



16th May 2023

Mr. Simon Pomery
Director Merger Investigations
Australian Competition & Consumer Commission
23 Marcus Clarke Street
Canberra ACT 2601

Dear Simon,

Proposed merger between Armaguard and Prosegur– Revised Proposed Undertaking

I would like to thank the Australian Competition & Consumer Commission for providing Streamcorp Armoured the opportunity to respond to your letter dated 1st May 2023, (*Proposed Merger between Armaguard and Prosegur – Revised Proposed Undertaking*).

As per our original submission, Streamcorp Armoured is a wholly Australian owned Approved Cash Centre Operator (ACCO), Approved Cash Centre (ACC) and is a participant in a Wholesale Banknote Distribution Agreement with a major financial institution. Streamcorp Armoured supports numerous markets across Australia with Cash in Transit, Currency Management and Secure Logistics services.

Introduction

Despite the continuing increase in global digital payments, changes to consumer spending behaviours, and a decline in cash use, the cash in transit industry has remained relatively unchanged over the past few decades. The reliance on and use of legacy systems have hampered the capacity to effectively integrate within a shifting cash eco-cycle. Moreover, this has significantly contributed to increasing resource and operational costs. The future of the cash in transit industry will be measured by how successfully it can embrace new technologies, processes, and methodologies to navigate through the challenges of an evolving operational landscape. Adopting a transformational mindset will ultimately create a path of interoperability between the various stakeholders and ensure a sustainable future for the delivery of cash and related services across Australia.

As an ACCO, Streamcorp Armoured understands the value of preserving an environment that fosters competition while ensuring the prompt and effective distribution of cash and related services throughout Australia. Despite sharing some of the concerns expressed in the various submissions regarding the serious risks connected with the proposed merger, we remain optimistic and believe this is a crucial opportunity for the market to reduce some of the inherent risks by defying convention and searching for alternate service provisions that have historically been deployed by the two applicants.



Our Commitment

To mitigate the significant risks posed to businesses if MergeCo were to become the preeminent provider of cash services throughout Australia, Streamcorp Armoured is committed to providing financial institutions, retailers, ATM deployers, and other businesses that view cash as a critical component of their operations with holistic cash in transit and currency management solutions to ensure business continuity and minimise any disruption of services. If the proposed merger were approved by the Australian Competition and Consumer Commission, Streamcorp Armoured would be the only cash in transit supplier with an ACCO accreditation qualified to offer services to all markets in Australia.

Streamcorp Armoured shares the concerns independent ATM deployers have raised within their respective submissions regarding MergeCo and the significant risk posed to their businesses due to the possibility of vertical foreclosure. Streamcorp Armoured confirms we do not own any ATMs and do not intend on entering the ATM deployer market due to the perceived conflict it presents.

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Please feel free to contact me if you require any further information.

Your Sincerely,

Huseyin Memis
Chief Executive Officer