

Reprint
as at 1 April 2015



Deposit Takers (Funding Conduits) Exemption Amendment Notice 2010

(SR 2010/200)

Deposit Takers (Funding Conduits) Exemption Amendment Notice 2010: expired, on 1 April 2015, pursuant to clause 3 of the Deposit Takers (Funding Conduits) Exemption Notice 2010 (SR 2010/53).

Pursuant to the section 157G of the Reserve Bank of New Zealand Act 1989, the Reserve Bank of New Zealand gives the following notice (to which is appended a statement of reasons of the Bank).

Contents

		Page
1	Title	1
2	Commencement	2
3	Principal notice amended	2
4	Expiry	2
5	New clause 11 inserted	2
	11 Further temporary exemption from requirement to have current credit rating	2
6	Schedule amended	2

Notice

1 Title

This notice is the Deposit Takers (Funding Conduits) Exemption Amendment Notice 2010.

Note

Changes authorised by subpart 2 of Part 2 of the Legislation Act 2012 have been made in this official reprint. Note 4 at the end of this reprint provides a list of the amendments incorporated.

This notice is administered by the Reserve Bank of New Zealand.

2 Commencement

This notice comes into force on the day after the date of its notification in the *Gazette*.

3 Principal notice amended

This notice amends the Deposit Takers (Funding Conduits) Exemption Notice 2010.

4 Expiry

Clause 3 is amended by inserting “or clause 11(2)” after “clause 10(2)”.

5 New clause 11 inserted

The following clause is inserted after clause 10:

11 Further temporary exemption from requirement to have current credit rating

- (1) GPG Finance plc is exempted from section 157I of the Act.
- (2) This clause expires on the close of 31 December 2010.

6 Schedule amended

The Schedule is amended by inserting the following item in its appropriate alphabetical order:

GPG Finance plc, a company incorporated in England and Wales	Guinness Peat Group plc, a company incorporated in England and Wales
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Dated at Wellington this 13th day of July 2010.

Grant Spencer,
Deputy Governor.

Statement of reasons

This notice, which comes into force on the day after the date of its notification in the *Gazette*, amends the Deposit Takers (Funding Conduits) Exemption Notice 2010 (the **principal notice**). The amendments add GPG Finance plc to the list of deposit takers (known as **specified funding conduits**) in the Schedule of the principal notice. This has the effect of exempting GPG Finance plc from sections 157I and 157M of the Reserve Bank of New Zealand Act 1989 (the **Act**). The exemptions are subject to conditions, although *new clause 11* (as inserted by *clause 4* of this notice) temporarily exempts GPG Finance plc from section 157I of the Act unconditionally. *New clause 11* expires on 31 December 2010.

The Reserve Bank of New Zealand, after taking into account the principles set out in section 157F of the Act and satisfying itself as to the matters set out in section 157G(2), considers it appropriate to grant the exemptions because—

- requiring a specified funding conduit to incur the additional costs of complying with the requirements to have a current credit rating and a risk management programme in isolation from the specified funding conduit's group is unduly onerous in circumstances where—
 - the specified funding conduit's parent unconditionally guarantees debt securities issued by the specified funding conduit:
 - the specified funding conduit uses the funding it receives from depositors solely or substantially to fund its parent or members of its group:
 - the specified funding conduit's risk profile is indistinguishable from that of its parent, and its parent is not a deposit taker:
- the exemptions are not broader than reasonably necessary to address the matters that gave rise to the need for them and are consistent with the maintenance of a sound and efficient financial system because GPG Finance plc will have to satisfy all the conditions of the principal notice.

Issued under the authority of the Legislation Act 2012.
Date of notification in *Gazette*: 22 July 2010.

Reprints notes

1 *General*

This is a reprint of the Deposit Takers (Funding Conduits) Exemption Amendment Notice 2010 that incorporates all the amendments to that notice as at the date of the last amendment to it.

2 *Legal status*

Reprints are presumed to correctly state, as at the date of the reprint, the law enacted by the principal enactment and by any amendments to that enactment. Section 18 of the Legislation Act 2012 provides that this reprint, published in electronic form, has the status of an official version under section 17 of that Act. A printed version of the reprint produced directly from this official electronic version also has official status.

3 *Editorial and format changes*

Editorial and format changes to reprints are made using the powers under sections 24 to 26 of the Legislation Act 2012. See also <http://www.pco.parliament.govt.nz/editorial-conventions/>.

4 *Amendments incorporated in this reprint*

Deposit Takers (Funding Conduits) Exemption Notice 2010 (SR 2010/53): clause 3