

28 October 2022

**BY EMAIL**

Mr Bruce Mikkelsen  
A/g General Manager  
Competition Exemptions  
Australian Competition & Consumer Commission

Dear Bruce,

**Proposed merger between Armaguard and Prosegur**

I refer to your letter dated 6 October 2022 inviting comment from Australian Military Bank Limited (the 'Bank') in relation to the proposed merger of Linfox Armaguard Pty Limited ('Armaguard') and Prosegur Australia Holdings Pty Limited ('Prosegur').

The Bank was established in 1959 and is Australia's longest serving defence focused financial institution serving approximately 36,000 members and holding member's funds in excess of \$1.45bn. As a mutual bank, the Bank is owned by and operated for the benefit of its members and provides a range of retail banking products including transaction, deposit and credit products, including subsidised home loans for serving and ex-service personnel.

The Bank operates a network of 19 branches and 6 kiosks. With the exception of a branch located at the Bank's headquarters in the Sydney CBD, these facilities are located on Australian Defence Force bases across Australia.

Until March 2022, the Bank engaged Armaguard for the provision CIT and non-CIT services and subsequent to this time has engaged Prosegur for these. Prosegur has replaced the same services for CIT and non-CIT services that supports the Banks branch and ATM network nationally.

The Bank changed service provider following a review of marketing offerings being our current provider Armaguard to Prosegur for the provision of CIT and non-CIT services in 2022. It identified the potential to secure materially more competitive pricing for the delivery of equivalent services from Prosegur.

Based on our experience in the market for CIT and non-CIT services and our service needs, we do not do consider that competition from other smaller players in the market for these services will be sufficient to maintain a desirable level of competitive tension



because of the scale and nature of their service offering relative to a merged Armaguard-Prosegur entity.

Thank you for providing the Bank with the opportunity to comment on the proposed merger. If you wish to discuss the contents of this letter, please contact me on the detailed included in my sign-off below.

Yours sincerely,



**Matthew Craig**  
**Chief Member Experience Operations Officer**

Email: 

Telephone: 