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1 July 2024

Anthony Hilton  
Director, Competition Exemptions  
Australian Competition & Consumer Commission  
Level 1, The Quadrant, 1 William Street Perth

Dear Mr Hilton

## Application for Authorisation by the Australian Banking Association

We refer to the application for authorisation by the Australian Banking Association (**ABA**) lodged on 27 March 2024 (the **BCP Application**), the interim authorisation granted by the Australian Competition and Consumer Commission (**ACCC**) on 28 March 2024 (the **Interim Authorisation**) and the recent application for authorisation by the ABA lodged on 27 June 2024 in relation to the funding deed (the **Funding Application**).

The purpose of this letter is to provide the ACCC with further information about the continued need for business continuity planning and to seek an amendment regarding the proposed conduct for the BCP application.

### 1 Ongoing need for Authorised Conduct

On 24 June 2024, the Applicant, the eight Funding Parties and Armaguard entered into an agreement (the Short Term Financial Contribution Deed) pursuant to which the Funding Parties will provide monthly short term funding to Armaguard over a period of 12 months subject to certain conditions being met (for example, Armaguard meeting agreed milestones for implementing integration / operational efficiencies within its business). The Deed also requires the parties to form a working group to identify and implement operational and sustainability efficiencies in Armaguard's business and/or in the services provided by Armaguard to the Funding Parties and to explore the development of an independent pricing mechanism which could be implemented in the Funding Parties contracts at the end of the funding period.

While the commitments outlined in the Short Term Financial Contribution Deed are directed at minimising the potential for a disruption to Armaguard's services and building a more sustainable CIT industry going forward, the challenges facing the Cash In Transit industry remain significant, and in circumstances where there is no other national provider of CIT services, the Applicant considers it imperative that business continuity planning can continue. This will ensure that in the event of any disruption to Armaguard's services, the Proposed Authorised Parties are able to implement those business continuity plans on an urgent basis such that impacts to consumers and businesses would be minimised.

### 2 Proposed Amendment

Now that the Funding parties have committed short term funding to assist Armaguard, the ABA considers it appropriate that the BCP application be varied so that business continuity planning can continue but that *implementation* of Business Continuity Planning is limited to the scenario where there is a disruption to Armaguard's services or disruption is reasonably anticipated.

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Your Ref AA1000664  
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Accordingly, the ABA seeks to amend the Proposed Conduct as follows:

*The ABA seeks interim and final authorisation for two or more of the Applicant, the Major Banks, other Member Banks and/or other Proposed Authorised Parties to:*

- (a) *discuss, share information and/or reach agreement regarding business continuity measures in respect of Armaguard's CIT services; or*
- (b) *implement business continuity measures but only in the event of, or in reasonable anticipation of, a suspension, disruption or exit of Armaguard's CIT services,*

*in either case, for the purposes of:*

- (a) *supporting the continued and safe distribution and availability of cash to banks, retailers, other businesses and/or members of the public in metropolitan and regional non-metropolitan locations in the short term and prior to the development of a longer-term regulatory or industry solution; and/or*
- (b) *supporting customers and businesses who use cash in the event of any such suspension, disruption or exit.*

We confirm that Armaguard has reviewed the revision to the Proposed Conduct and does not object to it.

Please do not hesitate to contact us to discuss anything in this letter.

Yours sincerely



**Rosannah Healy**  
Partner  
Allens

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**Molly Snaith**  
Managing Associate  
Allens

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