Cboe\(^1\) Compensation Arrangements

There are two different compensation arrangements that may provide protection for retail investors trading on Cboe: NGF Arrangements or Division 3 Arrangements. This is because on 26 October 2020, Cboe became a member of the SEGC, which operates the National Guarantee Fund (NGF).

**When do the NGF Arrangements apply?**


For further information on the National Guarantee Fund and what it covers, please contact SEGC, see the SEGC website and refer to Division 4 of Part 7.5 of the Corporations Regulations 2001 (Cth).

**When do the Division 3 Compensation Arrangements apply?**

Where a retail investor suffers a loss in respect of conduct, a transaction or insolvency that occurred before 26 October 2020, that loss may be covered by the division 3 compensation arrangements. Section 11 of the Cboe Operating Rules outlines the Division 3 compensation arrangements, including the cessation of the arrangements on 25 October 2027 and the requirement, while the arrangements are in place, to make a claim no later than six months after becoming aware of the loss to which the claim relates. Section 11 also outlines that the losses covered by Division 3 are those resulting from defalcation or fraudulent misuse of your money, property or authority by a Cboe participant.

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\(^1\) Cboe was formerly known as Chi-X Australia. In June 2021, Cboe Global Markets, Inc, a leading provider of global market infrastructure and tradable products, completed its acquisition of Chi-X Asia Pacific Holdings, Ltd. and its subsidiaries including Chi-X Australia Pty Ltd. In early 2022, Chi-X Australia Pty Ltd (ACN 129 584 667) changed its name to Cboe Australia Pty Ltd (ACN 129 584 667). The legal entity that holds the Australian market licence, operates the market and has contracted with participants and product issuers did not change. As such various materials, Market Integrity Rules, legislation and other instruments may still reference ‘Chi-X’ and the ‘Chi-X market’ and be read interchangeably with ‘Cboe’ and the ‘Cboe market’.