

Items covered include:

- Live Trayport User Fee
- Read-Only Trayport User Fee
- FIX Connectivity Fee

27 October 2009

Disclaimer

This Pricing Update has been issued by NZX to promote market certainty and to assist Market Participants. NZX may replace Pricing Updates at any time and a Market Participant should ensure it has the most recent version.

MARKET PARTICIPANT PRICING UPDATE No. 12

INTRODUCTION

This pricing update outlines changes to specific Market Participant Trayport users and FIX connectivity fees. All other Participant pricing remains the same.

BACKGROUND

Live Trayport Users and Read-Only Users

In July 2007, NZX introduced the new trading system (Trayport). To recognise the cost to Participants associated with the transition to the new system, NZX agreed to subsidise Trayport user fees (Live Trayport and Read-Only) from July 2007. In the Market Participant Pricing Update No. 10, NZX committed to subsidising Live Trayport users at \$80 per month and Read-Only Trayport users at \$35 per month for a period of 12 months starting July 2007.

In the Market Participant Pricing No.10, NZX outlined that Trayport charges a monthly fee of \$180 per user. This fee increases annually in line with CPI and currently stands at \$190 per month per user. This fee has been subsidised by NZX to users for the past 27 months. Looking forward, the cost will be passed through directly to Live Trayport users. Aware of the limited functionality that the Read-only user provides to participants, NZX will continue to subsidise Trayport Read-only users and will only charge \$100 per user per month with an annual CPI adjustment.

FIX Connectivity Users

NZX participants that utilise the FIX connectivity currently pay a monthly fee of \$2,500 per month. NZX currently does not limit the number of users per participant. Trayport charge NZX on a per user basis. Therefore, to better align the basis in which NZX is charged by the vendor and the basis NZX passes this cost through to participants, NZX will change the FIX connectivity fee from a per participant charge to a per user charge. The per user FIX connectivity fee will be \$2,000 per month.

IMPLEMENTATION DATE

The NZX Participant fee changes in this paper will be implemented on **1 November 2009**.

NZX Market Participant Live Trayport and Read-only User Fees

Fee Change

- Increase the monthly fee for Live Trayport users from \$80 to \$190 per user with an annual adjustment in line with CPI.
- Increase the monthly fee for Read-Only Trayport users from \$35 to \$100 per user with an annual adjustment in line with CPI.

Comment

In the Market Participant Pricing Update No. 10, NZX committed to subsidising Live Trayport users at \$80 per month and Trayport Read-Only users at \$35 per month for a period of 12 months starting July 2007.

NZX currently pays Trayport a monthly fee of \$190 per terminal, subject to an annual CPI uplift. Therefore, from the date of implementation of this pricing update, NZX will pass on the Live Trayport user monthly fee of \$190 per user charged by the vendor. NZX will reduce the subsidy to Read-only Trayport users, which will be charged \$100 per month per user. The Live Trayport user fee and Trayport Read-only fees will be subject to an annual CPI uplift. This will be effective starting from the implementation date of this pricing update.

FIX Connectivity Fees

Fee Change

- NZX will change the basis for charging the FIX connectivity fee from per-participant to per-user.
- The FIX connectivity fee per user will be \$2,000 per month with an annual adjustment in line with CPI.

Comment

To better align the basis in which NZX is charged by the vendor and the basis NZX passes this cost through to participants, NZX will change the basis of charging the FIX connectivity charge from per participant to per user. The per user FIX connectivity fee will be \$2,000 per month with an annual adjustment that takes into account the change in CPI. This will be effective starting from the implementation date of this pricing update.