



RESERVE BANK OF AUSTRALIA

Corporations Act 2001

Notification of determination of Financial Stability Standards

The Reserve Bank of Australia (Reserve Bank) gives notice under paragraph 827D(7)(a) of the *Corporations Act 2001* (the Act) that on 10 December 2012 pursuant to subsection 827D(1) of the Act, the Reserve Bank determined two sets of financial stability standards to apply to certain classes of clearing and settlement (CS) facility licensees:

- *Financial Stability Standards for Central Counterparties* (CCP Standards), that apply to CS facility licensees that operate a central counterparty; and
- *Financial Stability Standards for Securities Settlement Facilities* (SSF Standards), that apply to CS facility licensees that operate a securities settlement facility.

Purpose and effect

The CCP Standards and the SSF Standards (jointly, the FSSs) have been determined for the purpose of ensuring that CS facility licensees that operate a central counterparty or securities settlement facility conduct their affairs in a way that causes or promotes overall stability in the Australian financial system.

The FSSs comprise a set of detailed standards and sub-standards that impose appropriate risk management requirements on the operations of CS facility licensees. To assist CS facility licensees in the interpretation and application of the FSSs, the Reserve Bank has issued associated guidance. This guidance does not create any additional binding obligations on CS facility licensees.

Copies of the FSSs and associated guidance are available on the Reserve Bank's website at www.rba.gov.au.

In accordance with paragraph 827D(5)(a)(ii) of the Act, the FSSs will come into effect on the dates set out below.

CCP Standards

CCP Standards 3.5, 4.8, 14.3 and 16.11 are to come into force on 31 March 2014.

All other CCP Standards are to come into force on 29 March 2013.

SSF Standards

SSF Standards 3.5, 4.5, 12.3 and 14.11 are to come into force on 31 March 2014.

All other SSF Standards are to come into force on 29 March 2013.

Signed

A handwritten signature in black ink, appearing to read 'Glenn Stevens', written in a cursive style.

Glenn Stevens
Governor
Reserve Bank of Australia

Date

10 December 2012