



Corporations (Canvas Digital Pty Ltd) Australian Market Licence Exemption Notice 2023

Corporations Act 2001

I, Greg Yanco, delegate of the Minister, make this notice under section 791C of the *Corporations Act 2001* (the **Act**).

Dated : 3 April 2023

Signed

Executive Director, Australian Securities and Investments Commission

Name of exemption

1. This exemption is the *Corporations (Canvas Digital Pty Ltd) Australian Market Licence Exemption Notice 2023*.

Commencement

2. This exemption commences on the day it is signed.

Exemption

3. The use case platform operated by Canvas in the CBDC Pilot is exempt from the operation of Part 7.2 of the Act.

Cessation

4. This exemption ceases to have effect at the end of 31 May 2023.

Where this exemption applies

5. This exemption applies where all of the following matters are satisfied:

Information to be given to new users

- (a) Before allowing a participant to access the use case platform for the first time, Canvas must notify the participant in writing of the following:
 - (i) the use case platform operated by Canvas is covered by an exemption under section 791C of the Act;
 - (ii) the use case platform operated by Canvas is not licensed under Part 7.2 of the Act; and
 - (iii) the use case platform operated by Canvas is not subject to the legal obligations that apply to the operator of a licensed financial market, including the requirement, to the extent that it is reasonably practicable to do so, to do all things necessary to ensure that the market is a fair, orderly and transparent market.

ASIC to be informed of changes to use case platform

- (b) Canvas must inform ASIC, by notice in writing, of any material change to the operation of the use case platform at least 5 business days before the change occurs.

Notifying ASIC about non-compliance with conditions

- (c) Canvas must notify ASIC in writing if Canvas fails to comply with any of the conditions in this instrument. Canvas must notify ASIC as soon as practicable after Canvas becomes aware of the failure.

Assistance to ASIC

- (d) Canvas must comply with section 792D of the Act in relation to the use case platform as if Canvas held an Australian market licence that authorised Canvas to operate the use case platform in this jurisdiction.

Limit on number and value of transactions

- (e) Canvas must ensure that the transactions entered into through the use case platform as part of, and for the duration of, the CBDC Pilot:
 - (i) do not exceed more than 60 transactions; and
 - (ii) the value of the transactions entered into does not exceed \$60,000.

Participants

- (f) Canvas must ensure that a person carrying on business in this jurisdiction does not directly participate in the use case platform unless the person:
 - (i) is a wholesale client, or is a branch or office of an entity that is a wholesale client; and
 - (ii) only deals on the use case platform on their own behalf or on behalf of a wholesale client.

Interpretation

- 6. In this exemption:
 - (a) italicised headings do not form part of this exemption;
 - (b) *Act* means the *Corporations Act 2001*.

Canvas means Canvas Digital Pty Ltd (ABN 776 487 077 06).

CBDC Pilot means the central bank digital currency pilot project administered by the RBA and the Digital Finance Cooperative Research Centre.

CBDC Pilot Participation Agreement means, in relation to Canvas, an agreement between Canvas and the RBA that covers the terms and

conditions of the Canvas' participation in the CBDC Pilot in relation to a use case platform.

RBA means the Reserve Bank of Australia.

use case platform means, in relation to Canvas, the facility operated by Canvas in the CBDC Pilot and that involves the operation of a financial market.