

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)

N99682 Citigroup Pty Limited ABN 88 004 325 080 of Citigroup Centre, 2 Park Street Sydney NSW 2000 (**Citigroup**)

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

Citigroup provides banking and financial services

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

Glenn Watts

Head of Consumer Bank Compliance

Citigroup Centre

2 Park 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:

Citigroup provides or may provide, a range of services including relating to credit cards, home loans, loans, banking and investment products for a number of partners (Services). From time to time, Citigroup provides rewards or benefits (Incentives) to customers and to incentivise new customer acquisitions in relation to the Services. The Incentives are ancillary to the Services and are designed to offer certain privileges associated with being a customer.

(b) Description of the conduct or proposed conduct:

Citigroup proposes to supply, or offer to supply (or supply or offer to supply at a particular price), the Services and Incentives or give or allow, a discount, allowance, rebate or credit in relation to the supply or proposed supply of Services and Incentives by Citigroup, on the condition that the person to whom Citigroup supplies or offers or proposes to supply the Services and Incentives will acquire goods or services from a provider of (or in relation to) a third party loyalty program (**Loyalty Program**).

Citigroup also proposes to refuse to supply, or offer to supply (or supply or offer to supply at a particular price) the Services and Incentives or give or allow a discount, allowance, rebate or credit in relation to the supply or proposed supply of Services and Incentives by Citigroup for the reason that the person to whom Citigroup supplies or offers or proposes to supply the Services and Incentives has not acquired, or has not agreed to acquire goods or services from a provider of (or in relation to) a Loyalty Program.

For example:

(a) Citigroup may offer cashbacks, discounts, rewards points, fee waivers, exclusive offers or the Services or Incentives to Citigroup customers on condition that they are members of a particular Loyalty Program; and

(b) Citigroup may also refuse to supply cashbacks, discounts, rewards points, fee waivers, exclusive offers or other incentives if a customer (or a supplementary recipient of the Services) is not or ceases to be a member of a certain Loyalty Program. (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)

Consumers who receive the Citigroup Services, or who wish to apply to receive the Services, including those consumers who are members of certain Loyalty Programs.

(b) Number of those persons:

(i) At present time:

Citigroup's existing customer base of approximately 1 million customers and potential Citigroup customers.

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

Unknown, but greater than 1.1million customers.

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

..n/a.....
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4. Public benefit claims

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

∴ We consider the proposed conduct will provide benefit to the public by:

1. Improving the quality of customer service offered by Citigroup as a result of providing customers with better offers
2. Offering customers the opportunity to take advantage of a range of incentives, which could translate into savings
3. Promoting competition by encouraging Citigroup's competitors to offer similar or better incentives to existing or prospective customers
4. Overall, increase competition in the marketplace.

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

The proposed conduct will enable Citigroup to offer incentives to reward spend, earn discounts etc. As a result of these ancillary benefits, customer satisfaction is expected to increase. The proposed conduct will also increase competition in any relevant market for the provision of services similar to the Services provided by Citi. Other providers of services similar to the Services are free to offer similar services and incentives.

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 Australian Banking, lending and financial services market for retail consumers.

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)

Citigroup considers that its proposal will neither lessen competition or result in any conceivable public detriment, as the recipient of the offers will be under no obligation to:

1. uptake any of the incentives or offers made available to them,
2. make any purchases to acquire the incentive
3. Use a Citigroup product in order to make any purchase.
4. transact with a particular retailer/service provider other than the provider of the Loyalty Program.

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

As above

7. Further information

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

Glenn Watts

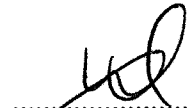
Head of Consumer Bank Compliance

Citigroup Pty Limited

2 Park Street Sydney NSW 2000

Dated..... 12 MAY 2017

Signed by/on behalf of the applicant


.....
(Signature)

GLENN WATTS
.....
(Full Name)

CITIGROUP PTY LTD.
.....
(Organisation)

HEAD OF 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 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.