

Financial Market Infrastructures Act 2021

Section 39(3) Notice of Approval of Rule Change

NZCDC settlement system (NZCDC)

The Financial Markets Authority and the Reserve Bank of New Zealand (together **the regulator**), under section 39(3) of the Financial Market Infrastructures Act 2021 (**Act**) approves the rule change to the NZCDC settlement system rules, pursuant to the application by New Zealand Clearing Limited under section 39(1) of the Act dated 10 October 2024.

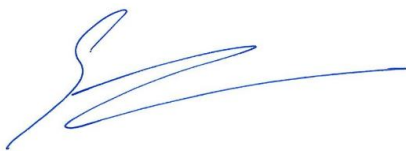
The rule change is set out in the New Zealand Clearing Limited Clearing and Settlement Rules, forming part of the NZCDC settlement system rules pursuant to paragraph 7(a) of the Financial Market Infrastructures Act Designation Notice (NZCDC) 2024, and is described as follows:

Rule 3.2.5 regarding position reporting that allows for the Clearing House Operator to establish regular or periodic reporting on position and transactions arising from derivative contracts.

Rule 3.13.2 regarding valuation and haircuts that enables the Clearing House Operator to publish on its website, rather than in procedures, information on eligible collateral, valuation and the haircuts applied.

Rule 7.8.1 regarding set off that stipulates the circumstances when set off can be applied between the clearing house and the Participant.

The rule change takes effect from 09:00 on 17 January 2025.



28 November 2024
Scott McKinnon
Director of Prudential Supervision
Reserve Bank of New Zealand



28 November 2024
John Horner
Director Markets, Investors & Reporting
Financial Markets Authority