



FINANCIAL SERVICES FEDERATION

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Introduction

The Financial Services Federation (“FSF”) is grateful to Te Pūtea Matua, The Reserve Bank of New Zealand (“RBNZ”), for the opportunity to respond to the exposure draft of the Deposit Takers Bill (“The Bill”) on behalf of members.

By way of background, the FSF is the industry body representing the responsible and ethical finance, leasing, and credit-related insurance providers of New Zealand. We have over 85 members and affiliates providing these products to more than 1.7 million New Zealand consumers and businesses. Our affiliate members include internationally recognised legal and consulting partners. A list of our members is attached as Appendix A. Data relating to the extent to which FSF members (excluding Affiliate members) contribute to New Zealand consumers, society, and business is attached as Appendix B.

As to the relevance of this Bill, the FSF’s membership includes several Non-Bank Deposit Takers, therefore warranting this submission on their behalf. The FSF represents 8 of the 18 existing NBDTs or roughly 50% of the market. The FSF understands that a submission on behalf of 5 of the Credit Unions and Building Societies (CUBS) as a group separate to that of the FSF’s NBDT members is also being made on the Bill.

The FSF would like to start by congratulating the RBNZ officials responsible for constructing the Exposure Draft, and for their engagement during the consultation period.

However, the Bill has arisen from decisions that have been taken by Cabinet last year, and for something with such magnitude and importance to those institutions within its scope, the FSF feels that a period of consultation longer than 2 months would have been more appropriate and proportionate to the Bill’s gravity.

Executive Summary

Below is a brief Executive Summary of our comments on each relevant section of the Bill. Our detailed comments follow this Summary. Our key thoughts include:

Objectives and principles of the RBNZ in respect of deposit-takers:

- The FSF queries the definition of wellbeing in the context of the Bill, and whether this requirement is too onerous for smaller entities such as NBDTS.
- The exclusion of 'efficiency' as a principle for the Bill creates a risk that RBNZ will under weigh the risks of compliance cost and innovation.
- Proportionality will require consideration of the efficiency of the regime and accompanying regulation to avoid any undue compliance requirements as registered banks

Unified deposit taker regulatory framework

- FSF members have been supportive of the regime, however, remain concerned about the lack of specificity the Bill comes with.
- In terms of licensing, as the Bill is very light on details of the licensing regime, it will be very important to consider the licensing requirements with proportionality in mind as they apply to several varying factors.

Regulation of deposit takers

- The proposed requirement for all deposit-takers to now have a credit rating is unduly onerous and burdensome, and a significant cost for a small entity. Entities at this small scale can expect their rating to be at the level of a "D" regardless of their actual positions, as rating agencies take a "one size fits all approach"
- To consider proportionality, the credit rating exemption currently in place for smaller entities should remain in place.

Standards

- As the Bill is light on details, and we wait for these to be finalised, the FSF urges for strong levels of consultation on these details prior to their finalisation. Information will take time to gather in order for a representative understanding of the sector.

Supervision and enforcement

- The Bill is likely to cause a far more hands-on approach from the RBNZ. This increase in active supervision and enforcement must be appropriately held to account, and the FSF lists mechanisms by which this could be done.

Offences and penalties

- The offences and penalties that are proposed in this Bill are significant, and if applied uniformly, would have a far more deleterious effect on NBDTs than they would if imposed on a registered bank.
- Disproportionality should be addressed, and a sliding scale of the pecuniary penalty based on the size of the entity should be introduced.

Director accountability

- There has already been an increase in director and senior manager liability that have been introduced under the CCCFA reforms; this Bill creates even more enormous personal liability on directors of deposit takers.
- These proposed penalties deter future appointments and may put NBDTs out of business entirely.
- The definition of who is deemed to be a director or a senior manager is praised, and the FSF asks that this definition be repeated across other applicable legislation where this hasn't been the case, such as the FMCA.

