

Appendix E

Eligible Custodian requirements

- 6.3.2**
- (1) An Eligible Custodian is a Person who is a separate legal entity to the Operator and is:
 - (a) an Authorised Firm whose Licence authorises it to Provide Custody Services;
 - (b) an Authorised Firm which is a Bank;
 - (c) an Authorised Market Institution: or
 - (d) an Undertaking subject to equivalent regulation as provided in (2).

 - (2) An Undertaking is subject to equivalent regulation for the purposes of (1) if:
 - (a) it is authorised and supervised by a Financial Services Regulator in a Recognised Jurisdiction for providing custody services and is subject to a minimum capital requirement of \$10 million or its equivalent in any other currency at the relevant time and has had surplus revenue over expenditure for the last two financial years;
 - (b) it, or its holding company, is graded by an internationally recognised rating agency such as Moodys or Standard & Poors as at least “investment grade” in respect of its financial strength and which is subject to regulation by a Financial Services Regulator or banking Regulator in another jurisdiction which is a Zone 1 country; or
 - (c) it is authorised or recognised to by a Financial Services Regulator to operate as an exchange or a clearing house in a Recognised Jurisdiction.
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