



4 February 2022

Tom Whitby
Australian Competition & Consumer Commission
C:/ 23 Marcus Clarke Street
Canberra ACT 2601

Classification: PUBLIC

Via email to exemptions@accc.gov.au

RE: AA1000601 – NPP Australia Limited – Submission

Cuscal Limited (Cuscal) appreciates the opportunity to respond to the above application by NPP Australia (NPPA).

Background to Cuscal

For over 40 years, Cuscal has leveraged our assets, licensing, and connectivity to provide intermediary and principal outsourcing activities on behalf of our clients. We are an end-to-end payments specialist that services more than 100 established and challenger brand clients within Australia's financial system, including the majority of the mutual banking sector, and a growing number of FinTech and 'PayTech' enterprises. We enable market connectivity so they may provide innovative products, business models, and drive improved customer outcomes.

We are an Authorised Deposit-taking Institution, the holder of an Australian Financial Services Licence, and an Australian Credit Licence for Securitisation purposes. Cuscal has Board representation with eftpos, NPPA, Australian Payments Network and participates in numerous industry committees. We are also the founder of 86400 (www.86400.com.au), a fully licenced digital bank, recently acquired by National Australia Bank.

The services that we provide to our client institutions include card scheme sponsorship for issuing and acquiring, payment card issuing, card production services, digital banking applications, and access to domestic payment services using direct entry, BPAY and the New Payments Platform (NPP). We act as settlement agent for many of our clients through our Exchange Settlement Account with the Reserve Bank of Australia (RBA).

As a fully PCI-DSS accredited ADI, Cuscal is uniquely placed to provide secure and robust capabilities that facilitate access to markets that would otherwise be beyond the reach of some organisations.

Cuscal response to NPPA application for revocation and substitution

Cuscal supports NPPA in its application to the Australian Competition and Consumer Commission (ACCC)

The grounds by which Cuscal supports this application are:

- ❑ NPPA have consistently shown a practical application of the suspension and termination provisions within the NPP regulations.
 - ❑ In Cuscal's experience, NPPA have worked closely with stakeholders to identify and resolve any non-compliance with the regulations, setting reasonable timeframes, update requirements, and acceptance of remediation terms.
- ❑ Cuscal has had no instances of suspension or termination actions taken against us by NPPA.
- ❑ The suspension and termination provisions have formed part of Cuscal's client agreements since inception, and have not been a cause for concern throughout the proceedings of Cuscal's NPP service offering.
- ❑ Cuscal believes and expects NPPA will continue to approach the use of the suspension and termination provisions with practicality should the extension of these provisions be accepted.

Yours sincerely,



Kieran McKenna
Chief Risk Officer

