limit commissions to 20% of premiums.

A full copy of the application for authorisation is available on the ACCC's website www.acc.gov.au/AuthorisationsRegister.

Draft determination

A copy of the ACCC's draft determination and summary of its reasons is attached.

For the reasons set out in its draft determination, the ACCC proposes to deny authorisation.

Next steps

Once the ACCC issues a draft determination, the Applicant or any interested party may make a written submission and/or request that the ACCC convene a 'pre-decision conference'.

If you wish to make a submission in response to the ACCC's draft determination, please lodge your submission by **3 March 2017**. Submissions should be emailed to adjudication@acc.gov.au with the subject "A91556 – A91557 - Aioi Nissay Dowa Insurance Company Australia Pty Ltd & Ors – submission".

A pre-decision conference provides the opportunity for interested parties to make oral submissions in relation to the draft determination. Conferences are conducted informally and while legal or professional advisers are able to attend they are not entitled to participate in the discussion.

A number of interested parties requested in their submissions before the draft determination that the ACCC convene a pre-decision conference. However, under the *Competition and Consumer Act 2010* (CCA) a pre-decision conference cannot be formally requested until after the ACCC has issued a draft determination. Accordingly, if you wish the ACCC to hold a pre-decision conference in relation to the draft determination you must notify the ACCC in writing by **3 March 2017**.

The ACCC will consider any submissions it receives, including any oral submissions made should a pre-decision conference be called, and will then release a final determination in relation to these applications.

Submissions, including oral submissions, will be placed on the ACCC's public register subject to any request for exclusion (guidelines are available here: [guidelines for excluding information from the public register](#)).

Timetable

The ACCC will continue to progress its assessment of the application in a timely manner. An updated indicative timetable is set out below for your information.

Indicative date	Stage in assessment process
13 September 2016	Lodgement of application and supporting submission.
23 September 2016	Public consultation process begins.
14 October 2016	Submissions due.
14 November 2016	Applicants respond to interested party submissions.
21 December 2016	ACCC provides preliminary views to the Applicants.
2 February 2017	Applicants respond to ACCC's preliminary views.
17 February 2017	Draft determination.
February/March 2017	Public consultation on draft determination including any conference if called.
March 2017	Final determination.

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter please do not hesitate to contact Luke Griffin on 02 6243 1114 or adjudication@acc.gov.au.

Yours sincerely



Gavin Jones
Director
Adjudication