

Citigroup Pty Limited
ABN 88 004 325 080
AFSL/ Australian Credit
Licence No. 238098

T +61 (2) 8225 5555
F +61 (2) 8225 5238

GPO Box 557
Sydney NSW 2001

Citibank



26 September 2014

Adjudication
Australian Securities & Investments Commission
GPO Box 3131
Canberra
ACT 2601

Re: A91450-A91454 – Cuscal Limited – submission

Dear sir/madam,

Further to your letter dated 10 September 2014 regarding Cuscal Limited's request as specified above, Citigroup Pty Limited ("Citibank") supports the application. Citibank is a limited participant in the RediATM network in relation to certain of its Virgin Money and white labelled credit cards. Citibank is firmly of the view that such arrangements increase competition in the market and benefit consumers as a whole.

In the absence of such arrangements Citibank believes that it would be impossible for smaller banks to effectively compete against larger banks that have the resources to deploy a large ATM network. Customers of small financial institutions inevitably rely on ATMs deployed by other parties to access cash because their own institution is likely to only have very few ATMs of its own in limited locations. Unlike their larger competitors, smaller banks would be unable to offer widespread fee-free (or discounted) ATM access to their customers because in the absence of interchange payments, such customers would be subject to direct charges at the "foreign" ATMs on which they rely.

The inevitable effect of not permitting interchange based networks such RediATM to continue would be that the control of the Big 4 over the Australian banking market would be strengthened as customers gravitate to institutions that maintain a large ATM footprint and can therefore alone offer fee free transactions.

If you have any questions or wish to discuss any aspect of this submission, please contact me at 02 8225 5987.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "D.R.", followed by a short horizontal line.

Daniel Richmond
Citigroup Pty Ltd