

# Financial Market Infrastructures Act Designation Notice (CLS) 2023

## **Title**

1. This is the Financial Market Infrastructures Act Designation Notice (CLS) 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 has legal effect.

## **Interpretation**

4. In this notice:
  - (a) references to “**FMI**” are references to the CLS System;
  - (b) “**CLS System**” means the continuous linked settlement system operated by CLS Bank International; and
  - (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 CLS System is declared to be a designated FMI.

## **Operator**

6. CLS Bank International is the operator of the FMI.

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

7. The documents that set out the FMI’s rules are:
  - (a) the CLS Bank International Rules; and
  - (b) the Settlement Member Agreement.

**Specified operator**

8. CLS Bank International:

(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 is participant in the FMI**

10. CLS Bank International is a participant in the FMI.

**FMI is a pure payment system**

11. The FMI is a pure payment system.

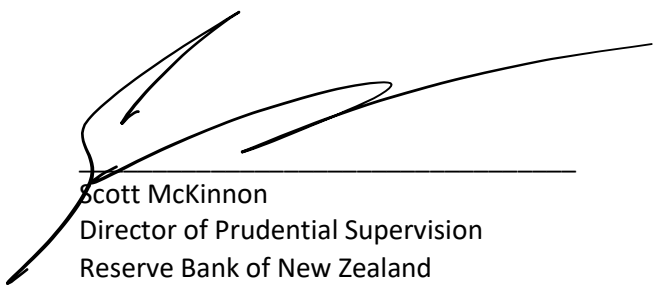
**Application of subpart 5**

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

**Class or classes**

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

Dated this 6<sup>th</sup> day of November 2023



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Scott McKinnon  
Director of Prudential Supervision  
Reserve Bank of New Zealand