

THIS SUBMISSION WAS RECEIVED FROM ING DIRECT VIA EMAIL.

Dear all,

Please find below the submission of ING Direct.

Question 1:

No comment

Question 2:

We see also the customer trend toward easiness and lower willingness to pay. Consumers demand a lower threshold towards payments, while expecting the same level of safety of the system. One should think about the introduction of contactless, for which many people upfront thought it wouldn't be picked up by consumers since a PIN was not necessary. It turned out to be a huge success. We expect the same will happen for online payments (via mobile or internet, both remote and POS), to be honest, just like every bank thinks of it, giving the fact that every bank has the goal to make payments easier. At the same time consumers have a low willingness to pay; they just expect 100% availability free at cost. They compare banks with the major tech companies, which also offer free services. Given the fact that the same consumers are also the employees of SME businesses, corporate companies and Government (NB: the politicians are the same consumers), we are convinced that this expectations will also apply for our business customers: easy at low cost. The larger businesses understand technology very well; they cannot understand why banking is so expensive. Blockchain technology (with Bitcoin as the most important factor) is promising exactly those two things: easiness at low cost (no, it's not free), but in a unregulated space. We have to come up with solutions in the regulated Payments environment, which are at very low cost and easy to use. We think it is an industry responsibility. It is impossible to life up the perceived promise as a standalone bank.

Question 3/4:

No comment

Question 5:

We see fraud as a non-competitive element in the payment industry. We argue that when one of the banks get seriously fraud issues, it will be an industry problem, and not so much a bank-only problem. Therefore, we encourage sharing best practices with each other to prevent fraud all together.

Another aspect we would like to stress is the need for cooperation within the industry to rationalise the number of clearing schemes. This will help us all to lower the costs of the payment system. We're now in the trap of offering it, because none of us wants to be the first in stopping a service. In our view ATM is the best example. The Australian people are stepping away from cash, but the number of ATM's are still high, because any bank wants to keep them preventing their own customers paying fees for another ATM. But in reality, the Australian people in general pay a lot of fees despite of the bank individual goal of lowering fees for their customer.

Question 6:

No comment

Kind regard,

Sven Schenkel

On behalf of ING