Depositor Compensation Scheme

- The FSF is supportive of the Scheme, however, requests that sufficient time be given to NBDTs to ensure implementation is done in a reasonable manner. The system changes associated with the scheme will have large costs associated with it, and it is imperative that these costs are considered thoroughly and are efficient.
- The FSF does not support the concept of risk-based levies, but rather levies that are proportionate to the entity's size and impact. The FSF would like to see a proportionate approach, as the FMA has done with their levy schemes, replicated in this Scheme.
- The current definition of a protected deposit does not include debentures. All FSF's NBDT members wish their products to be included in the Scheme for the protection of their consumers. The FSF seeks clarity on this point.
- The Bill leaves much to be determined by the regulation for the regime, and there will need to be thorough consultation on this also. The FSF has points to raise in future engagement and consultation prior to the finalisation of the scheme.

Trustee relationship

- The Bill currently removes the trustee relationships that have been built up with deposit-taking entities. The key concern surrounding this is to ensure that the RBNZ does not lead to imposing levies for its supervision of the NBDT sector.
- The RBNZ will need to increase engagement with NBDTs to compensate for the removal of trustees and their comprehensive understanding of the operations of NBDTs.

Financial Crisis Management Regime

- The FSF agrees with the intent of the proposed regime but has concerns regarding the resolution arrangements.

Resolution arrangements

- Resolution plans for each deposit taker seem sensible and more proportionate, however, the FSF suggests that careful consideration should be given to whether such arrangements are even necessary for smaller entities.
- Resolution plans have proven very difficult for implementation in other countries and impose significant costs.
- There will also need to be further checks and balances on the RBNZ's powers in this area.

Information on the NBDT sector

NBDTs, because of their small size, are involved in a unique and personalised part of the finance sector. NBDTs are much closer to their customers than larger financial institutions can possibly be. They are part of their local communities with loyal customer bases who they have been serving for many years. On this basis, they can ensure that they are delivering the best possible customer focussed results for their customers. That is why their customers continue to return to their services, as opposed to dealing with a registered bank.

The NBDTs that are either Credit Unions or Building Societies provide access to transactional banking and other services to people in their communities while registered banks are increasingly withdrawing their local branches and access to in-person services. Access to such services is particularly important for those people in the community who are in more vulnerable circumstances and who are often not catered for by registered banks.

The CUBS NBDTs often provide access to these transactional account facilities to people whom the banks refuse to serve such as those who have been recently released from correctional and rehabilitative institutions and those who are homeless or otherwise living in poverty. Provision of services to these people allows them to have access to transactional accounts in which to receive the benefits to which they are entitled to maintain or resolve financial stability. These are people who would otherwise be further excluded from society. Simply put, NBDTs are essential for promoting financial inclusion.

Despite their extreme importance to New Zealand society, NBDTs are very small in size relative to the registered banks. Their assets range from around \$20 million to just over \$1 billion compared to the registered banks with assets in the hundreds of billions.

It is for these reasons that the FSF submits that it is vital that the nature and character of NBDTs are preserved as it is today and for their future sustainability. However, the FSF has major concerns regarding the proportionality, or currently the lack of, in the Bill. Resultantly, the FSF urges the RBNZ to ensure that when considering the impacts of provisions in the Bill on both registered banks and NBDTs, the impacts on NBDTs are proportionate to the size of these entities and to ensure that the provisions do not affect them to such an extent that they would be rendered incapable of continuing to provide their services to their communities and customers.

The FSF NBDT members see themselves as having a large onus of social responsibility and social significance to the communities in which they operate, and a less than proportionate approach to the entire deposit-taking sector would result in a huge loss of diversification and inclusion to the financial sector.

The FSF understands from our consultation with RBNZ officials that the regulations that will be drafted to accompany the Bill once passed, will contain much of the detail as to how proportionality will be applied to smaller entities such as the NBDTs. The FSF takes some comfort from this but urges there to be more emphasis in the Bill of the need for such proportionality and how it should be applied.

Objectives and principles of the RBNZ in respect of deposit takers

The FSF notes that the main purpose of the Bill is to promote “well-being”. Whilst the FSF recognises that improving the well-being of all New Zealand is a core policy of the current Government, the FSF queries the definition of “well-being” in the context of this Bill, and whether therefore how much the onus for improving New Zealander’s well-being should be imposed on deposit takers.

