

Reprint
as at 1 April 2015



Deposit Takers (Funding Conduits) Exemption Amendment Notice 2012

(SR 2012/82)

Deposit Takers (Funding Conduits) Exemption Amendment Notice 2012: expired, on 1 April 2015, pursuant to clause 3 of the Deposit Takers (Funding Conduits) Exemption Notice 2010 (SR 2010/53).

Pursuant to 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	2
4	New clauses 12 and 13 inserted	2
	12 Certain conditions of exemptions in clauses 5 to 6C do not apply to GPG Finance plc	2
	13 Further condition of exemptions in clauses 5 to 6C for GPG Finance plc	2
5	Schedule amended	2
6	Revocations taking effect on 30 November 2012	2

Notice

1 Title

This notice is the Deposit Takers (Funding Conduits) Exemption Amendment Notice 2012.

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

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

4 New clauses 12 and 13 inserted

Before the Schedule, insert:

12 Certain conditions of exemptions in clauses 5 to 6C do not apply to GPG Finance plc

The conditions in clauses 7(d) and 8 do not apply to GPG Finance plc.

13 Further condition of exemptions in clauses 5 to 6C for GPG Finance plc

The exemptions in clauses 5 to 6C for GPG Finance plc are subject to the further condition that GPG Finance plc must not allot any debt security after the date that the Deposit Takers (Funding Conduits) Exemption Amendment Notice 2012 comes into force.

5 Schedule amended

In the Schedule, insert 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
---	---

6 Revocations taking effect on 30 November 2012

- (1) Revoke clauses 12 and 13 on the close of 30 November 2012.
- (2) In the Schedule, revoke the item relating to GPG Finance plc on the close of 30 November 2012.

Dated at Wellington this 8th day of May 2012.

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 certain sections of the Reserve Bank of New Zealand Act 1989 (the **Act**), including section 157I, which requires deposit takers to have a current credit rating. The exemptions are subject to conditions, including the condition in *new clause 13* (inserted by *clause 4* of this notice) that GPG Finance plc must not allot any debt security after the date that this notice comes into force.

New clauses 12 and 13 (which apply only to the exemptions for GPG Finance plc) and the item in the Schedule of the principal notice that makes GPG Finance plc a specified conduit for the purposes of the principal notice are revoked on the close of 30 November 2012. This means that, from that date, GPG Finance plc will lose the benefit of all the exemptions provided by the principal notice.

GPG Finance plc was specified in the list of deposit takers in the Schedule of the principal notice and also had a temporary unconditional exemption from section 157I until 31 March 2012. On that date, the provisions of the notice relating to GPG Finance plc were revoked by the operation of clause 7 of the Deposit Takers (Funding Conduits) Exemption Amendment Notice (No 3) 2011. The overall effect of the amendments made by the current notice is therefore to reinstate for a further period, ending on 30 November 2012, the exemptions that GPG Finance plc had up until 31 March 2012, but subject to the additional condition precluding GPG Finance plc from allotting any further debt securities.

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

- the reasons supporting the original grant of the exemptions to funding conduits continue to apply to GPG Finance plc:
- GPG Finance plc and its specified parent are in the process of taking the steps necessary to ensure that GPG Finance plc falls outside the non-bank deposit takers regime in Part 5D of the Act. The exemptions will enable GPG Finance plc to finalise that process by cancelling its remaining outstanding debt securities or restructuring its business without having to comply with requirements that the Bank is satisfied would be unduly onerous in the circumstances (for example, the compliance costs that would be involved in requiring GPG Finance plc to obtain a credit rating in the intervening period and which would serve no useful purpose). At the same time, because the exemptions are granted for a limited time and are subject to the condition that GPG Finance plc must not allot any further debt securities, the exemptions are not broader than reasonably necessary to meet the circumstances giving rise to the exemptions.

Reprints notes

1 *General*

This is a reprint of the Deposit Takers (Funding Conduits) Exemption Amendment Notice 2012 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