MARKET NOTICE

Market Notice: 2024_02

Date: 01/01/2024

Subject: Amendments to the Environmental Products Conventions

AFMA Members and market participants are advised that AFMA's Environmental Products Committee has adopted amendments to the AFMA Environmental Products Conventions to align them with recent changes to the Environmental Products Addendum and Spot Contract.

The amendments will take effect from 1 January 2024

The changes are detailed below.

1. Section 2 Products

References to swaption contracts have been removed on the basis that the provisions dealing with options also accommodate swaptions.

2. 3.3 Business Days

The definition of business day has been aligned with the provisions of the Environmental Products Addendum and Spot Contract to allow parties to agree the applicable business day.

3. 4.3 Documentation

This section has been updated to reflect that all AFMA Environmental Products documentation is now published in the AFMA Guide to OTC Transactions.

4. 5 Settlement

This section has been updated to reflect that Environmental Product transactions will generally be physically settled.

Please contact Lindsay Gamble – Policy Director if you have any questions regarding this notice.

About AFMA

The Australian Financial Markets Association (AFMA) is the leading industry association promoting efficiency, integrity and professionalism in Australia's financial markets and provides leadership in advancing the interests of all market participants. These markets are an integral feature of the economy and perform the vital function of facilitating the efficient use of capital and management of risk. Market participants perform a range of important roles within these markets, including financial intermediation and market making. AFMA represents over 120 members, including Australian and international banks, leading brokers, securities companies, state government treasury corporations, fund managers, traders in electricity and other specialised markets and industry service providers.