NBDTs do not have an impact on the prosperity and well-being of New Zealanders directly, individually, NBDTs are important for diversification and for providing alternative financial solutions, to people to whom larger financial institutions cannot or will not provide service and they are hugely important to the communities in which they are closely rooted whilst registered Banks are more directly responsible for the financial stability of New Zealand.

However, what is significant is the excessive, or ‘non-efficient’, compliance costs imposed on NBDTs which this Bill could create risking the sustainable operations of these entities, and therefore impacting the “well-being” of those consumers who use their services.

The FSF notes that the Bill does not include efficiency amongst its purposes or the principles to be taken into account under this Act. Efficiency also considers compliance costs weighted against efficient regulation in producing the proposed outcomes. The exclusion of this purpose, therefore, creates a risk that the RBNZ will under weigh the effects of regulation and supervision on compliance costs and the ability for entities to innovate and compete with non-regulated lenders.

The FSF highlights the huge importance of proportionality in terms of the regulation of deposit takers. Proportionality will require consideration of the efficiency of the regime and accompanying regulation to avoid any undue compliance burden on NBDTs. All entities must not be placed under the same compliance requirements as registered banks, to ensure that there is the maintenance of competition and consistency in the regulation of similar entities.

The FSF appreciates the work of the RBNZ to date in consulting with the NBDT sector with respect to the deposit takers regime and looks forward to continuing to work constructively with the RBNZ on the regulations and standards that will be required to support the regime the Bill introduces particularly to provide a cost/benefit analysis of proposals, to minimise compliance costs.

Unified deposit taker regulatory framework

The FSF’s NBDT members have been supportive of the concept of the unification of the deposit takers regime, but what is most concerning is the lack of specificity around what the regime will actually require, as we wait for the regulations and standards to be proposed and finalised.

The proposed definition for the inclusion of entities as deposit takers is broadly sensible and consistent with the aims of protecting depositors and systemic stability.

Licensing

The Bill is very light on the details of the licensing regime. It will be important to consider the licensing requirements with proportionality in mind as they apply to:

- The minimum amount of capital.
- Capital ratio equipment.
- Fit and proper requirements for directors and senior management.
- Governance and risk management requirements.
- Competitive neutrality.
- Consultation over licensing criteria.
- Robustness of RBNZ accountability in the licensing process, including the right to legal challenge and appeal.

Regulation of deposit takers

Credit Rating Exemption

Section 56 of the Bill requires all licensed deposit takers to have a credit rating. FSF's NBDT members who currently take advantage of the credit rating exemption threshold advise that their enquiries of credit rating agencies suggest that the direct cost of obtaining a rating is in the vicinity of \$65,000 - \$75,000, which is a significant cost for a small entity.

FSF's NBDT members report direct feedback from credit rating agencies suggesting that their size will definitely create a ceiling around the maximum level of credit rating they can obtain and that, as a direct result of their small size, they can expect their rating to be at the level of a "D" regardless of any other factors. Rating agencies deal on a global scale so size matters and they take a "one size fits all" approach regarding the size of entities they are rating that does not necessarily take into account other factors such as the fact that, because of the size of the market in New Zealand, it can be relatively efficient, so investors have a good understanding of the investment and the company that is offering it.

Those NBDTs still operating in the market today survived the GFC regardless of their small size because they were (and still are) well and prudently managed, whilst much larger organisations with credit ratings did not. Indeed, as was demonstrated during the fallout from the GFC, investors wrongly relied on credit ratings as indicators of all the risks involved. Size alone, therefore, is not an indicator of an entity's financial resilience or otherwise, rather this is a product of how the organisation is structured, how it is managed and governed, how it manages its liquidity, etc.

The FSF believes that it is unduly onerous or burdensome to expect entities under or even slightly over the \$40 million thresholds to comply with the credit rating requirement because the cost to obtain and maintain a credit rating is the same for an entity of \$41 million as it is for an entity of \$100 million. The cost is more onerous or burdensome the smaller the entity is. For this reason and for the reasons already stated that the cost of obtaining and maintaining a credit rating is inhibiting growth for entities just under the \$40 million threshold, and that the FSF does not believe that having a credit rating provides the investing public with any more protection than if an entity does not have one given the

nature of New Zealand's robust regulatory regime, the FSF does not support introducing this requirement for NBDTs to now have a credit rating in order to be a licensed deposit taker.

