

CONCURRENCE COPY

FUTURES MARKETS (AMENDMENT) BILL, 1982

EXPLANATORY NOTE

(This Explanatory Note relates to this Bill as introduced into Parliament)

The objects of this Bill are—

- (a) to authorise the introduction of—
 - (i) a commodity futures contract that may be discharged otherwise than by delivery of the commodity; and
 - (ii) a futures contract based on the Australian Stock Exchanges All Ordinaries Share Price Index; and
 - (b) to enable regulations to be made authorising new types of futures contracts.
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FUTURES MARKETS (AMENDMENT) BILL, 1982

No. , 1982.

A BILL FOR

An Act to amend the Futures Markets Act, 1979, to permit the introduction of new kinds of futures contracts.

[MR WALKER—1 *December*, 1982.]

Futures Markets (Amendment).

BE it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of the same, as follows:—

5 Short title.

1. This Act may be cited as the "Futures Markets (Amendment) Act, 1982".

Amendment of Act No. 176, 1979.

2. The Futures Markets Act, 1979, is amended in the manner set forth 10 in Schedule 1.

SCHEDULE 1.

(Sec. 2.)

AMENDMENTS TO THE FUTURES MARKETS ACT, 1979.

(1) (a) Section 2, definition of "commodity"—

15 After the definition of "Commission", insert:—

"commodity" includes—

(a) a bill of exchange; and

(b) anything prescribed by the regulations as a commodity;

20 (b) Section 2, definitions of "commodity futures contract", "currency futures contract"—

Omit the definitions.

Futures Markets (Amendment).

SCHEDULE 1—*continued.*

AMENDMENTS TO THE FUTURES MARKETS ACT, 1979—*continued.*

(c) Section 2, definition of “futures contract”—

Omit the definition, insert instead:—

5 “futures contract” means a contract described in Schedule 1;

(2) Sections 10, 11 and Schedule 1—

After section 9, insert:—

Amendment of Schedule 1.

10 10. The regulations may amend Schedule 1 by adding thereto a description of a class of futures contract or by omitting such a description therefrom.

Regulations.

15 11. (1) The Governor may make regulations, not inconsistent with this Act, for or with respect to any matter that by this Act is required or permitted to be prescribed, or that is necessary or convenient to be prescribed, for carrying out or giving effect to this Act.

(2) A provision of a regulation may—

(a) apply generally or be limited in its application by reference to specified exceptions or factors; or

20 (b) apply differently according to different factors of a specified kind,

or may do both.

Futures Markets (Amendment).

SCHEDULE 1—*continued.*

AMENDMENTS TO THE FUTURES MARKETS ACT, 1979—*continued.*

SCHEDULE 1.

(Sec. 2.)

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FUTURES CONTRACTS.

Commodity futures contract.

A commodity futures contract is a contract the effect of which is that—

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(a) one party agrees to deliver to the other party at a specified future time a specified commodity, or a specified quantity of a specified commodity, at a specified price payable at that time; or

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(b) the parties will make an adjustment between them at a specified future time in Australian currency according to whether a specified quantity of a specified commodity is worth more, or worth less, in Australian currency at that time than it was worth in Australian currency at the time of the making of the contract, the difference being determined in accordance with the business rules of the futures market at which the contract is made.

Currency futures contract.

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A currency futures contract is a contract the effect of which is that the parties will make an adjustment between them at a specified future time in Australian currency according to whether a specified amount of foreign currency is worth more, or worth less, in Australian currency at that time than it was worth in Australian currency at the time of the making of the contract, the difference being determined in accordance with the business rules of the futures market at which the contract is made.

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Share index futures contract.

A share index futures contract is a contract the effect of which is that the parties will make an adjustment between them at a specified future time in Australian currency according to whether the Australian Stock Exchanges

Futures Markets (Amendment).

SCHEDULE 1—*continued.*

AMENDMENTS TO THE FUTURES MARKETS ACT, 1979—*continued.*

5 All Ordinaries Price Index figure, or any other prescribed Share Index figure, at that time is greater or less than that Index figure at the time of the making of the contract, the difference being determined in accordance with the business rules of the futures market at which the contract was made.

BY AUTHORITY

D. WEST, GOVERNMENT PRINTER, NEW SOUTH WALES—1982

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