



Our ref: AA1000490
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Good afternoon,

Australian Securitisation Forum application for authorisation - AA1000490 – interim authorisation decision and interested party consultation

On 1 April 2020, the Australian Competition and Consumer Commission (the **ACCC**) received an application for authorisation from the Australian Securitisation Forum (**ASF**) on behalf of itself and its current and future members (**the Applicants**). The ACCC granted interim authorisation for ASF's proposed conduct on 8 April 2020.

If you have been directly impacted by the conduct under the interim authorisation granted by the ACCC on 8 April 2020, the ACCC is interested in understanding what your experience to date has been. We are interested in hearing from you at any time during the ACCC's assessment process in relation to this question.

The ACCC also invites submissions on:

- the likely public benefits and detriments of the conduct the subject of the authorisation
- the appropriate time period for the conduct to be authorised for, and
- whether any conditions should be placed on the authorisation of the conduct.

We request submissions by **Friday 22 May 2020**.

You are welcome to pass this letter on to others who may wish to make submissions.

The application for authorisation

The Applicants applied to the ACCC for interim authorisation and final authorisation for a period of twelve months from the date of the ACCC's final determination, to discuss, exchange information and develop an industry response to the implementation of the federal government's Structured Finance Support Fund (**SFSF**) by the Australian Office of Financial Management (**AOFM**) (**the Proposed Conduct**).

The ACCC granted interim authorisation on 8 April 2020 to allow the Applicants to immediately engage in the proposed conduct.

Further details about the Proposed Conduct and the application for authorisation and interim authorisation are at **Attachment A**.

Request for submissions

Submissions on the cooperation permitted by the interim authorisation

If you have been impacted by the cooperation permitted by the interim authorisation, you are invited to make a submission to the ACCC in relation to how it has affected you.

In particular, we seek your views on the following issues:

1. What impact has ASF's cooperation had on you? How have the Applicants' dealings with you changed as a result of the interim authorisation?
2. Have you identified any negative effects from cooperation permitted by the interim authorisation?
3. Is the cooperation permitted by the interim authorisation likely to entrench anti-competitive behaviours that continue past the end of the COVID-19 pandemic?
4. Should any changes be made to the interim authorisation, or conditions applied?

The ACCC invites submissions on the cooperation permitted by the interim authorisation at any stage over the coming months. If you have been adversely impacted, please contact the ACCC as soon as possible.

Submissions for purposes of the draft determination

For the purpose of the ACCC's assessment of the application for authorisation, the ACCC also invites you to make a submission on:

- the likely public benefits and detriments of the Applicants' cooperation
- the appropriateness of authorising the Proposed Conduct for a period of twelve months from the ACCC's final determination, and
- whether any conditions should be placed on the authorisation of the Applicants' cooperation

If you wish to make submissions before the ACCC issues a draft determination (as distinct from making a submission on the conduct authorised under the interim authorisation), we will accept submissions at any time up until **Friday 22 May 2020**.

We recognise that the COVID-19 situation may be causing disruptions to your normal operations. For this reason, we are taking a flexible approach to receiving feedback on the conduct. You may wish to contact us by phone to discuss your views before this deadline.

How to make a submission

Please email your submission to adjudication@acc.gov.au, with the subject 'AA1000490 – Australian Securitisation Forum – submission'. Please contact Will Sommers or Robert Janissen on the numbers below if you wish to provide comments by phone.

Your submission **will** be placed on the ACCC's [authorisations public register](#) on the internet unless you have made a request (with reasons) for us to exclude part or all of the submission from the public register (see [Guidelines for Excluding Information from the Public Register](#) for more information on how to make a request and how we assess requests).

Timetable

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

1 April 2020	Lodgement of application, including request for interim authorisation
8 April 2020	Interim authorisation decision
22 April 2020	Public consultation process begins
22 May 2020	Closing date for submissions on the substantive application for authorisation from interested parties
June 2020	Applicant responds to issues raised in the public consultation process
July 2020	Draft determination
July 2020	Public consultation on draft determination
September 2020	Final determination

This letter has been placed on the ACCC's public register. If you have any questions or wish to discuss any aspect of this matter, please do not hesitate to contact Will Sommers on (03) 9910 9444 or Robert Janissen on (02) 6243 1387.

Yours sincerely,



Mandy Bendelstein
Director (A/g)
Adjudication

ATTACHMENT A

The application for authorisation

The Applicants are seeking authorisation under the *Competition and Consumer Act 2010* (Cth). Authorisation would give the Applicants legal protection to enable:

- a) the ASF and its members to exchange information, discuss, enter into or give effect to any arrangement between them as to:
 - i. the conditions that will need to be met to qualify for hardship relief arising as a result of the COVID-19 pandemic and any other requirements for eligible funding by the AOFM,
 - ii. the terms of a pro-forma liquidity payment and reimbursement agreement that would apply under the SFSF arrangements between each seller/servicer and the relevant securitisation vehicle and
 - iii. the mechanism by which the funding arrangements between the ASF members and the AOFM will be effected (expected to be by way of a separate debt-issuing special purpose vehicle), and
- b) ASF members and the AOFM to exchange information, discuss, enter into or give effect to any arrangement between them as to the matters set out in paragraph (a)(i) to (a)(iii) above

for the purpose of facilitating the implementation of the Federal Government's SFSF, which is designed to enable customers of smaller lenders to continue to access affordable credit given the adverse effect of the spread of COVID-19 on the securitisation market.

(the **Proposed Conduct**)

The Proposed Conduct does not extend to the exchange of information in relation to margins and cost data, or the specific terms of offer or supply to customers.

The AOFM will decide whether to accept any proposal put forward by the ASF about any of the matters set out in the Proposed Conduct, including whether to enter into any agreements with the ASF and/or its members about any of these matters.

The AOFM has confirmed to the ACCC that it will keep the ACCC informed about the exchange of information between ASF members and the AOFM, and of any contracts, arrangements or agreements entered into between them about any of the matters set out in the Proposed Conduct.

The applicants are seeking authorisation for a period of twelve months after the ACCC's final decision. A full copy of the application for authorisation is available on the ACCC's [authorisations public register](#).

Interim authorisation

On 8 April 2020, the ACCC granted interim authorisation to the Applicants. The Statement of Reasons is available on the [authorisations public register](#).