Standards

As mentioned earlier, the Bill is light on detail, and the details are where many problems for NBDT members may arise. The FSF urges strong levels of consultation on these details prior to their finalisation.

As the FSF has already stated in this submission, consultation with all affected entities is vitally important to understand how proposed regulations and standards will affect them, but timing is also very important. The FSF cautions that the process should not be rushed, and all valuable information, particularly with consideration to the proportionality requirements, should be thoroughly examined and questioned. It will be critical that the voices of NBDTs are listened to and carefully considered.

Information around capital, as an example, takes time to gather, particularly for smaller entities with smaller resources and in-house capabilities to produce. The NBDT sector is concerned about the macro-prudential requirements, this is another area where proportionality is required to ensure the requirements of NBDTs allow them to remain sustainable.

Supervision and enforcement

The Bill as it is written is likely to lead to a far more hands-on form of regulation and supervision, from the RBNZ for NBDTs who have, until the introduction of this regime, been supervised by their Trustees.

The FSF politely requests that with this far more hands-on approach, there should be mechanisms by which the RBNZ can be appropriately held to account in the use of regulation and supervision tools, whilst still ensuring a robust regulatory framework. Examples of such mechanisms may include:

- Strengthening the role of the Treasury or establishing a separate agency to undertake cost/benefit assessments at an early stage in the policy process. The current arrangements for cost/benefits assessments and regulatory impact assessments are inadequate.
- Strengthening the obligations of the RBNZ with respect to consultation and engagement with all parts of the sector.
- Ensuring that the RBNZ is subject to performance metrics and performance assessments by Treasury or independent parties appointed by the Minister of Finance.
- The establishment of a 'merits review' judicial process like that in Australia to enable affected parties to challenge regulatory and supervisory proposals through an administrated tribunal with legal powers to amend or overturn RBNZ regulations and standards would have been the preference of FSF's NBDT members. This is a key

omission in the New Zealand regulatory framework compared to that of Australia, but the FSF notes that this proposal has been expressly rejected by Cabinet at this point. However, depending on how the regime plays out, this should be an alternative that could be considered in the future.

Offences and penalties

The Bill's proposals with respect to the nature of penalties that can be imposed on deposit takers for breaches of its provisions are, again, likely to be disproportionately harmful to NBDTs as compared to registered banks.

The pecuniary penalties proposed in the Bill are significant and, if applied uniformly, would have a far more deleterious effect on NBDTs than they would if imposed on a registered bank. Most NBDTs would be unable to withstand such a penalty and would likely go out of business if they were imposed against them whereas most banks would be able to withstand the financial harm such a penalty would cause them. The FSF believes that this disproportionality should be addressed and a sliding scale of the pecuniary penalty based on the size of the entity at fault should be introduced. The FSF believes this will encourage further responsibility for those larger deposit takers who have larger impacts on the financial stability and financial well-being of New Zealanders.

Director accountability

The FSF notes that the Director accountability proposals in the Bill are also onerous and prohibit director indemnity arrangements in some respects with respect to directors' obligations under the Bill. The FSF believes that this prohibition on insuring or indemnifying directors for their personal liability under certain regimes is a worrying trend of recent legislation. The liability for directors is likely to increase under the proposed arrangements of this Bill unless there is a protection to limit the obligations of directors to that of a reasonable duty of care.

The FSF points to the immense increase in director and senior manager liability that have been introduced under the CCCFA reforms last year that directors and senior managers already hole. Adding further liability on directors under this Bill creates enormous personal liability on directors of deposit-takers that do not apply to directors in other sectors and the FSF feels that this is unreasonable and out of proportion.

It will undoubtedly have adverse implications for future appointments to such roles which are likely to lead to those who may be less experienced being appointed for lack of any other willing candidates.

As already mentioned, the FSF has significant concern for the significant penalties associated with offences in the Bill. A penalty imposed on an NBDT will have extreme consequences for NBDTs, which are potentially not so extreme for registered banks. The proposed penalties could put NBDTs out of business, therefore eliminating their important role to society by removing the diversification in the financial community, and ultimately significantly reducing competition within the deposit taker industry.

