

**Reprint
as at 1 January 2011**



**Deposit Takers (Craigs Investment
Partners Cash Management Trust
Limited) Exemption Notice 2010**

(SR 2010/141)

Deposit Takers (Craigs Investment Partners Cash Management Trust Limited)
Exemption Notice 2010: expired, on 1 January 2011, by clause 3.

Pursuant to section 157G of the Reserve Bank of New Zealand Act 1989, the Reserve Bank of New Zealand gives the following notice (to which is appended a statement of reasons of the Bank).

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Note

Changes authorised by section 17C of the Acts and Regulations Publication Act 1989 have been made in this reprint.

A general outline of these changes is set out in the notes at the end of this reprint, together with other explanatory material about this reprint.

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

Notice

1 Title

This notice is the Deposit Takers (Craigs Investment Partners Cash Management Trust Limited) Exemption Notice 2010.

2 Commencement

This notice comes into force on the day after the date of its notification in the *Gazette*.

3 Expiry

This notice expires on the close of 31 December 2010.

4 Interpretation

(1) In this notice, unless the context otherwise requires,—

Act means the Reserve Bank of New Zealand Act 1989

advertisement has the same meaning as in section 2A of the Securities Act 1978

CMT means Craigs Investment Partners Cash Management Trust Limited

investment statement has the same meaning as in section 38C of the Securities Act 1978

registered prospectus has the same meaning as in section 2(1) of the Securities Act 1978.

(2) Any term or expression that is defined in the Act and used, but not defined, in this notice has the same meaning as in the Act.

5 Exemption from requirement to have current credit rating

CMT is exempted from section 157I of the Act.

5A Exemption from capital ratio requirements

(1) CMT is exempted from sections 157T and 157U of the Act.

(2) The trustee in respect of the debt securities of CMT is exempted from section 157T of the Act in respect of those securities.

Clause 5A: inserted, on 1 December 2010, by clause 4 of the Deposit Takers (Craigs Investment Partners Cash Management Trust Limited) Exemption Amendment Notice 2010 (SR 2010/438).

5B Exemption from liquidity requirements

- (1) CMT is exempted from sections 157ZA and 157ZB of the Act.
- (2) The trustee in respect of the debt securities of CMT is exempted from section 157ZA of the Act in respect of those securities.

Clause 5B: inserted, on 1 December 2010, by clause 4 of the Deposit Takers (Craigs Investment Partners Cash Management Trust Limited) Exemption Amendment Notice 2010 (SR 2010/438).

6 Conditions of exemptions in clauses 5 to 5B

- (1) The exemptions in clauses 5 to 5B are subject to the conditions that—
 - (a) every registered prospectus, investment statement, and advertisement that relates to an offer of debt securities to the public by CMT must include a statement to the effect that CMT—
 - (i) does not have a current rating of its creditworthiness under section 157I of the Act; and
 - (ii) is exempted from section 157I of the Act until 31 December 2010; and
 - (iii) is in the process of winding down its debt security products; and
 - (b) CMT must not disclose any rating of its creditworthiness or financial condition that is not from an approved rating agency; and
 - (c) CMT must, by the close of 31 December 2010,—
 - (i) either repay the money owing in respect of every debt security issued pursuant to an offer of debt securities to the public; or
 - (ii) cease to be under an obligation to repay the money referred to in subparagraph (i).
- (2) The condition in subclause (1)(a) does not apply to an advertisement consisting solely of an application form for subscription for a debt security that accompanies a document that contains the statement required by that subclause.

Clause 6 heading: amended, on 1 December 2010, by clause 5(1) of the Deposit Takers (Craigs Investment Partners Cash Management Trust Limited) Exemption Amendment Notice 2010 (SR 2010/438).

Clause 6(1): amended, on 1 December 2010, by clause 5(2) of the Deposit Takers (Craigs Investment Partners Cash Management Trust Limited) Exemption Amendment Notice 2010 (SR 2010/438).

Dated at Wellington this 1st day of June 2010.

Grant Spencer,
Deputy Governor.

Statement of reasons

Note: The following statement of reasons should be read in conjunction with the statement(s) of reasons appended to the:

- **Deposit Takers (Craigs Investment Partners Cash Management Trust Limited) Exemption Amendment Notice 2010**

This notice, which comes into force on the day after its notification in the *Gazette* and expires on 31 December 2010, exempts, subject to conditions, Craigs Investment Partners Cash Management Trust Limited (**CMT**) from section 157I of the Reserve Bank of New Zealand Act 1989 (the **Act**). Section 157I requires deposit takers to have a current credit rating.

