**COMPETITION AND CONSUMER ACT 2010**

**CONSENT TO WITHDRAWAL OF SECTION 87B UNDERTAKING**

1. On 8 February 2017, the Chairman, pursuant to a delegation from the Commission of its powers and functions under s 87B(2) of the *Competition and Consumer Act 2010* (the **Act**), consented to the withdrawal of an undertaking given to the ACCC by Cash Services Australia Pty Limited (**CSA**) on 23 November 2005 (the **2005 undertaking**) subject to completion of the proposed acquisition of CSA by Prosegur Australia Holdings Pty Ltd (**Prosegur**) (the **proposed acquisition**) and written notification of completion being provided to the ACCC by 8 May 2017.

**BACKGROUND**

1. In 2001 the Australian and New Zealand Banking Group Limited (**ANZ**), Commonwealth of Australia (**CBA**) and Westpac Banking Corporation (**Westpac**) proposed to enter into an arrangement for the purchase of cash processing and cash transportation services from armoured carriers.
2. CSA was established to carry out these operations.
3. On 30 August 2001 the ACCC accepted an undertaking from CSA to address concerns that the proposed activities of CSA may have breached section 45(2) of the *Trade Practices Act 1974* (the **2001 undertaking**). The 2001 undertaking provided that:
   1. CSA may not place any restriction on the price that armoured carriers can offer to any person including non-CSA customers;
   2. new CSA customers are not to be contractually bound to acquire services exclusively from CSA and a new CSA customer may not be refused services by CSA on the basis that it acquires or has acquired services from a non-CSA supplier; and
   3. CSA must comply with a confidentiality code of conduct restricting and regulating the access of the shareholders to competitively sensitive information.
4. The 2001 undertaking was varied in 2002 with respect to timing matters and the undertaking was due to expire on 30 August 2006.
5. On 8 September 2005, the National Australia Bank Limited (**NAB**) publicly advised that it proposed to acquire shares in CSA.
6. CSA offered and the ACCC accepted the 2005 undertaking with respect to the proposed acquisition by NAB.
7. The 2005 undertaking was in similar terms to the 2001 undertaking, but in addition provided that:
   1. CSA will not commence any activity in the wholesale cash market without first providing the ACCC with four weeks' notice; and
   2. CSA will not accept NAB as a member for the purposes of acquiring armoured carrier services without providing the ACCC with four weeks' notice.
8. The 2001 undertaking was withdrawn from the date of commencement of the 2005 undertaking.

**WITHDRAWAL**

1. On 21 December 2016 Prosegur Australia Holdings Pty Ltd (**Prosegur**) entered into an agreement in respect of the proposed acquisition.
2. On 10 January 2017 CSA sought the ACCC’s consent to the withdrawal of the Undertaking pursuant to s 87B(2) of the Act due to a material change in circumstances irrespective of the proposed acquisition. In the event the ACCC considered that concerns remained due to the nature and shareholding of CSA, CSA submitted that the proposed acquisition would address those concerns.
3. On 8 February 2017, the Chairman, pursuant to a delegation from the Commission of its powers and functions under s87B(2), consented to the withdrawal of the 2005 undertaking subject to completion of the proposed acquisition and written notification of completion provided to the ACCC by 8 May 2017.
4. The basis on which consent was provided includes the following:
   1. Prosegur proposes to acquire 100% of the shares in CSA;
   2. ANZ, CBA, Westpac and NAB will no longer have any interest in CSA; and
   3. The ACCC’s competition concerns that the undertaking addressed, which had arisen from the vertical integration between CSA and its bank shareholders, and the consequent potential concentration of buyer power in the hands of CSA, were no longer applicable.
5. On 17 February 2017 Prosegur acquired the entire shareholding of CSA from ANZ, CBA, Westpac and NAB. The ACCC received written notification of completion of the proposed acquisition on the same day.