

Part 2

Access and participation

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2.1 Purpose of this Part

The purpose of this Part is to—

- (a) specify the access criterion for participation in a clearing system and allow a person to apply for and, if the person complies with the access criterion, be granted the right to participate in the clearing system (subpart 1); and
- (b) specify the process for assignment of a participant's right to participate in a clearing system to another person (subpart 2); and
- (c) for a person who is an SBI participant, specify a process for approval of a change to the SBI participant who interchanges files for the person (subpart 2A); and
- (d) specify the process for allocation of interchange numbers and branch ranges to SBI participants and to specified persons who do not have a right to participate in SBI (subpart 3); and
- (e) specify the process for resignation of a participant from a clearing system (subpart 4).

Compare: Payments NZ Rules, v26, 12 May 2017, rule 2.1

2.2 Determinations by independent directors

- (1) This rule applies when independent directors make determinations under this Part.
- (2) These determinations must be made unanimously by all 3 independent directors.
- (3) However, if an independent director is unable to participate in making a determination—
 - (a) the chair must appoint another director to participate; or
 - (b) if it is the chair who is unable to participate, the other independent directors must appoint another director to participate.
- (4) A director appointed under subclause (3) is deemed to be an independent director for the purposes of this Part to the extent necessary to allow the director to participate in making the relevant determination.

2.3 Independent directors and company not liable

- (1) The independent directors make determinations under this Part on the basis of information provided by an applicant.
- (2) Neither an independent director nor the company is liable for any loss (other than loss arising as a result of fraud, wilful misconduct, or bad faith), whether the loss is direct or consequential (including loss of profits), incurred by any person arising out of or in connection with the independent directors or the company—
 - (a) exercising any of the rights or powers of the independent directors or the company under this Part; or
 - (b) complying with any of the obligations of the independent directors or the company under this Part.

Compare: Payments NZ Rules, v30, 27 November 2017, rule 2.3(2)

2.3A Test strategy

- (1) The company may, from time to time, adopt, approve, or amend a test strategy for testing under this Part.
- (2) The company and each participant must comply with any instruction that the company gives in accordance with the test strategy unless an act required by the company would otherwise conflict with a provision in the rules.

Subpart 1: Participation in a clearing system

Application

2.4 Company must assist potential applicants

If requested by a person, the company must, in accordance with section A(2) of chapter 1 of the access procedures, provide information to the person that the person reasonably requires to decide whether to apply to participate in a clearing system.

Compare: Payments NZ Rules, v5 28 May 2012 rule 2.3

2.5 Application

- (1) An application to participate in 1 or more clearing systems must be made to the company in the manner specified by the company in accordance with section A(6) of chapter 1 of the access procedures.
- (2) The company must—
 - (a) notify the person of the form and content of the application required; and
 - (b) if requested, provide information to the person that the person reasonably requires to make an application.

Compare: Payments NZ Rules v5, 28 May 2012 rule 2.1

2.6 Information accompanying application

Each application must be accompanied by the information that the company requires in accordance with section B of chapter 1 of the access procedures to assist the independent directors to determine the application.

Compare: Payments NZ Rules, v5 28 May 2012 rules 2.2 and 2.19.2

2.7 Application fee

An application must be accompanied by the application fee determined in accordance with rule 6.3.

Compare: Payments NZ Rules, v5 28 May 2012 rule 2.2

Access criterion and determining an application

2.8 Independent directors determine whether applicant satisfies access criterion

- (1) As soon as practicable after the company receives an application to participate in a clearing system, the independent directors must meet to determine whether the applicant satisfies the access criterion.
- (2) The access criterion is that the applicant will not, if it becomes a participant in the clearing system,—
 - (a) adversely affect the integrity or the reputation of the clearing system; or
 - (b) introduce significant risk into the clearing system.
- (3) An applicant satisfies the access criterion by demonstrating that the applicant—
 - (a) complies with the prudential requirements specified in rule 2.9; and
 - (b) complies with the operational risk management requirements specified in rule 2.10; and
 - (c) complies with the operational requirements in respect of the clearing system to which the application relates as follows:
 - (i) for CECS, under rule 2.11 and in accordance with section C2 of chapter 2 of the access procedures:
 - (ii) for HVCS, under rule 2.12 and in accordance with section C3 of chapter 2 of the access procedures:
 - (iii) for BECS or PCS, under rule 2.13 and in accordance with section C4 of chapter 2 of the access procedures.

Compare: Payments NZ Rules, v26, 12 May 2017, rule 2.8

2.9 Prudential requirements

- (1) The prudential requirements for participation in a clearing system are that the applicant meets prudential standards that minimise the risk of the effects specified in rule 2.8(2).
- (2) In determining whether the independent directors are satisfied that an applicant complies with the prudential requirements, the independent directors must have regard to the following:
 - (a) the credit-worthiness of the applicant, in accordance with section B2 of chapter 2 of the access procedures, including—
 - (i) the applicant's credit rating, if any; and
 - (ii) whether the independent directors require the applicant to enter into an access guarantee or a standby liquidity facility agreement:

- (b) in accordance with section B3 of chapter 2 of the access procedures, whether the applicant is—
 - (i) registered as a bank under the Reserve Bank Act; or
 - (ii) licensed as a non-bank deposit-taker under the Non-bank Deposit Takers Act 2013; or
 - (iii) licensed as an insurer under the Insurance (Prudential Supervision) Act 2010:
- (c) in accordance with section B4 of chapter 2 of the access procedures, whether the applicant is a participant in 1 or more clearing systems when it applies:
- (d) the place of incorporation of the applicant and the corporate and ownership structure of the applicant in accordance with section B5 of chapter 2 of the access procedures:
- (e) the size and nature of the applicant’s business or proposed business, or any part of the applicant’s business or proposed business in accordance with section B6 of chapter 2 of the access procedures:
- (f) the ability of the applicant to carry on its business or proposed business in a prudent manner in accordance with section B7 of chapter 2 of the access procedures:
- (g) in accordance with section B8 of chapter 2 of the access procedures—
 - (i) the standing of the applicant in the markets in which it trades; and
 - (ii) the standing of the owner, if any, of the applicant in the markets in which it trades:
- (h) the suitability for their positions of the directors and senior managers of the applicant in accordance with section B9 of chapter 2 of the access procedures:
- (i) any other matters that the independent directors consider relevant.

