



FINANCIAL SERVICES FEDERATION

30 January 2026

Depositor Compensation Scheme Draft Standard & Guidance
Reserve Bank of New Zealand – Te Pūtea Matua

By email: dta@rbnz.govt.nz

Reserve Bank of New Zealand Consultation on Exposure Draft of Depositor Compensation Scheme (DCS) Standard and Guidance for Deposit Takers

Thank you for the opportunity for the Financial Services Federation (the FSF) to submit on the Exposure Draft of Depositor Compensation Scheme (DCS) Standard and Guidance for Deposit Takers (the Consultation).

By way of background, the FSF is the industry body representing specialist lenders operating in New Zealand. We have around 100 members (a list of which is attached as Appendix A) which include motor vehicle finance providers, fleet leasing providers, specialist housing lenders, Deposit Takers, the larger finance companies operating in New Zealand, commercial asset leasing and finance providers, credit-related insurers and Affiliate members which include internationally recognised legal and consulting partners.

Our members provide their products and services to more than 1.7 million New Zealand consumers and businesses. Data relating to the extent to which FSF members (excluding Affiliate members) contribute to New Zealand consumers, society and the economy is attached as Appendix B.

Introductory Comments:

We would like to begin by stating that many of our introductory notes from our accompanying submission on the liquidity standard apply as overarching themes to both our submissions. Rather than repeating them here we ask that our submissions be read in conjunction with each other.

Please assume we have no comment on any questions we have omitted.

- 7. Do you agree that a DCS depositor page should accept alternate account details from any authorised individual even if that person could not manage that account without approval from another person (n to sign)? If not, please provide suggestions on how this could be cost effectively managed by deposit takers.**

Yes, we agree that the standard should continue to stay silent on this to allow deposit takers the ability to develop their own policies based on their risk tolerance in cases such as these.

- 8. Do you agree with the proposal that the alternate model would only be available to deposit takers who do not offer transactional accounts, and the proposed approach to identify which deposit takers offer transactional accounts?**

Yes we agree with this.

- 9. DCS depositor page data will be provided to the RBNZ as it is received (for example, every 24 hours). Will you have any system constraints if subsequent transfers contain only depositor data that is new since any previous data transfers (delta data)?**

We believe that the more straightforward way to do this will be to provide all the data as at a date and time. This will provide a much more complete picture than delta data.

- 13. Do you have any other comments on the attached exposure draft of the DCS Standard?**

An additional reporting requirement on top of the many different reporting requirements that deposit takers already have does cause concern in regard to the costs to comply. RBNZ needs to ensure that the costs and burden placed on group 3 deposit takers is proportionate when compared to those placed on group 1 & 2.

- 14. Do you have any other comments on the attached draft of the Guidance to support the DCS Standard?**

We have no further comments other than those already discussed above.

Please do not hesitate to contact me if you have any queries.

Yours sincerely,

9(2)(a)

9(2)(a)

