

Appendix 1: DCS Standard Documentation

(i) Treatment of revolving credit contract products

We would appreciate further clarification regarding the treatment of revolving credit contract products. The DCS Standard Documentation suggests that banks cannot promote coverage of these products under the DCS, however, this seems inconsistent with *Regulation 5(2)(a)(x) of the Deposit Taker Regulations 2025*, which requires that banks provide DCS coverage information sheets to customers who open these products.

We recommend that the Reserve Bank allow flexibility / optionality as to how banks communicate DCS coverage in respect of these products, particularly as any associated coverage is dependent on individual circumstances.

(ii) REDACTED

(iii) Administering of the SDV file

Uncertainty remains with the DCS Standard Documentation as to whether there is an expectation that SDV file testing needs to include a file transfer process to the Reserve Bank on an annual basis. Clarity to that end would be appreciated.

Further, we consider that the 24-hour period in which the Deposit Taker must produce the SDV file is unrealistic. Assuming the 24-hour period commences after the end of day in which notice is received (noting this technical point remains unclear), then the 24-hour timeframe is likely to be challenging – particularly in a time of crisis resolution. Upon notice, multiple actions need to occur prior to the SDV file being available. These include, closing appropriate customer channels, processing in-flight transactions, preventing future transactions, and running reports via data pipelines, all before producing the file and transferring it. We strongly encourage the Reserve Bank to reconsider a more realistic timeframe (e.g. 48 hours) for Group 2 entities. This would be consistent with international standards, such as APRA's prudential standard APS910 that states "*an ADI must generate SCV data from its end-of-day deposit balances not later than 48 hours after the end-of-day on which: (a) a declaration is made under section 16AD of the Banking Act; or (b) APRA requests the ADI to generate the data.*"

Finally, TSB would appreciate further clarity around re-submitting SDVs in the event of a DCS payout scenario. We understand that SDVs may need to be re-sent to incorporate relevant arrangements and any associated follow up work. We seek further guidance around expectations to send these updated SDVs and any associated timeframes that need to be met. Again, we are particularly interested in how this works in the context of OBR, whereby a customer may have access to a portion of their account balance that will be subject to ongoing fluctuation throughout the payout process.