2.10 Operational requirements: risk management

- (1) The requirements for operational risk management for participation in a clearing system are that the applicant meets standards that minimise the risk of the effects specified in rule 2.8(2).
- (2) In determining whether the independent directors are satisfied that an applicant complies with the requirements for operational risk management, the independent directors must have regard to whether the following are adequate:
 - (a) in accordance with section C1(2) of chapter 2 of the access procedures, the applicant’s systems, policies, procedures, and controls that identify, monitor, and manage operational risks:
 - (b) in accordance with section C1(3) of chapter 2 of the access procedures, the applicant’s operational reliability objectives and the policies intended to achieve the objectives:
 - (c) in accordance with section C1(4) of chapter 2 of the access procedures, the applicant’s procedures for incident management:
 - (d) in accordance with section C1(5) of chapter 2 of the access procedures, the applicant’s plans to manage operational capacity:
 - (c) in accordance with section C1(6) of chapter 2 of the access procedures, the applicant’s physical and information security policies:
 - (d) in accordance with section C1(7) of chapter 2 of the access procedures, the applicant’s business continuity plan:
 - (e) in accordance with section C1(8) of chapter 2 of the access procedures, any arrangements relating to the provision by another party of goods or services necessary for the applicant to comply with obligations under the rules of the clearing system to which the application relates:
 - (f) any other matters that the independent directors consider relevant.

2.11 Operational requirements: CECS

The operational requirements for participation in CECS are as follows:

- (a) if the applicant proposes to operate as an issuer, the applicant has a unique issuer identification number (IIN):
- (b) if the applicant does not participate in SBI, or is not also applying to participate in SBI, the applicant and an SBI participant have an agreement—

- (i) under which the SBI participant sends files to the SBI CUG transaction delivery system for the applicant and receives files from the SBI CUG transaction delivery system for the applicant; and
- (ii) that includes all terms and conditions necessary to give effect to Parts 2, 5, 8, 8A to 8E, 10, 12, and 12B to 12D:
- (c) if the applicant proposes to use 1 or more switch companies to deliver payment instructions, the applicant has passed the testing requirements of each switch company.

Compare: Payments NZ Rules, v30, 27 November 2017, rule 2.11

2.12 Operational requirements: HVCS

The operational requirements for participation in HVCS are as follows:

- (a) the applicant can settle through its own settlement account:
- (b) the applicant is a SWIFT user:
- (c) the applicant has a SWIFT BIC address linked to the applicant's settlement account:
- (d) the connection between SWIFT and the SWIFT gateway that the applicant proposes to use complies with the following requirements—
 - (i) if the applicant's projected national interchange volume in HVCS is 5% or more of the total national interchange volume in HVCS, the requirements specified in section C3(4) of chapter 2 of the access procedures; or
 - (ii) if the applicant's projected national interchange volume in HVCS is less than 5% of the total national interchange volume in HVCS, the requirements specified in section C3(5) of chapter 2 of the access procedures:
- (e) the applicant is a member of NZClear:
- (f) the resilience of the applicant's systems complies with the requirements specified in section C3(6) of chapter 2 of the access procedures.

2.13 Operational requirements: BECS or PCS

The operational requirements for participation in BECS or PCS are as follows:

- (a) the applicant can settle through its own settlement account:
- (b) the applicant has a SWIFT BIC address linked to the applicant's settlement account:
- (c) the applicant is a member of NZClear:
- (d) the applicant can settle and interchange files using NZClear:
- (e) the resilience of the applicant's systems complies with the requirements specified in section C4(4) of chapter 2 of the access procedures:
- (f) the applicant has access to a SWIFT DN that it can use for the SBI CUG transaction delivery system:
- (g) if the applicant proposes to join the SBI CUG,—
 - (i) the applicant is a SWIFT user; and
 - (ii) the connection between SWIFT and the SWIFT gateway that the applicant proposes to use complies with the following requirements—
 - (A) if the combined projected national interchange volume in SBI of the applicant and every SBI participant to whom the applicant proposes to provide interchange services is 5% or more of the total national interchange volume of SBI, the requirements specified in section C4(4) of chapter 2 of the access procedures; or
 - (B) if the combined projected national interchange volume in SBI of the applicant and every SBI participant to whom the applicant proposes to provide interchange services is less than 5% of the total national interchange volume of SBI, the requirements specified in section C4(4) of chapter 2 of the access procedures:
- (h) if the applicant proposes not to join the SBI CUG but to use another SBI participant to interchange the applicant's files using the SBI CUG transaction delivery system:
 - (i) the applicant has an agreement with the SBI participant—
 - (A) that requires the SBI participant to interchange the applicant's files through the SBI CUG transaction delivery system; and

- (B) under which the SBI participant may only terminate the agreement by giving a notification to the applicant specifying a date from which the SBI participant proposes to stop interchanging the applicant's files using the SBI CUG transaction delivery system (which must be a date no less than 180 calendar days from the date of the notification); and
- (C) that contains all terms and conditions necessary to give effect to Parts 2, 5, 8, 10, 12, and 12B to 12D; and
- (ii) the applicant has the following through which the applicant and the SBI participant exchange files:
 - (A) a primary connection that is secure:
 - (B) a secondary connection that is secure.

Compare: Payments NZ Rules v30, 27 November 2017, rule 2.13

2.14 Independent directors must notify prudential or operational issue

In determining whether an applicant to participate in a clearing system satisfies the access criterion, the independent directors must—

- (a) notify the applicant of any respect in which the independent directors consider that the applicant—
 - (i) does not comply with the prudential requirements specified in rule 2.9; or
 - (ii) does not comply with the operational risk management requirements specified in rule 2.10; and
 - (ii) does not comply with the operational requirements in respect of the clearing system to which the application relates under rules 2.11, 2.12, or 2.13; and
- (b) give the notification as soon as practicable after becoming aware of the issue; and
- (c) give the applicant an opportunity to respond.