However, the FSF also notes that the definition of who is deemed to be a director or Senior Manager of a deposit taker has been made concise and clear in the Bill. Unfortunately, this clarity is not currently provided in the FMCA, and the FSF would like to see the definition in this Bill repeated across all applicable legislation to maintain consistency and clarity as to who is deemed under legislation to be a director or Senior Manager.

Depositor Compensation Scheme

The FSF is supportive of the proposed Depositor Compensation Scheme (“DCS”), however, we are aware of the issues this created in Australia upon its introduction in terms of the system requirements. Therefore, the FSF requests that sufficient time be given to NBDTs to ensure they can implement the appropriate system changes to accommodate the introduction of the scheme. All systems changes involve a massive cost to the business to implement. NBDTs have already suffered significant costs to implement the systems and processes associated with compliance with the overly prescriptive CCCFA regime from 1 December 2021. It is imperative therefore that the compliance costs associated with this scheme are kept to the absolute minimum and sufficient time is allowed to spread them out rather than being incurred in a rush to protect the sustainability of small deposit-takers.

The FSF does not support the concept of risk-based levies. Rather, the FSF prefers the setting of levies that are proportionate to the entity’s size and their impact on New Zealanders should non-compliance occur.

The RBNZ should carefully consider the impacts on small deposit-takers of the costs of the levies, and perhaps adopt a proportionate approach as the FMA are doing with their levy schemes. Although a majority of deposit takers will have a large balance sheet, this is not representative of the NBDTs, and much of the legislation is skewed towards the presumptions that all deposit takers are the same, rather than with the consideration of the two extremities of size between the large and small balance sheets.

The FSF notes that what is currently defined in the Bill as a protected deposit does not include debentures and therefore, some deposit products are excluded. However, the FSF has some finance company deposit-taking members whose Trust Deed refers to "debentures" rather than "term deposits" and these "debenture" products can be transferred which makes it difficult to determine the beneficial owner of the product if the Scheme is paying out compensation. All FSF's finance company NBDT members wish their products to be included in the Scheme for the protection of their customers so the FSF is seeking clarity that all current product offerings can be included in the Scheme and what it is that NBDT finance companies need to do to ensure that this is the case.

In terms of the DCS, ultimately, the Bill leaves much to be determined by regulation, and there will be a need for thorough consultation with all deposit-takers by the RBNZ and Treasury in the design of the regulatory framework. It is critical for the efficiency and proportionality of the scheme, for these concerns of NBDTs to be considered thoroughly and to ensure that the regulations are not skewed towards the assumption of all Deposit

Takers being large and well-resourced entities. The FSF looks forward to taking an active part in this consultation on behalf of its NBDT members.

The FSF has these points to raise for further engagement and consultation prior to the finalisation of the scheme:

- To ensure the scheme is overseen by a Board that includes the private sector and industry directors, rather than solely under the control of the RBNZ.
- To ensure that the consultation process for the target size of the fund, the safeguards on the use of the funds for wider resolution purposes, the levy amount, the levy risk calculations, payout arrangements, and Single Customer View arrangements are subject to a high standard of consultation and a cost/benefit assessment, with this being overseen by Treasury, rather than solely being under the control of the RBNZ.

Trustee relationship

The Bill in its current form removes the trustee relationships that have been built up with deposit-taking entities. Since the introduction of the NBDT Act, these relationships have become strong with their trustees acting as supervisory intermediaries which, importantly, has allowed the trustees to develop a sound understanding of the complexities of NBDT businesses and operations.

The key concern the FSF has with the removal of the trustee supervisory model for NBDTs is to ensure that their removal does not lead to the RBNZ imposing levies for its supervision of the NBDT sector. The RBNZ will also need to develop far more engagement NBDTs than they have in the past to develop more understanding of the complexities of NBDT businesses and how they significantly differ from that of registered banks.

Trustees recognise the specific industry needs of NBDTs and the ways in which they differ significantly from large deposit-takers so, at the very least, the FSF recommends that the RBNZ works closely with the trustees in the implementation stage of the new regime to ensure that the RBNZ comes to a similar level of understanding of these differences.

