

Dickson, Tom

From: Douglas, Justin
Sent: Tuesday, 19 October 2010 4:44 PM
To: Dickson, Tom; Watson, Genevieve
Subject: FW: MEASURE LIST (Tsy) - Sustainable and competitive banking (2).docx
~~[SEC=UNCLASSIFIED]~~
Attachments: MEASURE LIST (Tsy) - Sustainable and competitive banking (2).docx

Categories:
Security Classification: UNCLASSIFIED

Version that John took to meeting with Treasurer

From: Watson, Genevieve
Sent: Tuesday, 19 October 2010 4:38 PM
To: Douglas, Justin
Subject: MEASURE LIST (Tsy) - Sustainable and competitive banking (2).docx [SEC=UNCLASSIFIED]

Competitive and sustainable banking

Do

- Exit fees (flag competition issue for smaller lenders reliant on securitisation)
 - One-page term sheet for mortgages and standardise definitions
 - Price signalling
 - Change ADI to ABI (Note: will require consultation with states.)
 - FCS: Announce continuation. Flag a discussion paper on the cap. Potentially announce grandfathering.
 - RMBS tranche 3: \$6 billion instead of \$8bn (signal that government support is temporary).
- Sub-paragraph
22 (1)(a)(ii) (not relevant)
- Launch financial literacy website

Examine

- Covered bonds
 - Examine impact on RMBS
 - Able to meet funding and competition objectives with a single model
- Corporate bonds (retail issuance + education)
- Securitisation market - RMBS bullet structures

Delete

- Tax measures (IWT bring forward, and extension of 50 per cent discount on interest income).
- Liquidity – link to RMBS market (preferential treatment of some securitisation)