2.15 Independent directors may require actions

(1) In determining whether an applicant to participate in a clearing system satisfies the access criterion, the independent directors may require the applicant to complete any action specified by the independent directors which may include, without limitation, any or all of the following:

- (a) provide 1 or more access guarantees from an approved guarantor—
 - (i) the terms and conditions of which are consistent with the terms and conditions of a sample access guarantee specified in appendix 1B of the access procedures; and
 - (ii) that is valid, binding, and enforceable on the approved guarantor:
- (b) enter into a standby liquidity facility agreement with an approved provider—
 - (i) the terms and conditions of which are consistent with the sample terms of a standby liquidity facility agreement specified in appendix 1B of the access procedures; and
 - (ii) that is valid, binding, and enforceable on the approved provider:
- (c) grant a security right to the company as security agent for the participants:
- (d) require the applicant to provide an independent report by any person:
- (e) require the applicant to provide any additional information that the independent directors consider necessary to enable the independent directors to determine the application.

(2) The applicant must—

- (a) complete any action required by the independent directors as soon as practicable after a request under subclause (1); and
- (b) pay the cost of completing the action.

Compare: Payments NZ Rules v10, 2 September 2013 rule 2.10

2.16 Independent directors must seek advice

(1) In determining whether an applicant to participate in a clearing system satisfies the access criterion, the independent directors must—

- (a) seek advice from a qualified person; or
- (b) get an independent report by a qualified person.

(2) The applicant must pay the cost of the advice or the report.

2.17 Independent directors must approve certain applications

The independent directors must approve an application to participate in a clearing system if the independent directors determine that the applicant satisfies the access criterion specified in rule 2.8.

Compare: Payments NZ Rules, v5 28 May 2012 rule 2.7

2.18 Conditions applying to participation

If the independent directors approve an applicant's application to participate in a clearing system, the independent directors may impose conditions that the applicant will be required to meet on and from the time that the applicant commences participation in the clearing system which may include, without limitation, a requirement to do any or all of the following:

- (a) undertake regular audits:
- (b) comply with minimum operational requirements specified by the independent directors (such as, for example, a requirement to settle SBI files hourly):
- (c) provide regular reports to the company.

Compare: Payments NZ Rules v10, 2 September 2013 rule 2.12

2.19 Warranties applying to participation

If the independent directors approve an applicant's application to participate in a clearing system, the independent directors must specify the terms of the representation and warranty the applicant gives under rule 11.1.1(d) on and from the time that the applicant commences participation in the clearing system.

2.20 Conditions applying to commencement of participation

Approval of an application to participate in a clearing system is subject to the following occurring before the applicant commences participation in the clearing system:

- (a) receipt by the independent directors of a confirmation from the company that the applicant has passed the following tests:
 - (i) for an application in respect of BECS, HVCS, or PCS, the tests specified by rule 2.26:
 - (ii) for an application in respect of CECS, the testing requirements of each switch company that the applicant proposes to use:
- (b) payment by the applicant of the fees required by rule 2.27:
- (c) completion by the applicant of the admission requirements specified by rule 2.28.

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.20

2.21 Not approved: company notifies applicant of decision

If the independent directors do not approve an application in respect of a clearing system under this subpart, as soon as practicable after the independent directors make the decision, the company must notify the applicant of the reasons for the independent directors' decision.

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.21

Application approved

2.22 Company notifies applicant of approval and seeks information

- (1) If the independent directors approve an application in respect of a clearing system under this subpart, the company must complete the actions specified in subclauses (2) to (4) as soon as practicable after the independent directors make the decision.
- (2) The company must notify the applicant—
 - (a) of the independent directors' decision; and
 - (b) of any conditions imposed by the independent directors in respect of the application; and
 - (c) of the terms of the representation and warranty the applicant must give under rule 11.2.1(d); and
 - (d) for an application in respect of BECS or PCS—

- (i) if the applicant requires an interchange number or a branch range, of the interchange number or the branch range allocated to the applicant in accordance with subpart 3; and
 - (ii) if the applicant is required to join the SBI test CUG, that the applicant must apply to SWIFT to join the SBI test CUG; and
 - (e) for an application in respect of HVCS, that the applicant must apply to SWIFT to join the AVP test CUG .
- (3) For an application for BECS, HVCS, or PCS, the company must, in accordance with the test strategy,—
- (a) determine the tests that the applicant must pass; and
 - (b) select the participant who will conduct end-to-end tests with the applicant; and
 - (c) appoint a company test manager to manage the test process.
- (4) As soon as practicable after the company has completed the actions required by subclause (3), the company must notify the applicant—
- (a) of the systems tests that the applicant must pass; and
 - (b) of the end-to-end tests that the applicant must pass; and
 - (c) of the name of the applicant’s end-to-end test partner; and
 - (d) for an application for BECS or PCS, of the industry tests that the applicant must pass; and
 - (e) for an application for BECS, HVCS, or PCS, of the post implementation verification tests that the applicant must pass; and
 - (f) of the name and contact details of the company test manager appointed to manage the test process; and
 - (g) that it must, as soon as practicable but no later than 6 months after the date of the notification,—
 - (i) complete systems tests; and
 - (ii) notify the company of the date on which it proposes to commence end-to-end tests; and
 - (iii) commence end-to-end tests; and
 - (iv) for an application for BECS or PCS, notify the company of the date on which it proposes to commence industry tests.

Compare: Payments NZ Rules v26, 12 May 2017, rules 2.21, 2.25, and 2.28

2.23 Company notifies participants and Reserve Bank of approval

If the independent directors approve an application in respect of a clearing system under this subpart, the company must, as soon as practicable after the independent directors make the decision, notify every participant in the clearing system and the Reserve Bank of—

- (a) the independent directors’ decision; and
- (b) any conditions imposed by the independent directors in respect of the application.

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.21(2)

2.24 Company notifies participants of applicant details

(1) If the independent directors approve an application in respect of BECS or PCS under this subpart, the company must notify every BECS or PCS participant of the following:

- (a) as soon as practicable after the independent directors make the decision,—
 - (i) of the applicant’s BIC address; and
 - (ii) of the DN address that the applicant will use for the SBI CUG transaction delivery system; and
 - (iii) of the interchange number and the branch range allocated to the applicant:
- (b) as soon as practicable after the receipt of the information requested under rule 2.22(4)(g)(ii) and (iv)—
 - (i) the date by which the participant’s system is required to recognise the applicant’s interchange number, branch range, and BIC address and the DN address that the applicant will use for the SBI CUG transaction delivery system; and

- (ii) for end-to-end tests, the name of the applicant's test partner and the date on which the applicant proposes to begin the end-to-end tests; and
 - (iii) for industry tests in respect of BECS or PCS, the date on which the applicant proposes to begin the industry tests; and
 - (iv) the name and contact details of the company test manager appointed to manage the test process.
- (2) If the independent directors approve an application in respect of HVCS under this subpart, the company must, notify every HVCS participant of the following:
- (a) as soon as practicable after the independent directors make the decision, the applicant's BIC address:
 - (b) as soon as practicable after the receipt of the information requested under rule 2.22(4)(g)(ii)—
 - (i) the date by which the participant is required to set up the applicant's BIC address; and
 - (ii) for end-to-end tests, the name of the applicant's test partner and the date on which the applicant proposes to begin the end-to-end tests; and
 - (iii) the name and contact details of the company test manager appointed to manage the test process.
- (3) If the independent directors approve an application in respect of BECS, HVCS, or PCS under this subpart, the company must require the participants in the clearing system to provide the test information specified by the company.

