



Financial Supervisory Authority
Snellmaninkatu 6
P.O. Box 6
103,001
Helsinki
1 November 2017

The ATM Industry Association

Dear Finanssivalvonta,

I am writing in my role as Executive Director Europe of the ATM Industry Association (ATMIA).

The ATMIA is the Trade Association for the ATM Industry, with around 700 corporate members worldwide. Our members include banks, Independent ATM Deployer's (IAD's), equipment manufacturers, cash management organisations, security contractors, software developers and so on.

At the ATMIA, we are concerned to ensure that there are enough ATMs in every market to ensure that the public and businesses have convenient access to deposit and withdrawal facilities for cash. This is becoming increasingly important as bank branches decline in number.

In Finland, there are now fewer bank branches than ever before. In addition, the number of ATMs operated in the bank-owned Otto network has also reduced, and is expected to further decline. Such circumstances have combined to put convenient access to cash at risk. In many countries, this would be considered a national risk as in case of nationwide electrical disturbances or equivalent, cash may be the only available currency.

Fortunately, IADs have come to the rescue in Finland. Such operators have moved quickly to install ATMs, filling the gaps left by the banks and Otto. This is safeguarding the interests of both the Finnish public and businesses in relation to access to cash.

Now, however, there is a threat hanging over IAD expansion in Finland. Banks who are members of the Otto network are looking to impose significant "Disloyalty Fees" on their customers who use non-Otto ATMs.

Imposing financial penalties on customers who choose to use non-Otto ATMs is clearly against the Public Interest, to the disadvantage of businesses and undermines financial inclusion. It is clearly also against the spirit of European Union principles, which advocate against national monopolies to allow for freedom of movement to e.g. financial services. Disloyalty fees would work as an anti-competitive measure and deter use of non-Otto ATMs, often where there is no Otto ATM to use. Equally, the loss of cash withdrawal transactions likely to be suffered by IAD's will render many of their ATMs uneconomic and force the removal of ATMs which are no longer viable. Convenient access to cash could well be severely curtailed.

In other markets, even when networks similar to Otto exist, there are no Disloyalty Fees. In the UK, for example, the UK public and businesses are free to use any LINK ATM, without any penalty. This has led to a substantial increase in the number of ATMs in the UK, including 5000 new installations in the last three years. No such benefit has accrued in Finland from the existence of the Otto network and any exemptions the network may have been given to anti-cartel regulations.



On behalf of the ATMIA and in the interests of the Finnish public – and especially those who are financially excluded - I request that ATM Disloyalty Fees are banned, ensuring that all ATMs can be used by any bank customer in Finland, without financial penalty. Competition is good for the country, economy and to the businesses.

I look forward to hearing from you.

Yours faithfully,

A handwritten signature in black ink that reads "R. J. Delnevo".

Ron Delnevo
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