

The Honourable Peter R. Graham Q.C.

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Panel Members,
Financial System Inquiry,
G.P.O. Box 89,
Sydney N.S.W. 2001

Dear Panel Members,

Issues

May I invite the Panel to address the following questions in the course of the Inquiry:

1. Are Australia's banks equipped to handle their financial transactions and meet their financial obligations if there is a catastrophic failure of the Internet or it is so corrupted that reliable information cannot be obtained from it and/or the banks' customers are unable to effect transfers of funds employing it?
2. Why are Australia's banks moving from signature identification of cardholders to mandatory PIN identification? Is it to pass responsibility for fraud perpetrated on the banks by third parties from the banks to their customers or, at least, the proof of such fraud, thereby minimising the banks' liability for the losses that are sustained?

Yours sincerely,



Peter R. Graham