The Reserve Bank of New Zealand, after taking into account the principles set out in section 157F of the Act and satisfying itself as to the matters set out in section 157G(2), considers it appropriate to grant the exemption because—

- the costs of obtaining a credit rating are unduly onerous or burdensome in circumstances where CMT is taking action to cease being a deposit taker, and a credit rating would be required only for the period that CMT remains a deposit taker:
- the exemption allows CMT sufficient time to work through an appropriate process to change its business to a point where it is no longer a deposit taker and will therefore not need to comply with Part 5D of the Act:

- the exemption is for a specified time for a specified individual entity and therefore is not broader than what is reasonably necessary to address the matters that gave rise to the exemption. It recognises that CMT needs time to adapt its business model to remove itself from the new regulatory environment.

Note: The preceding statement of reasons should be read in conjunction with the statement(s) of reasons appended to the:

- **Deposit Takers (Craigs Investment Partners Cash Management Trust Limited) Exemption Amendment Notice 2010**

Issued under the authority of the Acts and Regulations Publication Act 1989.
Date of notification in *Gazette*: 3 June 2010.

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Notes

1 *General*

This is a reprint of the Deposit Takers (Craig Investment Partners Cash Management Trust Limited) Exemption Notice 2010. The reprint incorporates all the amendments to the notice as at 1 January 2011, as specified in the list of amendments at the end of these notes.

Relevant provisions of any amending enactments that contain transitional, savings, or application provisions that cannot be compiled in the reprint are also included, after the principal enactment, in chronological order. For more information, see <http://www.pco.parliament.govt.nz/reprints/>.

2 *Status of reprints*

Under section 16D of the Acts and Regulations Publication Act 1989, reprints are presumed to correctly state, as at the date of the reprint, the law enacted by the principal enactment and by the amendments to that enactment. This presumption applies even though editorial changes authorised by section 17C of the Acts and Regulations Publication Act 1989 have been made in the reprint.

This presumption may be rebutted by producing the official volumes of statutes or statutory regulations in which the principal enactment and its amendments are contained.

3 *How reprints are prepared*

A number of editorial conventions are followed in the preparation of reprints. For example, the enacting words are not

included in Acts, and provisions that are repealed or revoked are omitted. For a detailed list of the editorial conventions, see <http://www.pco.parliament.govt.nz/editorial-conventions/> or Part 8 of the *Tables of New Zealand Acts and Ordinances and Statutory Regulations and Deemed Regulations in Force*.

4 Changes made under section 17C of the Acts and Regulations Publication Act 1989

Section 17C of the Acts and Regulations Publication Act 1989 authorises the making of editorial changes in a reprint as set out in sections 17D and 17E of that Act so that, to the extent permitted, the format and style of the reprinted enactment is consistent with current legislative drafting practice. Changes that would alter the effect of the legislation are not permitted. A new format of legislation was introduced on 1 January 2000. Changes to legislative drafting style have also been made since 1997, and are ongoing. To the extent permitted by section 17C of the Acts and Regulations Publication Act 1989, all legislation reprinted after 1 January 2000 is in the new format for legislation and reflects current drafting practice at the time of the reprint.

In outline, the editorial changes made in reprints under the authority of section 17C of the Acts and Regulations Publication Act 1989 are set out below, and they have been applied, where relevant, in the preparation of this reprint:

- omission of unnecessary referential words (such as “of this section” and “of this Act”)
- typeface and type size (Times Roman, generally in 11.5 point)
- layout of provisions, including:
 - indentation
 - position of section headings (eg, the number and heading now appear above the section)
- format of definitions (eg, the defined term now appears in bold type, without quotation marks)
- format of dates (eg, a date formerly expressed as “the 1st day of January 1999” is now expressed as “1 January 1999”)

- position of the date of assent (it now appears on the front page of each Act)
- punctuation (eg, colons are not used after definitions)
- Parts numbered with roman numerals are replaced with arabic numerals, and all cross-references are changed accordingly
- case and appearance of letters and words, including:
 - format of headings (eg, headings where each word formerly appeared with an initial capital letter followed by small capital letters are amended so that the heading appears in bold, with only the first word (and any proper nouns) appearing with an initial capital letter)
 - small capital letters in section and subsection references are now capital letters
- schedules are renumbered (eg, Schedule 1 replaces First Schedule), and all cross-references are changed accordingly
- running heads (the information that appears at the top of each page)
- format of two-column schedules of consequential amendments, and schedules of repeals (eg, they are rearranged into alphabetical order, rather than chronological).

5 *List of amendments incorporated in this reprint (most recent first)*

Deposit Takers (Craigs Investment Partners Cash Management Trust Limited)
Exemption Amendment Notice 2010 (SR 2010/438)

Deposit Takers (Craigs Investment Partners Cash Management Trust Limited)
Exemption Notice 2010 (SR 2010/141): clause 3