Compare: Payments NZ Rules v26, 12 May 2017, rules 2.24 and 2.28

2.25 Participants must provide test information and change systems

- (1) If a BECS or PCS participant receives a notification under rule 2.24(1)(b)(i), the participant must ensure that, by the date specified in the notification, its system recognises the applicant's interchange number, branch range, and BIC address and the DN address that the applicant will use for the SBI CUG transaction delivery system.
- (2) If an HVCS participant receives a notification under rule 2.24(2)(b)(i), the participant must ensure that it has set up the applicant's BIC address by the date specified in the notification.
- (3) If a BECS, HVCS, or PCS participant receives a request for test information in accordance with rule 2.24(3), the participant must provide the information to the company as soon as practicable after receipt of the request.
- (4) An HVCS participant who is not selected to conduct end-to-end tests with the applicant in accordance with rule 2.22, may require the applicant to conduct end-to-end tests with the participant.

Compare: Payments NZ Rules v26, 12 May 2017, rules 2.25 and 2.28

2.26 Tests

- (1) As soon as practicable after the company has completed the notifications and requests for information required by rules 2.22 to 2.24, the company must,—
 - (a) for an application for BECS, HVCS, or PCS,—
 - (i) manage the test process in accordance with the test strategy; and
 - (ii) determine whether the applicant has met the system test exit criteria taking into account the advice of the company test manager; and
 - (iii) if the company determines that the applicant has met the system test exit criteria, allow the applicant to commence end-to-end tests for the clearing system; and
 - (iv) determine, taking into account the recommendation of the management committee of the relevant clearing system and the advice of the company test manager, whether the applicant has passed the end-to-end tests; and
 - (b) for an application for BECS or PCS—
 - (i) if the company determines that the applicant has passed the end-to-end tests, allow the applicant to commence the industry tests for the clearing system; and

- (ii) determine, taking into account the recommendation of the management committee of the relevant clearing system and the advice of the company test manager, whether the applicant has passed the industry tests.
- (2) Subject to subclause (3), the independent directors' conditional approval of an applicant's application to participate in a clearing system lapses if the applicant does not—
 - (a) for an application for BECS, HVCS, or PCS, do the following before the expiry of 6 months from the date of a notification from the company under rule 2.22(4):
 - (i) pass systems tests; and
 - (ii) commence end-to-end tests; or
 - (b) for an application for HVCS, pass end-to-end tests before the expiry of 1 year from the date on which the applicant commenced systems tests; or
 - (c) for an application for BECS or PCS, pass end-to-end tests and industry tests in respect of the clearing system before the expiry of 1 year from the date on which the applicant commenced systems tests.
- (3) The independent directors may extend any of the following periods in respect of an applicant's application to participate in a clearing system:
 - (a) the period for passing systems tests specified by paragraph (2)(a):
 - (b) the period for commencing end-to-end tests specified by paragraph (2)(a):
 - (c) the period for passing end-to-end tests for HVCS specified by paragraph (2)(b):
 - (d) the period for passing end-to-end tests and industry tests for BECS or PCS specified by paragraph (2)(c).

Compare: Payments NZ Rules v29, 24 Oct 2017, rules 2.26

2.27 Pay test and system fees

- (1) If the company requires an applicant under this subpart to meet system test exit criteria, the company must ensure that the applicant pays the company the test fee required by rule 6.4(a) in respect of systems tests as soon as practicable after—
 - (a) the company determines that the applicant has met the system test exist criteria; or
 - (b) in any other case, the independent directors' conditional approval of the applicant's application lapses under rule 2.26(2).
- (2) If the company requires an applicant under this subpart to pass end-to-end tests, the company must ensure that the applicant pays the following fees:
 - (a) to the company, the test fee required by rule 6.4(a) in respect of end-to-end tests;
 - (b) to the participant who is the end-to-end test partner, the test fee required by rule 6.4(b) in respect of end-to-end tests.
- (3) The company must ensure that the applicant pays the fees specified by subclause (2)—
 - (a) whether or not the applicant passes the end-to-end tests; and
 - (b) as soon as practicable after—
 - (i) the company determines that the applicant has completed the end-to-end tests; or
 - (ii) in any other case, the independent directors' conditional approval of the applicant's application lapses under rule 2.26(2).
- (4) If the company requires an applicant under this subpart for BECS or PCS to pass industry tests, the company must ensure that the applicant pays the following fees:
 - (a) to the company, the test fee required by rule 6.4(a) in respect of industry tests;
 - (b) to each participant in the clearing system, the test fee required by rule 6.4(c) in respect of industry tests.
- (5) The company must ensure that the applicant pays the fees specified by subclause (4)—
 - (a) whether or not the applicant passes the industry tests; and
 - (b) as soon as practicable after—
 - (i) the company determines that the applicant has completed the industry tests; or
 - (ii) in any other case, the independent directors' conditional approval of the applicant's application lapses under rule 2.26(2).
- (6) If the independent directors approve an application in respect of BECS or PCS under this subpart, the company must ensure that the applicant pays any system fee required by rule 6.5

as soon as practicable after the company gives the notification to BECS and PCS participants required by rule 2.24(1).

Compare: Payments NZ Rules v26, 12 May 2017, rules 2.27 and 2.30

Admission process

2.28 Admission requirements

Before an applicant commences participation in a clearing system the applicant must do the following:

- (a) pay the company the access fee prescribed under rule 6.6:
- (b) execute the participant accession deed in the form set out in appendix 1G to the access procedures and return it to the company:
- (c) for an application to join BECS or PCS in which the applicant proposes to join the SBI CUG, join the SBI production CUG:
- (d) for an application to join HVCS, join the AVP production CUG:
- (e) take any other action required to comply with any conditions under which the independent directors approved the applicant's application to participate in the clearing system.