The FSF does however recognise the work done by the RBNZ to build a more engaging relationship with NBDTs and is keen to support the continued development of this engagement to ensure a smooth transition to the new regime for all parties.

Financial Crisis Management Regime

The FSF agrees with the intent of the proposed Financial Crisis Management Regime, however, a few concerns remain in regard to the resolution arrangements, as per the below comments.

Resolution arrangements

The FSF notes that the intention is to have resolution plans for each deposit taker which seems sensible in that it would allow for proportionality to be considered for each entity and the implications for compliance costs and changes to the operational structure of each deposit-taker to be taken into account. However, the FSF suggests that careful consideration should be given to whether such arrangements are even necessary for smaller entities.

Resolution plans in many countries have proven to be complex for financial institutions to implement and have the potential to impose quite significant compliance and organisational burdens, particularly on smaller entities.

The Bill currently provides little in the way of checks and balances on the RBNZ's powers in this area, and this warrants some tightening. Again, the unfettered ability to impose costs of this nature on regulated entities needs to be constrained which is a further reason why an independent agency or Treasury oversight is deemed by the FSF to be necessary as has been referred to earlier in this submission under the Supervision and Enforcement paragraphs.

Thank you for the opportunity to submit on the Exposure Draft of the Deposit Takers Bill. Please do not hesitate to reach out if you wish for us to speak further to any of the points made above.

Yours sincerely,

A handwritten signature in black ink, consisting of several overlapping loops and lines, positioned below the text 'Yours sincerely,'.

