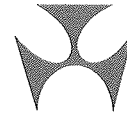


RESERVE BANK OF AUSTRALIA



65 MARTIN PLACE
SYDNEY NSW 2000
PHONE: (61 2) 9551 9507
FAX: (61 2) 9551 8030
EMAIL: governor@rba.gov.au

G.R. Stevens
GOVERNOR

20 March 2012

The Hon. Wayne Swan, MP
Deputy Prime Minister and Treasurer
Parliament House
CANBERRA ACT 2600

Dear Deputy Prime Minister,

REPORT ON OTC DERIVATIVES REFORM CONSIDERATIONS

As you will be aware, the Council of Financial Regulators has been considering proposals to implement the Government's G20 commitment regarding reforms to over-the-counter (OTC) derivatives practices.

The Council has prepared a report on these matters for your review, which I have enclosed. The report discusses a range of considerations that the Council agencies have weighed, and outlines a set of proposals that the Government might look to adopt in implementing reforms in this area.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'G.R. Stevens', written in a cursive style.

Encl.