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.31

2.29 Commencement time

- (1) The company must determine, in consultation with the applicant and every participant in the clearing system, the time from which the applicant will commence participating in the clearing system.
- (2) The commencement time must—
 - (a) unless the company otherwise agrees, be more than 15 business days after the date on which the applicant completed the admission requirements specified by rule 2.28; and
 - (b) be determined taking into account the time period that each participant in the clearing system requires to change its system to connect with the applicant's system.

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.32

2.30 Independent directors must admit new participant

- (1) The independent directors must admit an applicant as a participant in a clearing system with effect from the commencement time determined in accordance with rule 2.29 if—
 - (a) the independent directors have received a confirmation from the company that the applicant has passed the following tests:
 - (i) for an application in respect of BECS, HVCS, or PCS, the tests specified by rule 2.26:
 - (ii) for an application in respect of CECS, the testing requirements of each switch company that the applicant proposes to use; and
 - (b) for an application for BECS, HVCS, or PCS, the applicant has paid the fees required by rule 2.27; and
 - (c) the applicant has completed the admission requirements specified by rule 2.28.
- (2) As soon as practicable after the independent directors admit the applicant to a clearing system, the company must—
 - (a) notify the following of the independent directors' decision and of the time from which the applicant will commence participating in the clearing system:
 - (i) the applicant:
 - (ii) each participant in the clearing system:
 - (iii) the Reserve Bank:
 - (iv) for an application for CECS, EFTPOS New Zealand Limited and Paymark Limited:
 - (v) for an application for HVCS, the AVP CUG service administrator; and
 - (b) notify the applicant of the following in respect of the financial year in which the applicant will commence participation in the clearing system—

- (i) every participant's average percentage share of NIV in the clearing system, expressed as a percentage to the nearest 0.1% as follows:
 - (A) for each of BECS, HVCS, and PCS, the average percentage share for the clearing system calculated in accordance with paragraphs 16.8(1)(c) and(d):
 - (B) for CECS, the average percentage share for CECS calculated in accordance with paragraphs 16.9(1)(c) and (d); and
- (ii) in accordance with rules 4.1(3) and 4.4, the amount of the annual levy, determined in accordance with rule 4.12, for which the applicant is liable in respect of participation in the clearing system.

Compare Payments NZ Rules v30, 27 November 2017, rules 2.33 and 16.1.4

2.31 Commence participation

- (1) If an applicant is admitted as a participant in BECS, HVCS, or PCS, the company must ensure that, before the applicant commences participation in the clearing system, the applicant and each participant in the clearing system to which the application relates passes a production implementation verification test determined by the company in accordance with rule 2.22.
- (2) An applicant must commence participating in the clearing system —
 - (a) on and from the commencement time; or
 - (b) if the application is in respect of BECS, HVCS, or PCS and either the applicant or any participant in the clearing system fails a production implementation verification test, as soon as practicable after the applicant and every participant passes the test.

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.33(3)

Subpart 2: Assignment of a right to participate in a clearing system

2.32 Assignment of a right to participate

- (1) A participant in a clearing system may, with the approval of the independent directors, assign to another person—
 - (a) the participant's right to participate in the clearing system; and
 - (b) the participant's obligations in respect to participation in the clearing system; and
 - (c) the participant's powers in respect to participation in the clearing system.
- (2) This subpart applies to an assignment in which—
 - (a) the person obtains significant influence over the participant; or
 - (b) the participant resigns and transfers its rights, obligations, and powers in a clearing system under the rules to the person.
- (3) For the purposes of subclause (2)(a), the term significant influence—
 - (a) if the participant is a registered bank, means—
 - (i) the ability to directly or indirectly appoint 25% or more of the board of directors (or other persons exercising powers of management, however described) of the registered bank; or
 - (ii) a direct or indirect qualifying interest in 10% or more of the voting securities issued or allotted by the registered bank; or
 - (b) if the participant is not a registered bank, means—
 - (i) a person has the right to directly or indirectly appoint 25% or more of the participant's board of directors (or other persons exercising management powers); or
 - (ii) in relation to any voting securities issued or allotted by the participant, a person has, directly or indirectly, any of the following:
 - (A) the legal or the beneficial ownership of 10% or more of the voting securities;
 - (B) the power to exercise, or control the exercise of, 10% or more of the voting rights attached to the voting securities;
 - (C) the power to acquire or dispose of 10% or more of the voting securities;
 - (D) the power to control the acquisition or the disposition of 10% or more of the voting securities by another person;

- (E) any of the rights or powers referred to in subparagraphs (A) to (D) under, or because of, a trust, an agreement, an arrangement or an understanding relating to the voting securities.

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.34

2.33 Application to company

The person to whom it is proposed that the right to participate in a clearing system be assigned must apply to the company for approval of the assignment.

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.35

2.34 Independent directors determine assignment

- (1) As soon as practicable after the company receives an application under rule 2.33, the independent directors must determine whether to approve the assignment.
- (2) To enable the independent directors to make a determination under subclause (1), the independent directors may—
- (a) require the applicant to provide an independent report by any person or any additional information that the independent directors consider necessary to enable the independent directors to determine the application; or
- (b) require the applicant to provide any additional information that the independent directors consider necessary.
- (3) In making a determination, the independent directors must have regard to whether the applicant complies with the access criterion in rule 2.8.

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.36

2.35 Conditions of approval

- (1) If the independent directors approve the assignment of a right to participate in a clearing system, the independent directors may require the applicant to comply with the following conditions before the assignment is completed:
- (a) payment of the application fee to the company prescribed under rule 6.3:
- (b) in accordance with rules 2.22 and 2.26, passing the tests in accordance with the test strategy to the extent determined by the independent directors:
- (c) completing any of the admission requirements specified in rule 2.28 to the extent determined by the independent directors:
- (d) admission of the applicant as a new participant in the clearing system in accordance with rules 2.30 and 2.31 at the time determined by the independent directors:
- (e) any other condition specified by the independent directors at the time of the approval.
- (2) If the independent directors require an applicant to pass any tests under subclause 1(b),—
- (a) the independent directors must require the applicant to pay—
- (i) the test fees specified by rule 2.27; and
- (ii) for an application for BECS or PCS, the system fee specified by rule 6.5; and
- (b) the independent directors may require the company and participants in the clearing system to comply with the requirements specified by rules 2.22 and 2.24 to 2.26 to the extent determined by the independent directors.