Diana Yeritsyan
Legal and Policy Manager
Financial Services Federation



FINANCIAL SERVICES FEDERATION

Appendix A

FSF Membership List as at 31 January 2022

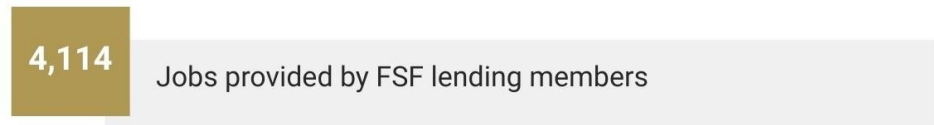
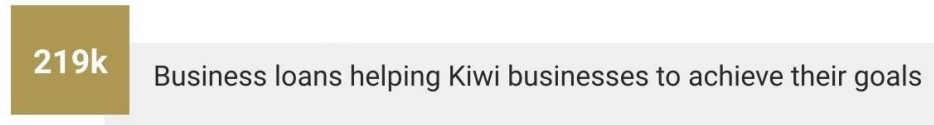
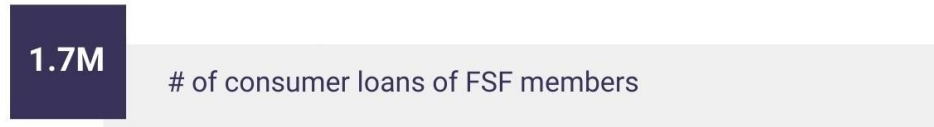
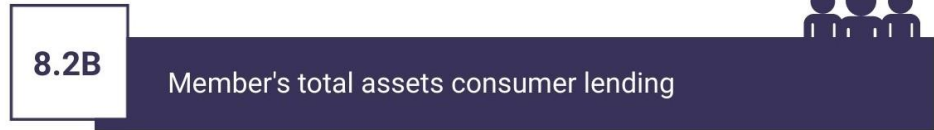
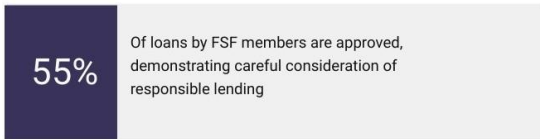
Non-Bank Deposit Takers, Insurance Premium Funders,	Vehicle Lenders	Finance Companies/ Diversified Lenders	Finance Companies/ Diversified Lenders, Leasing Providers	Credit Reporting, Debt Collection Agencies, Insurance Providers	Affiliate Members
<p>XCEDA (B)</p> <p>Finance Direct Limited ➤ Lending Crowd</p> <p>Gold Band Finance ➤ Loan Co</p> <p>Mutual Credit Finance</p> <p><u>Credit Unions/Building Societies</u></p> <p>First Credit Union</p> <p>Nelson Building Society</p> <p>Police and Families Credit Union</p> <p>Steelsands Credit Union Inc</p> <p>Westforce Credit Union</p> <p><u>Insurance Premium Funders</u></p> <p>Elantis Premium Funding NZ Ltd</p> <p>Financial Synergy Limited</p> <p>Hunter Premium Funding</p> <p>IQumulate Premium Funding</p> <p>Rothbury Instalment Services</p>	<p>AA Finance Limited</p> <p>Auto Finance Direct Limited</p> <p>BMW Financial Services ➤ Mini ➤ Alphera Financial Services</p> <p>Community Financial Services</p> <p>European Financial Services</p> <p>Go Car Finance Ltd</p> <p>Honda Financial Services</p> <p>Kubota New Zealand Ltd</p> <p>Mercedes-Benz Financial</p> <p>Motor Trade Finance</p> <p>Nissan Financial Services NZ Ltd ➤ Mitsubishi Motors Financial Services ➤ Skyline Car Finance</p> <p>Onyx Finance Limited</p> <p>Toyota Finance NZ</p> <p>Yamaha Motor Finance</p>	<p>Avanti Finance ➤ Branded Financial</p> <p>Basalt Group</p> <p>Basecorp Finance Ltd</p> <p>Blackbird Finance</p> <p>Caterpillar Financial Services NZ Ltd</p> <p>Centracorp Finance 2000</p> <p>Finance Now ➤ The Warehouse Financial Services ➤ Southsure Assurance</p> <p>Humm Group</p> <p>Future Finance</p> <p>Geneva Finance</p> <p>Harmony</p> <p>Instant Finance ➤ Fair City ➤ My Finance</p> <p>John Deere Financial</p> <p>Latitude Financial</p> <p>Lifestyle Loans NZ Ltd</p> <p>Metro Finance</p> <p>NZ Finance Ltd</p>	<p>Pepper NZ Limited</p> <p>Personal Loan Corporation</p> <p>Pioneer Finance</p> <p>Prosopa NZ Ltd</p> <p>Smith's City Finance Ltd</p> <p>Speirs Finance Group ➤ Speirs Finance ➤ Speirs Corporate & Leasing ➤ Yoogo Fleet</p> <p>Thorn Group Financial Services Ltd</p> <p>Turners Automotive Group ➤ Autosure ➤ East Coast Credit ➤ Oxford Finance</p> <p>UDC Finance Limited</p> <p><u>Leasing Providers</u></p> <p>Custom Fleet</p> <p>Fleet Partners NZ Ltd</p> <p>ORIX New Zealand</p> <p>SG Fleet</p>	<p>Baycorp (NZ) ➤ Credit Corp</p> <p>Centrix</p> <p>Collection House</p> <p>Debtworks (NZ) Limited</p> <p>Equifax (prev Veda)</p> <p>Illion (prev Dun & Bradstreet (NZ) Limited</p> <p>Intercoll</p> <p>Quadrant Group (NZ) Limited</p> <p><u>Credit-related Insurance Providers</u></p> <p>Protecta Insurance</p> <p>Provident Insurance Corporation Ltd</p>	<p>Buddle Findlay</p> <p>Chapman Tripp</p> <p>Credisense Ltd</p> <p>Credit Sense Pty Ltd</p> <p>Experian</p> <p>EY</p> <p>FinTech NZ</p> <p>Finzsoft</p> <p>Happy Prime Consultancy Limited</p> <p>HPD Software Ltd</p> <p>KPMG</p> <p>LexisNexis</p> <p>Motor Trade Association</p> <p>PWC</p> <p>Simpson Western</p> <p>Verifier Australia</p> <p>Nectar NZ Ltd</p> <p>Total 85 members</p>

Appendix B



FINANCIAL SERVICES FEDERATION

The Financial Services Federation (FSF) is the non-profit industry association for responsible and ethical finance, leasing and credit-related insurance providers operating in Aotearoa New Zealand.



Data collected and aggregated by KPMG in FSF's annual member data survey as at February 2021. Values in NZ\$.