



**Australian CS Facility Licence (Chicago Mercantile Exchange Inc.)  
Variation Notice 2019 (No. 1)**

*Corporations Act 2001*

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I, Oliver Harvey, Chief Supervisory Officer, Australian Securities and Investments Commission, make this variation under paragraph 825A(1)(b) of the *Corporations Act 2001* (the Act).

Dated 26.2.2019

Signed 

as a delegate of the Minister under s1101J of the Act

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**1. Name of variation**

This is the *Australian CS Facility Licence (Chicago Mercantile Exchange Inc.) Variation Notice 2019 (No. 1)*.

**2. Commencement**

This notice takes effect on the day it is signed.

**3. Variation**

The *Australian CS Facility Licence (Chicago Mercantile Exchange Inc.) 2014* is varied as set out in the Schedule.

**Schedule - Variation****[1] Section 3**

Insert:

***“energy derivatives*** means derivatives where the amount of consideration or the value of the arrangement is ultimately determined, derives from, or varies by reference to, the value of any of the following:

- (a) coal;
- (b) crude oil;
- (c) electricity; and
- (d) natural gas.

***environmental compliance scheme*** means arrangements relating to meeting some or all of a person’s obligations about the generation of renewable energy or the emission of particular gases into the atmosphere.

***environmental derivatives*** means derivatives where the amount of consideration or the value of the arrangement is ultimately determined, derives from, or varies by reference to, the value of an instrument, right or obligation in or arising from an environmental compliance scheme:

- (a) of the Commonwealth or of any State or of the Australian Capital Territory or of the Northern Territory or of Norfolk Island; or
- (b) that the Commonwealth or any State or the Australian Capital Territory or of the Northern Territory or of Norfolk Island is a party to or participates in; or
- (c) of any foreign state that may have been established to meet or assist in meeting the obligations that the foreign state may have under the United Nations Framework Convention on Climate Change done at New York on 9 May 1992, amended and in force from time to time, including any protocol to that convention, for example the Kyoto protocol.

***FEX*** means FEX Global Pty Ltd (ACN 124 127 224).

***FEX Market*** means the financial market operated by FEX Global Pty Ltd under *Australian Market Licence (FEX Global Pty Ltd) 2013.*”

**[2] Section 3**

Omit the definition of “proprietary account”, substitute:

***“proprietary account*** has the meaning given by Regulation 1.3 of the regulations made by the CFTC under the *Commodity Exchange Act 1936* (US) and published in Title 17 Chapter 1 of the US Code of Federal Regulations, as in force on 15 February 2019.”

**[3] Section 5**

Omit the section, substitute:

**5. Class of financial products**

The class of financial products in respect of which the overseas clearing and settlement facility may provide services under this Licence is derivatives, limited to:

- (a) over-the-counter transactions in interest rate derivatives;
- (b) non-Australian dollar denominated interest rate derivatives traded on the CME market or the CBOT market, for which CME permits portfolio margining with the over-the-counter interest rate derivatives referred to in paragraph (a); and
- (c) commodity derivatives, energy derivatives and environmental derivatives traded on the FEX Market."