

Reprint  
as at 1 April 2015



**Deposit Takers (Funding Conduits) Exemption  
Amendment Notice 2011**  
(SR 2011/83)

Deposit Takers (Funding Conduits) Exemption Amendment Notice 2011: 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).

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**Notice**

**1 Title**

This notice is the Deposit Takers (Funding Conduits) Exemption Amendment Notice 2011.

**2 Commencement**

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

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**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.**

### 3 Principal notice amended

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

### 4 Interpretation

Clause 4(1) is amended by revoking the definition of **credit rating** and substituting the following definition:

**credit rating** means a rating of creditworthiness—

- (a) that,—
  - (i) in the case of a specified parent incorporated in New Zealand, is a local currency (New Zealand dollar), long-term, issuer rating; and
  - (ii) in the case of any other specified parent, is a long-term issuer rating; and
- (b) that is given by an approved rating agency

### 5 Further temporary exemption from requirement to have current credit rating

Clause 11(2) is amended by omitting “31 March 2011” and substituting “30 June 2011”.

Dated at Wellington this 28th day of March 2011.

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 principal notice exempts specified funding conduits 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. A condition of the exemption from section 157I is that the specified parent of a specified funding conduit must have a credit rating that is a local currency (New Zealand dollar), long-term, issuer rating.

The amendments made by this notice—

- have the effect of removing the requirement for the specified parent’s credit rating to be a New Zealand dollar rating if the specified parent is not incorporated in New Zealand; and

- extend, until 30 June 2011, the temporary unconditional exemption from section 157I of the Act granted to GPG Finance plc.

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 amend the exemptions because—

- specified parents that are not incorporated in New Zealand (such as the specified parents of GPG Finance plc and Works Finance (NZ) Limited) cannot obtain a credit rating that is a New Zealand dollar rating and are therefore unable to satisfy the condition in clause 8(a) of the principal notice (as in force before its amendment by this notice):
- the amended definition of credit rating requires a specified parent incorporated outside New Zealand to have a long-term issuer rating given by an approved rating agency:
- extending GPG Finance plc's temporary unconditional exemption from section 157I will allow GPG Finance plc's specified parent sufficient time to obtain the required credit rating.

These reasons are supplementary to the reasons supporting the original grant of an exemption to funding conduits.

## Reprints notes

### **1** *General*

This is a reprint of the Deposit Takers (Funding Conduits) Exemption Amendment Notice 2011 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