

|  |
| --- |
| **EXPOSURE DRAFT** |

Treasury Laws Amendment (Transition of Chi‑X to National Guarantee Fund) Regulations 2019

I, General the Honourable Sir Peter Cosgrove AK MC (Ret’d), Governor‑General of the Commonwealth of Australia, acting with the advice of the Federal Executive Council, make the following regulations.

Dated 2019

Peter Cosgrove

Governor‑General

By His Excellency’s Command

Stuart Robert **DRAFT ONLY—NOT FOR SIGNATURE**

Assistant Treasurer

Contents

1 Name 1

2 Commencement 1

3 Authority 1

4 Schedules 1

Schedule 1—Amendments 2

Corporations Regulations 2001 2

1 Name

This instrument is the *Treasury Laws Amendment (Transition of Chi‑X to National Guarantee Fund) Regulations 2019*.

2 Commencement

(1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

| Commencement information | | |
| --- | --- | --- |
| Column 1 | Column 2 | Column 3 |
| Provisions | Commencement | Date/Details |
| 1. The whole of this instrument | The day after this instrument is registered. |  |

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

(2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

3 Authority

This instrument is made under the *Corporations Act 2001.*

4 Schedules

Each instrument that is specified in a Schedule to this instrument is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this instrument has effect according to its terms.

Schedule 1—Amendments

Corporations Regulations 2001

1 At the end of Division 4 of Part 7.5

Add:

7.5.85A Transitional provision for joining of Chi‑X

(1) This regulation is made for the purposes of section 891B of the Act.

(2) This regulation applies in relation to a joining market (within the meaning of that section) if:

(a) the market is operated by Chi‑X Australia Pty Ltd, or by a subsidiary of Chi‑X Australia Pty Ltd; and

(b) the day on which Chi‑X Australia Pty Ltd becomes a member of the SEGC (the ***joining day***) is on or after the commencement of this regulation.

(3) Compensation may be claimed under a provision of these Regulations set out in column 1 of the following table in respect of a loss that is:

(a) connected with the joining market; and

(b) not connected with any other financial market to which Division 4 of Part 7.5 of the Act applies;

only if the loss meets the transitional condition set out in column 2 of that table item.

| Joining of Chi‑X—transitional conditions for compensation claims | | |
| --- | --- | --- |
| Item | Column 1 Provision | Column 2 Transitional condition |
| 1 | Regulation 7.5.24, 7.5.25, 7.5.26 or 7.5.27 (about contract guarantees) | The prescribed period for the relevant reportable transaction ends on or after the joining day. |
| 2 | Regulation 7.5.54 or 7.5.55 (about unauthorised transfers) | The unauthorised execution occurs on or after the joining day. |
| 3 | Regulation 7.5.64 (about claims in respect of insolvent participants) | The time at which the dealer becomes insolvent is on or after the joining day. |