

From: Peter Kerr
Sent: Wednesday, 13 March 2024 9:02 am
To: Allan Dawson
Cc: Katie Bunker; Airihi Mahuika; Grant Benvenuti; Sara Mateparae
Subject: Potential urgent exemption application

Good morning Allan

I write to ask if the Compliance Committee would consider using the e-resolution process to make a quick decision on a potential urgent exemption application.

Grant has given us the heads up that the process of finalising invoices and settling payments for the 9 August 2021 period has commenced.

We want this settlement to progress as quickly as possible but the process is going to take up the SME time within NZX that is also needed for implementing the new Code obligation around the disbursement of interest from the clearing manager accounts. The Code obligation must be performed by Friday 29 March (clause 14.34A(4)).

The clearing manager is going to provide an implementation plan and timeline for the 9 August work. That may include a trade-off for the interest disbursement work. If we want the clearing manager to prioritise the 9 August work they will need an exemption from clause 14.34A(4), and it will need to be approved before 19 March 2024.

I understand that the decision could be made by the Committee as the exemption is unlikely to be considered 'significant or controversial'. Grant advises that interest has been collecting in the clearing manager's accounts for 6+ years, so an extra few months won't make much difference. The Code obligation is repeated every March and September, so if the exemption is only for 1 month, the clearing manager can do the disbursement whenever they are ready but no later than end of September.

Based on this advice, I consider an e-resolution decision would be appropriate in the circumstances.

If you agree, I will commence the process in our e-res guidance document:
<https://imanage.ea.govt.nz/work/link/d/ELCOMM!1415975.8>

Thank you

Peter

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