



Australian CS Facility Licence (LCH.Clearent Limited) Variation Notice 2013 (No. 1)

Corporations Act 2001

I, BERNIE RIPOLL, Parliamentary Secretary to the Treasurer, make this Variation under section 825A of the *Corporations Act 2001* (the Act).

Dated1.7.13.....

Parliamentary Secretary to the Treasurer

Name of variation

1. This variation is the *Australian CS Facility Licence (LCH.Clearent Limited) Variation Notice 2013 (No. 1)*.

Commencement

2. This Variation commences on the day it is published in the *Gazette*.

Variation

3. The Schedule varies *Australian CS Facility Licence (LCH.Clearent Limited) 2013*.

Schedule Variation

[1] Section 3

Insert a new definition after "Australian financial services licence"

Bank of England means the Bank of England or any predecessor or successor organisation in the United Kingdom responsible for the supervision of the overseas clearing and settlement facility.

Omit the definition of 'facility', substitute

exchange contract facility means the overseas clearing and settlement facility that LCH is authorised to operate in the United Kingdom in respect of transactions entered into on a financial market.

financial market has the meaning given by section 761A of the Act.

Omit the definition of "FSA", substitute

interest rate 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 interest rate.

Omit the definition of "overseas clearing and settlement facility"

Insert a new definition after "RBA":

SwapClear facility means the overseas clearing and settlement facility that LCH is authorised to operate in the United Kingdom in respect of over-the-counter transactions in derivatives.

[2] Section 4

Omit "overseas clearing and settlement", substitute

SwapClear facility and exchange contract

insert, at the end of Section 4

5. Facilities

- (1) The exchange contract facility may provide services under this Licence only in respect of transactions in the financial products referred to in section 6(1) entered into through the FEX market.

- (2) The SwapClear facility may provide services under this Licence only in respect of transactions in the financial products referred to in section 6(2) entered into over-the-counter.

[3] Section 5

Omit the section, substitute

6. Class of financial products

- (1) The class of financial products in respect of which the exchange contract facility may provide services under this Licence is:
- (a) commodity derivatives;
 - (b) energy derivatives; and
 - (c) environmental derivatives.
- (2) The class of financial products in respect of which the SwapClear facility may provide services under this Licence is interest rate derivatives.
- (3) LCH must not provide services under this Licence in respect of any financial product referred to in subsection 6(1) unless LCH has obtained a written statement of non-objection from the Bank of England to provide clearing and settlement services for that financial product.
- (4) LCH must not provide services under this Licence in respect of any financial product referred to in subsections 6(1) and 6(2) unless, before such operation, ASIC and the RBA have notified LCH in writing that that financial product is an approved financial product for the purposes of this section.

[4] Section 6

Omit the section number "6" substitute

7

[5] Section 7

Omit the section number "7", substitute

8

Omit "LCH must require a participant of the", substitute

LCH must require each participant of the SwapClear facility and each participant of the exchange contract

Omit "its participation in the facility" (first occurring), substitute transactions referred to in section 6

omit "under the Act"

[6] Section 8

Omit the section number "8", substitute

9

Omit "facility" (each occurring), substitute facilities