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.37

2.36 Company must notify independent directors' decision

As soon as practicable after the independent directors determine whether to approve an assignment, the company must notify—

- (a) the applicant of—
- (i) the independent directors' decision; and
- (ii) if the independent directors do not approve the assignment, the reasons for the independent directors' decision; and
- (b) each participant in the clearing system and the Reserve Bank of the independent directors' decision.

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.38

2.37 Applicant must apply for interchange number and branch ranges

- (1) If the independent directors approve an assignment of an SBI participant's right to participate in BECS or PCS to a person, as soon as practicable after receipt of a notification under rule 2.36, the person must apply to the company under subpart 3 for re-allocation to the person of the interchange number and any branch ranges allocated to the SBI participant.
- (2) The application must be accompanied by written consent from the SBI participant to re-allocation of the interchange number and any branch ranges to the person.

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.39

2.38 No participation if assignment not approved

- (1) If the independent directors do not approve an assignment under rule 2.34, an applicant is not entitled to participate in a clearing system.
- (2) If the company decides that the applicant is participating in the clearing system, the company may give the following instructions:
 - (a) if the applicant participates in BECS or PCS,—
 - (i) instruct SBI participants to reject payment instructions involving the applicant; and
 - (ii) instruct SBI participants to stop creating transactions and files in relation to payment instructions involving the applicant; and
 - (iii) instruct SBI participants to freeze settlement and freeze interchange of all files with the applicant, but to continue settlement and interchange with each other:
 - (b) if the applicant participates in HVCS, instruct HVCS participants to stop HVCS payments to the applicant.
- (3) Each participant must comply with every instruction given under subclause (2).

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.40

Subpart 2A: Changing a right to participate in SBI

2.39 Changing a right to interchange SBI files

A BECS or PCS participant may do the following with the approval of the independent directors:

- (a) if the participant is not a member of the SBI CUG and uses another SBI participant to interchange its files through the SBI CUG transaction delivery system, obtain a right to—
 - (i) change the SBI participant who interchanges its files through the SBI CUG transaction delivery system; or
 - (ii) join the SBI CUG and commence interchanging its own files through the SBI CUG transaction delivery system:
- (b) if the participant is a member of the SBI CUG and interchanges its own files using the SBI CUG transaction delivery system, obtain a right to leave the SBI CUG and use another SBI participant to interchange its files through the SBI CUG transaction delivery system.

2.40 Application to company

- (1) An SBI participant who proposes to change the way that it interchanges files through the SBI CUG transaction delivery system must apply to the company for approval of the change.
- (2) The company must ensure that the person—
 - (a) makes the application in the manner specified by the company in accordance with section A of chapter 1 of the access procedures; and
 - (b) includes with the application, the information that the company requires to assist the independent directors to determine the application.

2.41 Independent directors determine proposed change

- (1) As soon as practicable after the company receives an application under rule 2.40, the independent directors must determine whether to approve the change.
- (2) To enable the independent directors to make a determination under subclause (1), the independent directors may—

- (a) require the applicant to provide an independent report by any person or any additional information that the independent directors consider necessary to enable the independent directors to determine the application; or
 - (b) require the applicant to provide any additional information that the independent directors consider necessary.
- (3) In making a determination, the independent directors must have regard to whether the applicant complies with the access criterion in rule 2.8.

2.42 Conditions of approval

- (1) If the independent directors approve a change the way that it interchanges files through the SBI CUG transaction delivery system, the independent directors may require the applicant to comply with the following conditions before the change takes effect:
- (a) pay the application fee to the company prescribed under rule 6.3;
 - (b) if the applicant is required to join the SBI test CUG, join the SBI test CUG;
 - (c) if the applicant is required to leave the SBI production CUG, leave the SBI production CUG;
 - (d) passing tests required by the test strategy to the extent determined by the independent directors;
 - (e) any other condition specified by the independent directors at the time of the approval.
- (2) If the independent directors require an applicant to pass any tests under subclause 1(d),—
- (a) the independent directors must require the applicant to pay—
 - (i) the test fees specified by rule 6.4; and
 - (ii) for an application for BECS or PCS, the system fees specified by rule 6.5; and
 - (b) the independent directors may require the company and other SBI participants to comply with the requirements specified by rule 2.24 to 2.26 to the extent determined by the independent directors.

2.43 Company must notify independent directors' decision

As soon as practicable after the independent directors determine whether to approve a change to an SBI participant's right to interchange, the company must notify—

- (a) the SBI participant of—
 - (i) the independent directors' decision; and
 - (ii) if the independent directors do not approve the change, the reasons for the independent directors' decision; and
- (b) each other SBI participant and the Reserve Bank of the independent directors' decision.

2.44 No change if proposal is not approved

If the independent directors do not approve a change to an SBI participant's right to interchange under rule 2.41, the SBI participant is not entitled to change who interchanges its files.

2.45 Time of change

- (1) The company must determine, in consultation with the SBI participant and every other SBI participant, the time from which the change to the participant's right to interchange SBI files takes effect.
- (2) The time from which the change takes effect must, unless the BECS management committee otherwise agrees, be more than 180 calendar days after the date on which the SBI participant completed the admission requirements specified by rule 2.28 to the extent determined by the independent directors.

Subpart 3: Interchange numbers and branch ranges

2.46 Company allocates numbers and ranges

- (1) The company is responsible under this subpart for allocating—
- (a) unique 2 digit interchange numbers; and

- (b) ranges of unique 4 digit branch numbers.
- (2) The company must not re-allocate to a person an interchange number or a branch range allocated to an SBI participant unless the SBI participant first gives written consent to the re-allocation.

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.41

Interchange numbers

2.47 Criteria for allocating an interchange number

- (1) The company may only allocate an interchange number to a person who complies with 1 of the criteria in subclause (2).

The criteria for allocating an interchange number to a person are—

- (a) that the independent directors have given conditional approval of the person's application to participate in BECS or PCS under subpart 1; or
- (b) that the independent directors have approved the person's application for an assignment of a right to participate in BECS or PCS under subpart 2; or
- (c) that the person has or proposes to have an agency arrangement with an SBI participant and the SBI participant providing the agency arrangement consents to the company allocating an interchange number to the person; or
- (d) in relation to any person to whom paragraphs (a) to (c) do not apply, that the independent directors are satisfied that the person has a genuine business need for an interchange number.

