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 (**NZC**) under section 39(1) of the Act dated 22 August 2025.

The rule changes are set out in the New Zealand Clearing Limited Clearing and Settlement (**C&S**) 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 are described as follows:

Rule 2.17.1 outlines that each clearing participant must establish and maintain business continuity plans (**BCPs**) and disaster recovery arrangements

Rule 2.17.2 sets a new requirement for participants to identify and consider the impacts of major threats when developing BCPs and disaster recovery arrangements.

Rule 2.17.3(a) sets a new requirement for participants' BCPs to define the roles and responsibilities of the Participant's board and senior management.

Rules 2.17.3(b)-(g) outlines the minimum content to be addressed by a participant's BCP.

Rule 2.17.4 sets a requirement for emergency contact details for the clearing participant and notification of any change of these.

Rule 2.17.5 sets a new requirement for participants to review BCPs on an annual basis, or if there has been a material change in the participant's business location, structure, or operations.

Rule 2.17.6 outlines that a participant must notify NZC as soon as reasonably practicable of any event that affects its operations as they relate to its role as a participant and causes the participant's BCP or disaster recovery arrangements to be activated.

Rule 2.18.1 gives NZC power to request information from the Participant to enable NZC to determine whether reconnecting the Participant to the relevant system will compromise the integrity of the settlement system.

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

15 October 2025
Scott McKinnon
Director of Specialist Supervision
Reserve Bank of New Zealand

15 October 2025
John Horner
Director Markets, Investors & Reporting
Financial Markets Authority