

PRE-APPROVED FUNCTIONS AND SERVICES FOR THE PURPOSES OF BS11: OUTSOURCING POLICY FOR REGISTERED BANKS

All of the material set out in this document forms part of the requirements referred to in those conditions, except material that is identified as guidance by being included in a shaded box like this.

Prudential Supervision Department
Document for the purposes of BS11

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1. Certain categories of software (as defined below):
 - a. Proprietary software or software licensed in perpetuity with no termination rights that is hosted on the New Zealand bank's systems, and there is no reliance on a third party for support or maintenance (other than for routine standard support offering from the software vendor);
 - b. Licensed software (term or subscription) that is hosted on the New Zealand bank's systems, is licensed to the New Zealand bank directly, there is no reliance on a third party for support or maintenance (other than for routine standard support offering from the software vendor), the provider does not have termination rights in a crisis event, and either:
 - i. could be transitioned to an alternate provider; or
 - ii. has escrow arrangements for source code.
 - c. Licensed software that is licensed directly to the New Zealand bank to the extent it exclusively relates to one or more white listed functions;
 - d. Support or maintenance of either proprietary or licenced software that is licensed to the New Zealand bank directly to the extent it exclusively relates to one or more white listed functions.
2. Annual renewals or rollovers of a contract with an independent third party which confirms the commercial terms only;
3. Variations to contracts with independent third parties where only the commercial terms only are being varied;
4. Market information and data services (e.g. Moody's, Bloomberg, Standard and Poor's, Fitch, Reuters or equivalent), including market research and analysis services;
5. Real estate appraisal and valuation services; and
6. Data matching services, including personal information matching, valuation data and credit reporting.