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.42

2.48 Application for an interchange number

For allocation of an interchange number in relation to any person to whom rules 2.47(c) or (d) apply, an application must be submitted to the company in writing.

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.43

2.49 Allocation of an interchange number

- (1) If the independent directors have given conditional approval of a person's application to participate in BECS or PCS under subpart 1, the company must do the following as soon as practicable after the approval is given—
 - (a) allocate an interchange number to the person and record the name of the person and the interchange number on the register of interchange numbers; and
 - (b) notify the person and each SBI participant of the allocation in accordance with rule 2.28; and
 - (c) require the person to pay the interchange number allocation fee specified by rule 6.7(1).
- (2) If the independent directors have approved a person's application for approval of an assignment of a right to participate in BECS or in PCS from an SBI participant under subpart 2, the company must, as soon as practicable after the approval is given,—
 - (a) re-allocate to the person the interchange number allocated to the SBI participant on the register of interchange numbers; and
 - (b) notify the person and each SBI participant of the re-allocation; and
 - (c) require the person to pay the interchange number allocation fee specified by rule 6.7(1).
- (3) For an application for an interchange number from any other person, the company must, as soon as practicable after receipt of the application, refer the application to the independent directors for consideration.

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.44

Branch ranges

2.50 Application for a branch range

- (1) The company may only allocate a branch range to a person—
 - (a) with an interchange number; and
 - (b) who complies with 1 of the criteria in subclause (2).

- (2) The criteria for allocating a branch range to a person with an interchange number are—
 - (a) that the independent directors have given conditional approval of the person’s application to participate in BECS or PCS under subpart 1; or
 - (b) that the independent directors have approved the person’s application for an assignment of a right to participate in BECS or PCS under subpart 2; or
 - (c) that the person has or proposes to have an agency arrangement with an SBI participant and the SBI participant providing the agency arrangement consents to the company allocating an interchange number to the person; or
 - (d) that the person is an SBI participant.
- (3) For allocation of a branch range in relation to any person to whom subclauses (c) or (d) apply, an application must be submitted to the company in writing.

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.45

2.51 Allocation of a branch range

- (1) If the independent directors have given conditional approval of a person’s application to participate in BECS or PCS under subpart 1, the company must do the following as soon as practicable after the approval is given—
 - (a) allocate a branch range to the person and record the name of the person and the branch range on the register of branch ranges; and
 - (b) notify the person and each SBI participant of the allocation in accordance with rule 2.28; and
 - (c) require the person to pay the branch range allocation fee specified by rule 6.7(2).
- (2) If the independent directors have approved a person’s application for approval of an assignment of a right to participate in BECS or in PCS from an SBI participant under subpart 2, the company must, as soon as practicable after the approval is given,—
 - (a) re-allocate to the person the branch range allocated to the SBI participant on the register of branch ranges; and
 - (b) notify the person and each SBI participant of the re-allocation; and
 - (c) require the person to pay the branch range allocation fee specified by rule 6.7(2).
- (3) If an existing SBI participant applies for a branch range the company must, as soon as practicable after receipt of the application,—
 - (a) record the name of the SBI participant and the branch range on the register of branch ranges; and
 - (b) notify the participant and each SBI participant of the branch range allocated; and
 - (c) require the person to pay the branch range allocation fee specified by rule 6.7(2).

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.46

2.52 Use of a branch range by an SBI participant

- (1) If the company allocates a branch range to an SBI participant and the participant proposes to use a branch number in the branch range to participate in BECS or PCS or to change details of a branch number, the participant must notify the company in writing, of—
 - (a) the branch number or the change to the details of the branch number; and
 - (b) the date on and from which the participant proposes to use the branch number or the change to the details will take effect (being no less than 10 business days after the date on which the participant gives the notification).
- (2) If the company receives a notification from an SBI participant under subclause (1), as soon as practicable after receipt of the notification, the company must—
 - (a) record on the branch register the details of the branch number or changes to the details; and
 - (b) notify all SBI participants of the details of the branch number or changes to the details of the branch number including the date on and from which the participant proposes to use the branch number or the change to the details takes effect.
- (3) If an SBI participant receives a notification from the company under subclause (2), the participant must update its system to recognise the branch number or change to the details of the branch number on and from the effective date.

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.47

Independent directors determine allocation

2.53 Allocation to agency financial institution

- (1) If the independent directors receive an application for allocation of an interchange number or a branch range to a financial institution who has or who proposes to have an agency arrangement with an SBI participant, the independent directors may require the SBI participant to ensure that the financial institution complies with any of the following conditions that the independent directors decide to impose:
 - (a) passing tests in accordance with the test strategy to the extent determined by the independent directors;
 - (b) paying an interchange number allocation fee to the company in accordance with rule 6.7(1);
 - (c) paying a branch range allocation fee to the company in accordance with rule 6.7(2);
 - (d) any other condition specified by the independent directors at the time of allocation.
- (2) If the independent directors require an applicant to pass any tests under subclause (1)(a), the following apply:
 - (a) the independent directors must require the applicant to pay—
 - (i) the test fees specified by rule 2.27; and
 - (ii) the system fee specified by rule 6.5; and
 - (b) the independent directors may require the company and participants in the clearing system to comply with the requirements specified by rules 2.24 to 2.26 to the extent determined by the independent directors.
- (3) If the independent directors approve an application to allocate an interchange number or a branch range to a financial institution, for each file containing a transaction that specifies the financial institution's interchange number or its branch number, the SBI participant with whom the financial institution has an agency arrangement—
 - (a) is responsible as principal for settlement and interchange of the file under Part 8; and
 - (b) must be the sender or the receiver of the file.
- (4) As soon as practicable after the independent directors determine the application for an interchange number or a branch range, the company must notify the applicant of—
 - (a) the independent directors' decision; and
 - (b) if the independent directors do not approve an application to allocate an interchange number or a branch range, the reasons for the independent directors' decision.

