

Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 Amendment Order 2021

THE RT HON DAME PATSY REDDY, GNZM, QSO, Governor-General

Order in Council

At Wellington this 22nd day of February 2021

Present:

Her Excellency the Governor-General in Council

Pursuant to section 81 of the Reserve Bank of New Zealand Act 1989, Her Excellency the Governor-General, acting on the advice and with the consent of the Executive Council and on the advice of the Minister of Finance given in accordance with a recommendation of the Reserve Bank of New Zealand, makes the following Order.

Order

1. Title

This order is the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014 Amendment Order 2021.

2. Commencement

This order comes into force on **31 March 2021**.

3. Principal Order Amended

This order amends the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014.

4. Clause 14 of Schedule 2 Amended

(1) Replace subclause 14(4) of Schedule 2 with:

“(4) A description of the nature and extent of each case where the registered bank has not complied in a material respect with a condition of registration, if any such cases have arisen during the full year accounting period in terms of subclause (5).”

(2) After subclause 14(4) of Schedule 2 insert:

“(5) For the purpose of subclause (4), the registered bank will be treated as not complying in a material respect with a condition of registration during the full year accounting period if,—

(a) on one or more days during the full year accounting period the registered bank was not compliant with the condition of registration; and

(b) on or before the signing date,—

(i) in the case where the registered bank first became aware of the breach on or after 1 January 2021, the Reserve Bank has published information about the breach on the Reserve Bank website; or

(ii) in the case where the registered bank first became aware of the breach on or before 31 December 2020, the Reserve Bank has notified the registered bank that it considers the breach to be material.”

5. Clause 19 of Schedule 2 Amended

(1) Replace subclause 19(1)(b) of Schedule 2 with:

“(b) over the full year accounting period, the registered bank has complied in all material respects with each condition of registration that applied during that period, in terms of subclause (5);”

(2) After subclause 19(4) of Schedule 2 insert:

“(5) For the purpose of subclause (1)(b), the registered bank has complied in all material respects with each of its conditions of registration that applied during the period if the Reserve Bank has not published any information about a breach on its website under subclause 14(5)(b)(i), and has not notified the bank of any material breach under subclause 14(5)(b)(ii).”

6. Clause 11 of Schedule 3 Amended

(1) Replace subclause 11(2) of Schedule 3 with:

“(2) A description of the nature and extent of each case where the registered bank has not complied in a material respect with a condition of registration, if any such cases have arisen during the half year accounting period in terms of subclause (3).”

(2) After subclause 11(2) of Schedule 3 insert:

“(3) For the purpose of subclause (2), the registered bank will be treated as not complying in a material respect with a condition of registration during the half year accounting period if,—

(a) on one or more days during the half year accounting period the registered bank was not compliant with the condition of registration; and

(b) on or before the signing date,—

(i) in the case where the registered bank first became aware of the breach on or after 1 January 2021, the Reserve Bank has published information about the breach on the Reserve Bank website; or

(ii) in the case where the registered bank first became aware of the breach on or before 31 December 2020, the Reserve Bank has notified the registered bank that it considers the breach to be material.”

7. Clause 14 of Schedule 3 Amended

(1) Replace subclause 14(1)(b) of Schedule 3 with:

“(b) over the half year accounting period, the registered bank has complied in all material respects with each condition of registration that applied during that period, in terms of subclause (4);”

(2) After subclause 14(3) of Schedule 3 insert:

“(4) For the purpose of subclause (1)(b), the registered bank has complied in all material respects with each of its conditions of registration that applied during the period if the Reserve Bank has not published any information about a breach on its website under subclause 11(3)(b)(i), and has not notified the bank of any material breach under subclause 11(3)(b)(ii).”

MICHAEL WEBSTER, Clerk of the Executive Council.

Explanatory Note

This note is not part of the order, but is intended to indicate its general effect.

This order comes into force on 31 March 2021. It amends the Registered Bank Disclosure Statements (Overseas Incorporated Registered Banks) Order 2014, published in a Supplement to the [New Zealand Gazette, 21 February 2014, No. 21, page 542](#). The purpose of this order is to update disclosure requirements for branches of overseas-incorporated registered banks. It adds a materiality threshold to the required disclosure of any breaches of the bank’s conditions of registration, and makes a corresponding change to the attestation as to whether the bank has met all of its conditions over the period.

This order is administered by the Reserve Bank of New Zealand.