



Response to Regulating Cash Distribution

A Consultation Paper by the Council of Financial Regulators and the Australian Competition and Consumer Commission (July 2025)

WE ARE AUSTRALIA'S AND NEW ZEALAND'S LEADING COVERT BANKING SERVICE

In response to the Consultation Paper, SecureCash offers these answers to all questions asked. We previously submitted responses for AA1000654, AA1000664, AA1000674, and AA1000680 and our replies, views and answers are recorded on the Public Register.

2.1. Is the overarching objective for the proposed regulatory framework – to ensure the cash distribution system operates in the public interest – appropriate? If not, why? **Yes. SecureCash believes it is in the public interest to maintain a cash supply around Australia. Transparency and visibility will also empower the public to make better choices and decisions.**

2.2. Are the four policy principles (access, sustainability, resilience and efficiency) for the proposed regulatory framework appropriate? If not, why? **The four principles are a fair starting point. They may individually benefit from additional terms. For example: Access. Yes the cash distribution services should be made available to business customers, and might even be able to include opening up wholesale distribution to other providers (given qualified application and ability) other than Armaguard so as to maintain cash supply.**

3.1. The proposed framework distinguishes between registration (for general oversight) and designation (that applies more substantial regulatory obligations and powers reflecting the critical cash services being provided). Is this two-tiered approach proportionate to the challenges facing the cash distribution sector? Are there alternative models that should be considered? **If there is also access to parties such as businesses and banks, this could be viewed as a “shopping list” of alternative CIT providers. Ensuring CIT providers have appropriate licensing and insurances, and follow legislative requirements, this should at least provide insight when CIT providers are struggling and should be replaced. We believe having registration at a minimum will assist the community.**

3.2. What baseline obligations should apply to all registered entities to support sector transparency? What additional reporting obligations should designated entities have, particularly in relation to service continuity, crisis preparedness, performance reporting, and/or compliance with industry codes of practice? **Having an online register similar to the Franchising Disclosure Register with regular updating of documentation would assist in transparency to the public. If it might be considered, a liaison person in designated companies or a nominated person such as in licensing might also ensure additional**



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reporting is met. Regular meetings or votes might be additional obligations that also can ensure preparedness. Meeting to discuss future trends seen approaching, consider banking institutions future requirements, or address any foreseeable disruptions in the CIT community would help shore up the industry in general.

3.3. What factors should be considered when determining whether a cash distribution provider should be designated (e.g., criticality of services provided, market share and/or geographic coverage)? Should designation be the responsibility of a regulator or the Minister? What protections should be in place to ensure the designation process is fair? **Perhaps geographic coverage in the first instance might provide access to personnel from companies with more reach in the industry. However, perhaps, again similar to licensing, can designated companies select options. When applying to become designated, apply specifically for the categories you believe your company can support (market share if you believe yourself to be a larger provider in 1 state, geographic coverage if you have services in all states, services provided if you are an ATM supplier and stocker, or CIT provider that processes cash in a cash room/storage facility etc). In any particular category, having exclusive access to a market for services is what leads to these crises.**

Designation should be the responsibility of a regulatory authority and not a single person. This would ensure fairness in the new system. If lists are perhaps published online, with the option of writing to object to a particular applicant based on facts, or knowledge of that particular company, this would bring the process into public view, and again all facts can then be used to determine a parties' designation.

4.1. What key indicators or thresholds should trigger crisis resolution powers, to support the continued operation of cash distribution services critical to the functioning of the cash system? **Maybe looking to alarm points such as larger companies/higher ranking in designated groups etc requesting financial support (bail outs), loss of license or relevant insurances, would give vision as to triggering powers. Appointment of administrators should alert to imminent concerns etc. If there is a public register, lack of current documentation by due dates might give the impression that powers should be enacted, and options sought. There can be a list of alerts that should result in a review of the current practices and possible implementation of alternate options.**



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4.2. Are the proposed powers and interventions appropriate for the cash distribution sector? **These powers and interventions are very overdue. As we were part of 2024's Industry and Social Partners Working Group to redraft the NSW Code of Practice for CIT under SafeWork NSW, we heard astonishing stories from a range of sources that were very concerning to many representatives.**

5.1. Under what circumstances should the regulator intervene on price and non-price terms in cash distribution agreements of designated entities to ensure they are in line with the objectives of enabling adequate access and being industry-led, sustainable and efficient? **Can a system be put in place similar to calling state regulatory bodies such as Fair Trading and Consumer and Business Services? Perhaps a multitude of base complaints can be heard and resolved in phone calls, or offer general advice. Then if escalated guidelines can be in place for Managers to determine if the regulator intervenes. Simplifying services into checklists and determining if these are followed or not, should be enough to fairly raise concerns to a higher authority for consultation and intervention.**

5.2. In the instance that a regulator applies a pricing model, what is the most appropriate approach for setting prices? **A working group or consultative group can be established to assist in determining current market pricing. If fair market value is determined by a group, or even possible surveys that are not make publicly available, the regulator should get a better idea of service providers, services available, and a best pricing range.**

5.3. Should dispute resolution processes for designated entities be regulated by a regulator or a third party? **Can it not be both? A third party to mediate with the regulator as an interested party to discussions.**

6.1. Should a new regulatory framework for the cash distribution sector seek to establish an access regime governing the terms and conditions by which third parties can access critical cash services operated by a designated entity? **The third parties exist and are competitive, so oversight would only benefit everyone. Vision of this market can only benefit banks and businesses.**



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6.2. What rules would support a third-party access regime to critical cash services operated by a designated entity? **Again, similar to the Franchise Disclosure Register, if service providers were all required to upload current documentation, constantly renewing records, businesses could be confident anyone they approached for quotes/pricing is qualified and acceptable.**

6.3. How should disputes under such an access regime be settled? **If mediation is required after communications fail, placing a sunset on times to respond will ensure resolution on time.**

7.1. Do regional business customers require service level standards established through a regulatory framework to ensure they continue to have adequate access to cash on reasonable terms? **Regional customers require the same levels as metro ones. As we suggested in our ACCC Draft Determination submissions, funding Australia Post and outfitting their trucks and transports, using their existing locations and paying for mileage without exorbitant pricing structures will fund regional centres.**

7.2. What standards are required for cash distribution services, including service frequency? How should this be considered by the Minister? **A regular (weekly or monthly) delivery of cash is already possible. We service some clients via delivery to secure trucks or planes to transport the cash to some remote areas. Ensuring cheaper options through current networks by offering the deliveries to qualified companies will also increase local employment.**

7.3. What criteria should the Minister use to determine where service level standards should apply? **All of Australia should have the same standards applied.**

8.1. What principles should guide the design of penalty and enforcement powers to ensure they are proportionate, transparent and effective in achieving compliance? **Regular reporting, updating of documentation in a public register might result in issuing a label or logo from the regulator. This can be displayed on the security company website, and removed if not compliant. Similar to industry membership, this could be used to signal compliance to the public. If it affects sales for the company, they will be more willing to comply.**



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8.2. In what circumstances should the regulator be empowered to issue an infringement notice or take court action? In what circumstances would penalties not be appropriate? **If there is a call centre ype arrangement for basic queries, eliminating a majority of minor complaints using forms, perhaps escalation to a committee or board where a vote is required would establish as a group if a fine or court action is warranted. Any exceptional circumstances can be raised there and taken into account if the majority approve.**

