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1 May 2023

Dear Interested Party

Proposed merger between Armaguard and Prosegur – consultation on revised proposed undertaking

On 27 September 2022, the ACCC received an application for authorisation from Linfox Armaguard Pty Ltd (**Armaguard**) and Prosegur Australia Holdings Pty Ltd (**Prosegur**) (together, the **Applicants**) to combine their cash distribution and management, device monitoring and maintenance and ATM businesses in Australia (the **Proposed Merger**).

On 9 March 2023, the Applicants provided their submission in response to the ACCC's Statement of Preliminary Views (**SOPV**), which was released on 21 December 2022. The Applicants' response to the SOPV included a proposed court enforceable undertaking to the ACCC (the **Initial Proposed Undertaking**).

In response to interested parties' submissions on the Initial Proposed Undertaking, on 1 May 2023 the Applicants provided a revised proposed court enforceable undertaking to the ACCC (the **Revised Proposed Undertaking**).

The Revised Proposed Undertaking would place obligations on the merged Armaguard and Prosegur (the **Merged Entity**) for a term of **3 years**.

To view a copy of the Revised Proposed Undertaking by the Applicants and the Applicants' accompanying letter, please refer to the [ACCC's public register](#).

Seeking market feedback

The ACCC is seeking views from interested parties on the Revised Proposed Undertaking and whether it would be effective in addressing the concerns identified by the ACCC in the SOPV. Feedback is sought from interested parties, including on whether the Proposed Undertaking, for its 3-year term:

- provides appropriate price constraints for cash-in-transit (**CIT**) services
- provides appropriate service quality and geographic coverage to existing and new customers
- removes incentive or ability for the Merged Entity to foreclose on or discriminate against independent ATM providers

- provides for access to cash centres by third parties on reasonable commercial terms, conditions and for reasonable prices, and options to utilise ex-Merged Entity premises and staff
- has the potential to distort the market over the 3-year term of the Revised Proposed Undertaking
- allows for effective operation, oversight and enforcement of the Revised Proposed Undertaking.

If you have not previously provided a submission to the ACCC on this matter, please:

- provide a brief description of your business or organisation
- outline the reasons for your interest in the Proposed Merger, including any commercial relationships with Armaguard, Prosegur or any of their subsidiaries. In doing so, please identify any specific service(s) you acquire from or supply to Armaguard and/or Prosegur, if any.

If accepted by the ACCC, the obligations outlined in the Proposed Undertaking would be enforceable pursuant to section 87B of the *Competition and Consumer Act 2010* (Cth).

Making a submission

Due to the statutory timeframe, we request that you provide your submission by no later than **5pm on 8 May 2023**. Submissions received after this date may, but need not, be taken into account by the ACCC.

Submissions should be emailed to Armaguard-Prosegur-Merger@acc.gov.au, with a copy to mergersru@acc.gov.au, with the subject '[your company name]: Armaguard/Prosegur – submission in relation to undertaking'.

Alternatively, if you would like to provide comments orally, please contact Alex Reed on 02 6243 1364 or Lynette Lyubers on 02 9230 9132 to organise a suitable time.

Please note the market consultation process should not be taken as an indication that the ACCC will accept the Revised Proposed Undertaking, or any undertaking in relation to the Proposed Merger. The ACCC has not yet formed a concluded view as to the nature and extent of its concerns or whether they are capable of being addressed by the Revised Proposed Undertaking, or any undertaking.

The public register and requesting confidentiality

Authorisation is a public process. The ACCC must keep a public register of documents relating to the application for merger authorisation, including submissions made in relation to the application by other interested parties. The ACCC's public register can be found at the following link: [Merger authorisations register](#).

All submissions (including yours) will be published subject to confidentiality claims. You may request that your submission, or parts of it, be excluded from the public register for confidentiality reasons. For example, if your submission contains commercially sensitive information or if revealing that you have made a submission could cause you commercial harm. You must make your claim for confidentiality at the time of providing the submission to the ACCC and all claims must be substantiated.

Refer to the ACCC's [Guidelines for excluding information from the public register](#) for any requests for material to be excluded from the public register.

This matter is public and you can forward this letter to anybody who may be interested.

Yours sincerely

A handwritten signature in black ink, appearing to read 'L. Camilleri', is positioned below the text 'Yours sincerely'.

Lyn Camilleri
General Manager
Competition Exemptions