



RESERVE BANK OF AUSTRALIA

65 Martin Place  
Sydney NSW 2000

GPO Box 3947  
Sydney NSW 2001

*Anthony Dickman*  
Secretary

*Telephone (02) 9551 9700*  
*Facsimile (02) 9551 8041*  
*Email: secretary@rba.gov.au*

29 August 2011

Mr Stephen Boyd  
Secretary  
House of Representatives Standing Committee on Economics  
Parliament House  
CANBERRA ACT 2000

Dear Stephen

**House of Representatives Standing Committee on Economics Hearing – 26 August 2011**

After having reviewed the Proof Committee Hansard of the hearing of the Committee held on Friday, 26 August 2011, the Bank offers the following clarifications:

- Page 13 of the Proof Hansard (PDF): The NPA Board terminated the contracts of the agents in Nepal and Malaysia in May 2007, and adopted the business practice of no longer using agents in June 2007.
- Page 15 of the Proof Hansard: The specifics of the information given to KPMG are as follows: They were given access to all documents of Securrency, including the two audit reports undertaken by the RBA's internal audit department. They were also briefed that the recommendation of the NPA audit was that the company should cease to use agents and were given access to the team that undertook that audit (which was also the team that undertook the Securrency audits). KPMG were told of the Freehills report and briefed on its conclusions but, as this was not a document of Securrency, they were not given a copy of it.
- Page 16 of the Proof Hansard: In answering Mr Bandt's question about common members of the NPA, Securrency and RBA boards, Mr Battellino understood Mr Bandt to be referring to people who were on the NPA or Securrency boards in 2007. If the question was of a more general nature, it should be noted that Mr Akehurst, who is a member of the RBA Board, joined the Securrency Board in July 2008.

- Page 17 of the Proof Hansard: Messrs Stevens and Battellino said that they thought there was only one common agent to NPA and Securrency, namely the agent in Malaysia. In addition to this agent, the companies in 2007 shared an agent in Chile.
- Page 17 of the Proof Hansard: Mr Stevens is recorded as saying that 'the agents finished in 2007 in Securrency, but, in the other case, not until more information became available'. As the context would make clear, this should read: 'the agents finished in 2007 in NPA, but, in the other case, not until more information became available'.

Yours sincerely

A handwritten signature in cursive script, appearing to read "A. Dickman", with a horizontal line underneath the name.