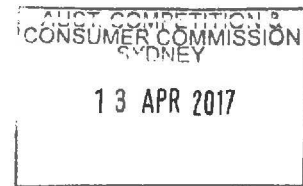


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Commonwealth of Australia
Competition and Consumer Act 2010 — subsection 93(1)
NOTIFICATION OF EXCLUSIVE DEALING

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)

N99641

Allianz Australia Insurance Limited ABN 15 000 122 850, AFS Licence 234708 (**Allianz**).

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

Allianz is a licensed general insurer which offers a comprehensive range of personal and property insurance, as well as business insurance. Allianz provides insurance, including home building and contents insurance for households with cover that meets or exceeds industry standards such as cyclone, flood and storm surge protection. Allianz also provides other general insurance such as for example car, boat, and landlord insurance policies.

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

Allianz Australia Insurance Limited
 2 Market 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:

This notification relates to the supply of home building, home contents, home building and contents, and landlord insurance policies by Allianz. More detail of Allianz's home insurance policies is available at <https://www.allianz.com.au/home-insurance/>.

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

The notified conduct is the offer by Allianz of a 10% discount on annual premium for consumers who acquire an Allianz home building, home contents, home building and contents, or landlord insurance policy and who have also taken up a Telstra Smart Home Service.

(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)

The proposed discount offer will be promoted to consumers by both Allianz and Telstra through digital and direct distribution channels.

- (b) Number of those persons:

- (i) At present time:

Unknown, but Allianz anticipates that the discount offer will be promoted to at least 50,000 people per month.

- (ii) Estimated within the next year:

(Refer to direction 6)

Unknown, but Allianz anticipates that up to 750 people may take up the discount offer.

- (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)

Allianz considers that the promotion delivers a public benefit by allowing consumers to access discounts for certain home and landlord insurance products. The arrangement may also promote competition in the market by encouraging other insurers to offer similar discounts and benefits.

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

The Commission's Guide to exclusive dealing notifications (April 2011 Addendum) indicates that the Commission typically allows discount promotions to stand as they generally result in public benefits, such as providing discounts to consumers and promoting competition in the market.

Allianz considers that the proposed discount offer falls squarely into this category. Customers benefit from discounts in relation to certain home insurance products, and other providers are encouraged to offer competitive promotions.

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)

Allianz supplies home and landlord insurance policies in a general insurance market in Australia.

Telstra is one of Australia's leading telecommunications and technology companies, offering a full range of communications services and competing in many telecommunications markets. The Telstra Smart Home Service is a new service introduced only recently which allows a person to manage various devices in their home from a phone with a simple app and it comprises the following components:

- (a) access via the Telstra Smart Home App and Web Portal;
- (b) one or more Telstra Smart Home Devices;
- (c) hosting;
- (d) SMS and email alerts; and
- (e) the provision of a help desk.

More details of the Telstra Smart Home Service can be found at <https://www.telstra.com.au/smart-home>.

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)

Allianz does not consider that there is any public detriment which is likely to result from Allianz offering a 10% discount on home and landlord insurance policies to Telstra Smart Home customers.

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

There are several other general insurance providers operating in Australia who offer home and landlord insurance products, including QBE, Suncorp (through AAMI and GIO brands), and IAG (through NRMA and other brands). Each of Suncorp and IAG in particular have significantly higher shares of the total revenue from home and landlord insurance policies in Australia than Allianz. In addition, there are numerous other competitive home insurers including for example Commonwealth Bank, Auto & General Insurance, RAA Insurance, RACQ, RACT and the Hollard Group.

Individuals that do not wish to acquire a Telstra Smart Home service will be able to acquire home and landlord insurance services from these insurers, as well as competitively priced from Allianz (but without a discount under this offer), without any requirement to acquire any product or service from Telstra.

The promotion is simply an added benefit to consumers who wish to take up a Telstra Smart Home service and an Allianz home or landlord insurance product.

7. Further information

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

Paul Schoff

MinterEllison

Level 40, Governor Macquarie Tower

1 Farrer Place

Sydney NSW 2000


(02) 9921 4599

Dated 13 April 2017

DEPARTMENT OF COMPETITION &
CONSUMER COMMISSION
SYDNEY

13 APR 2017

Signed by/on behalf of the applicant



.....
(Signature)

Paul Schoff

.....
(Full Name)

MinterEllison

.....
(Organisation)

Partner

.....
(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.