Legal and Policy Manager
Financial Services Federation

Appendix A



FSF Membership List as at October 2025

Non-Bank Deposit Takers, Specialist Housing/Property Lenders, Fleet Leasing Providers	Vehicle Lenders	Finance Companies/ Diversified Lenders	Finance Companies/ Diversified Lenders contd./ Social Impact Lenders, Credit-related insurers	Insurance Premium Fundors, Affiliate Members	Affiliate Members contd.
<u>Non-Bank Deposit Takers</u> Finance Direct Limited ➤ Lending Crowd General Finance (BB) Mutual Credit Finance (B) Welcome Limited <u>Credit Unions/Building Societies</u> First Credit Union (BB) Nelson Building Society (BB+) Police and Families Credit Union (BB+) <u>Specialist Housing Lenders</u> Basecorp Finance Limited First Mortgage Managers Ltd. Pepper NZ Limited Resimac NZ Limited <u>Fleet Leasing Providers</u> Custom Fleet Euro Rate Leasing Limited Fleet Partners NZ Ltd ORIX New Zealand SG Fleet	Auto Finance Direct Limited BMW Financial Services ➤ Mini ➤ Alpha Financial Services Community Financial Services Daimler Truck Financial Services AU Pty Ltd Honda Financial Services Kubota New Zealand Ltd Mercedes-Benz Financial Motor Trade Finance Nissan Financial Services NZ Ltd ➤ Mitsubishi Motors Financial Services ➤ Skyline Car Finance Onyx Finance Limited Scania Finance NZ Limited Toyota Finance NZ ➤ Mazda Finance Yamaha Motor Finance	AfterPay American Express Avanti Finance ➤ Branded Financial Basalt Group Blackbird Finance Caterpillar Financial Services NZ Ltd Centracorp Finance 2000 DebtManagers De Lage Landen Limited Finance Now Future Finance Geneva Finance Harmony Humm Group Instant Finance ➤ Fair City ➤ My Finance Latitude Financial Lifestyle Money NZ Ltd Mainland Finance Limited Metro Finance	Nectar NZ Limited NZ Finance Ltd Partners Finance Personal Loan Corporation Pioneer Finance Prosper NZ Ltd Speirs Finance Group (L & F) ➤ Speirs Finance ➤ Speirs Corporate & Leasing ➤ Yoogo Fleet Turners Automotive Group ➤ Autosure ➤ East Coast Credit ➤ Oxford Finance UDC Finance Limited <u>Yes Finance Limited</u> Zip Co NZ Finance Limited <u>Social Impact Lenders</u> Money Sweetspot Ltd <u>Credit-related Insurance Providers</u> Protecta Insurance Provident Insurance Corporation Ltd	Arteva Funding NZ Ltd Clearmatch Elantis Premium Funding NZ Ltd Financial Synergy Limited Hunter Premium Funding IQumulate Premium Funding Rothbury Instalment Services <u>Affiliate Members</u> Alfa Financial Software AML Solutions Limited Buddle Findlay Chapman Tripp Credisense Ltd Deloitte EY FinTech NZ Finzsoft Happy Prime Limited KPMG Loansmart Ltd	Match me Money Ltd Motor Trade Association Odessa Technology Inc. PWC Sense Partners Simpson Western Solifi Pty Limited Symphonix <u>Credit Reporting, Debt Collection Agencies.</u> Centrix Credit Corp ➤ Baycorp ➤ Collection House Creditworks Indebted (was Debtworks) Equifax Gravity Credit Management Limited Illion Quadrant Group (NZ) Ltd Recoveries Corp NZ Ltd Total 99 members



FINANCIAL SERVICES FEDERATION (FSF) THE SPECIALIST LENDING SECTOR - 2025



57%

NON-BANK

BANK

of personal consumer loans are financed by the **specialist lending sector** represented by FSF members

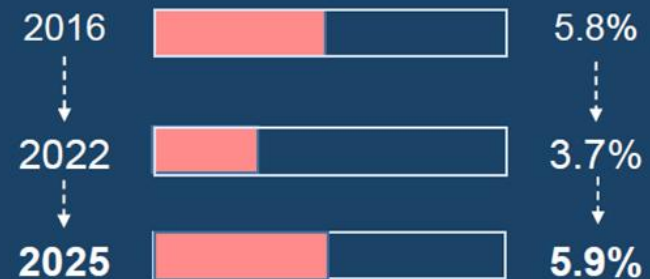
*Setting industry standards for responsible lending,
promoting compliance and consumer awareness.*

Percent of Loan Requests Approved

50%



Percent of Loan Book in Arrears



KEY FACTS: THE SPECIALIST LENDING SECTOR

FSF Members (as at 31 Mar 2025)

Number of Members	100
Number of Employees	3,162
Total Value of Loans	\$22.25B
Applications Processed	1,187,492
Loan Requests Approved	588,671
Percent of Loan Book in Arrears	5.9%
Loan Disputes Upheld	TBC

Bank Sector (as at 31 Mar 2025)

Value of Mortgage Loans	\$369B
Value of Consumer Loans	\$7.6B
Value of Business Loans	\$127B

Specialist Lending Sector Share (Mar 2025)

% of Total Mortgage Loans	0.5%
% of Total Consumer Loans	57.2%
% of Total Business Loans	7.4%

Insurance Credit Related (as at 31 Mar 2025)

Number of Employees	174
Number of Policies	285,371
Gross Claims (annual)	\$13.2M

Consumer Loans (as at 31 Mar 2025)

Total Value of Loans	\$12.0B
Number of Customers	1,383,344
Number of Loans	1,488,692
Average Loan Size	\$8,070

Total Value of Loans:

Mortgage	\$1,839M
Vehicle Loan	\$4,850M
Unsecured	\$4,772M
Other Security	\$541M
Lease Finance	\$11M

Average Value of Loan:

Mortgage	\$293,661
Vehicle Loan	\$15,719
Unsecured	\$4,280
Other Security	\$9,244
Lease Finance	\$38,981

Business Loans (as at 31 Mar 2025)

Total Value of Loans	\$10.2B
Number of Customers	137,075
Number of Loans	226,820
Average Loan Size	\$45,146

Total Value of Loans:

Mortgage	\$3,033M
Vehicle Loan	\$3,033M
Unsecured	\$441M
Other Security	\$1,960M
Lease Finance	\$1,773M

Average Value of Loan:

Mortgage	\$824,431
Vehicle Loan	\$35,177
Unsecured	\$29,182
Other Security	\$42,184
Lease Finance	\$23,532