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.48

2.54 Allocation to a person with business need

- (1) If the independent directors receive an application for allocation of an interchange number from a person with a genuine business need for an interchange number, the independent directors must determine whether to allocate an interchange number to the person.
- (2) In determining whether to allocate an interchange number, the independent directors may—
 - (a) require the applicant to provide an independent report by any person; or
 - (b) require the applicant to provide any additional information that the independent directors consider necessary.
- (3) If the independent directors approve an application for an interchange number from an SBI participant with a genuine business need, the independent directors may, at the time of allocation, require the SBI participant to—
 - (a) pass tests in accordance with the test strategy to the extent determined by the independent directors; and
 - (b) pay an interchange number allocation fee in accordance with rule 6.7(1).
- (4) If the independent directors require an SBI participant to pass tests under subclause (3), the following apply:
 - (a) the independent directors must require the applicant to pay—
 - (i) the test fees specified by rule 2.27; and
 - (ii) the system fee specified by rule 6.5:

- (b) the independent directors may require the company and participants in the clearing system to comply with the requirements specified by rules 2.24 to 2.26 to the extent determined by the independent directors.
- (5) If the independent directors approve an application for an interchange number from any person with a genuine business need, the independent directors may, at the time of allocation, require the person to comply with any condition that the independent directors decide to impose.
- (6) As soon as practicable after the independent directors determine an application for an interchange number, the company must notify the applicant of—
 - (a) the independent directors' decision; and
 - (b) if the independent directors do not approve an application to allocate an interchange number, the reasons for the independent directors' decision.

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.49

Revocation

2.55 Revocation of an interchange number or a branch range

- (1) This rule applies to the following persons to whom the company has allocated an interchange number or a branch range:
 - (a) a person to whom the independent directors have given conditional approval to participate in BECS or PCS under subpart 1 but the person has not completed the admission requirements specified by rule 2.28 before the expiry of 2 years from the date of allocation of the interchange number or the branch range:
 - (b) a person whose allocation is subject to a condition imposed by the independent directors under subparts 2 to 3 but the independent directors decide—
 - (i) for a condition requiring the person to complete an action, that the person has not completed the action before the expiry of a date specified by the independent directors, or, if the independent directors have not specified a date, before the expiry of a reasonable time after allocation; or
 - (ii) for a condition requiring the person not to take an action, that the person has breached the condition.
- (2) If this rule applies to a person, the company may do the following:
 - (a) revoke the allocation of an interchange number to the person by removing the name of the applicant from the register of interchange numbers:
 - (b) revoke the allocation of a branch range to the person by—
 - (i) removing the name of the person from the register of branch ranges allocated; and
 - (ii) removing details of branches used by the person from the register of branch numbers:
 - (c) notify the following of the revocation:
 - (i) the person to whom this rule applies:
 - (ii) all SBI participants:
 - (iii) the Reserve Bank:
 - (d) require the person to pay an interchange number revocation fee to the company in accordance with rule 6.7(3):
 - (e) require the person to pay a branch range revocation fee to the company in accordance with rule 6.7(4).

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.50

Allocation on effective date

2.56 Allocation on effective date

Any interchange number that immediately before the commencement of this Part is allocated to a participant continues to be allocated to the participant as it had been allocated before commencement of this Part.

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.52

Subpart 4: Resigning from a clearing system

2.57 Resignation procedure

- (1) A participant in a clearing system may resign from the clearing system—
 - (a) by notifying the chief executive in writing; and
 - (b) with effect from—
 - (i) a date that is more than 3 months after the date on which the participant sends the notification to the company; or
 - (ii) any other date that is agreed by the independent directors.
- (2) Before the resignation date in subclause (1), the resigning participant may apply to the chief executive in writing to change the resignation date to a specified date.
- (3) The chief executive must determine, in consultation with the participant and every other participant in the clearing system, whether to approve the participant's application for a changed resignation date.
- (4) The changed resignation date must be,—
 - (a) after the original resignation date specified in the notification in subclause (1); and
 - (b) unless the chief executive otherwise agrees, more than 15 business days after the date on which the participant sent the application for a changed resignation date under subclause (2).
- (5) If a participant resigns in accordance with this rule, the participant cannot revoke the notice of resignation.

Compare: Payments NZ Rules v26, 12 May 2017, rule 2.53

2.58 Effect of resignation

- (1) If a participant resigns from a clearing system, the participant's right to participate in the clearing system ends at the end of the ESAS day on the date on which the resignation takes effect.
- (2) If a participant resigns from a clearing system and the participant participates in another clearing system, the participant may continue to participate in the other clearing system.
- (3) Subject to any rights of set-off, counterclaim, or combination, that are available at law, at the end of the ESAS day on the date on which resignation takes effect, the participant—
 - (a) must immediately pay all money that it owes to any other participant in a clearing system from which it has resigned in relation to the participant's participation in the clearing system; and
 - (b) is entitled to be paid all money owed to it by any other participant in a clearing system from which it has resigned in relation to the participant's participation in the clearing system.
- (4) If a participant resigns from a clearing system, it is not entitled to repayment of all or part of any levy, charge, or fee that it has paid to the company in accordance with Part 4.
- (5) If a participant resigns from a clearing system, the resignation does not affect—
 - (a) any right or liability of the participant accrued or incurred in relation to the participant's participation in the clearing system before the end of the ESAS day on the date on which the resignation takes effect, including, without limitation and in accordance with rule 4.12(4), the participant's liability to pay the amount of an annual levy for which the participant became liable in respect of the clearing system at the commencement of the financial year to which the annual levy relates; or
 - (b) the rights or obligations of the participant under any clearing system document that provides that it has effect despite the resignation of the participant from a clearing system.

Compare: Payments NZ Rules, v30, 27 November 2017, rule 2.58

2.59 Company actions on resignation

- (1) As soon as practicable after the company receives notification from a participant of its resignation from a clearing system or a changed resignation date, the company must notify the

following of the resignation and of the date or changed date on which the resignation takes effect:

- (a) all participants:
 - (b) if the resignation relates to BECS or PCS, SWIFT:
 - (c) if the resignation relates to CECS, all switches:
 - (d) if the resignation relates to HVCS, the AVP CUG service administrator:
 - (e) the Reserve Bank.
- (2) Subclause (3) applies to the company if—
- (a) an SBI participant is a member of the SBI CUG and resigns from BECS or PCS; and
 - (b) as a result of the resignation, the participant will not participate in either BECS or PCS.
- (3) The company must remove the SBI participant from the SBI CUG as soon as practicable after the end of the ESAS day on which the resignation takes effect.

Compare: Payments NZ Rules v30, 27 November 2017, rule 2.59