

## Financial Market Infrastructures Act Designation Notice (NZClear) 2023

### **Title**

1. This is the Financial Market Infrastructures Act Designation Notice (NZClear) 2023.

### **Effective Date**

2. This notice comes into effect on 1 March 2024.

### **Authority**

3. This notice is issued under clause 4 of Schedule 1 of the Financial Market Infrastructures Act 2021 (the “Act”) by the Reserve Bank of New Zealand and the Financial Markets Authority, and has legal effect.

### **Interpretation**

4. In this notice:
  - (a) references to “FMI” are references to the NZClear settlement system;
  - (b) “NZClear settlement system” means the settlement system owned by, and operated and managed by or on behalf of, the Reserve Bank of New Zealand, and includes:
    - (i) the central securities depository that forms part of the settlement system; and
    - (ii) the performance of the custodian trustee role by New Zealand Central Securities Depository Limited; and
    - (iii) a system for the transfer of legal title to securities, including by electronic means;
  - (c) any term that is defined in the Act and used, but not defined, in this notice has the meaning as in the Act.

### **Designation**

5. The NZClear settlement system is declared to be a designated FMI.

### **Operator**

6. The Reserve Bank of New Zealand is the operator of the FMI.

### **Documents that set out the rules**

7. The document that sets out the FMI’s rules are the NZClear System Rules.

**Specified operator**

8. The Reserve Bank of New Zealand:

(a) is the specified operator of the FMI; and

(b) is an operator to which section 103A of the Personal Property Securities Act 1999 applies.

**Systemic importance**

9. The FMI is systemically important.

**Operator/s are participants in the FMI**

10. The Reserve Bank of New Zealand is a participant in the FMI.

**Application of subpart 5**

11. Subpart 5 of Part 3 of the Act applies to the FMI.


**Class or classes**

12. For the purposes of any standards issued under section 31 of the Act, the FMI falls within the following class or classes:

(a) central securities depository; and

(b) securities settlement system.

Dated this 13<sup>th</sup> day of November 2023



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