

# **NZX Clearing & Depository Participant Fee Schedule**

Effective – 29 November 2021

# Table of Contents

|   |    |
|---|----|
| 1. Introduction                                     | 4  |
| 1.1 Overview  | 4  |
| 1.2 Contact Details                                 | 4  |
| 2. Cash Markets (Equity, Debt and FSM)              | 5  |
| 2.1 Annual Membership Fees                          | 5  |
| 2.2 Clearing Transaction Fees                       | 6  |
| 2.2.1 Clearing and Settlement                       | 6  |
| 2.2.2 Settlement Penalties                          | 6  |
| 2.2.3 Margin & Collateral                           | 6  |
| 2.3 Depository Transaction Fees                     | 7  |
| 2.3.1 Cash Movements                                | 7  |
| 2.3.2 OTC Settlement                                | 7  |
| 2.3.3 Registry Messaging                            | 7  |
| 2.3.4 SWIFT   | 8  |
| 2.3.5 Stock Lending & Borrowing                     | 8  |
| 2.3.6 Other Services                                | 8  |
| 3. Derivatives Markets (Index and Equity)           | 9  |
| 3.1 Annual Membership Fees                          | 9  |
| 3.2 Clearing Transaction Fees                       | 10 |
| 3.2.1 Clearing and Reporting                        | 10 |
| 3.2.2 Margin & Collateral                           | 10 |
| 3.2.3 Settlement and Exercise                       | 11 |
| 3.2.4 Settlement Penalties                          | 11 |
| 3.3 Depository Transaction Fees                     | 11 |
| 3.3.1 Cash Movements                                | 11 |
| 3.3.2 SWIFT   | 11 |
| 4. Market Data & Connectivity Fees                  | 12 |
| 4.1 Connectivity – Installation Fee                 | 12 |
| 4.2 Monthly Connectivity Network Infrastructure Fee | 12 |
| 4.3 Web Data  | 13 |
| 5. Testing and Training Services                    | 14 |
| 5.1 Support Services                                | 14 |
| 5.2 Technical Testing and Conformance Services      | 14 |
| 5.3 Back Office System (BOS) Changeovers            | 15 |



|  |    |
|--|----|
| 5.4 Other Ad hoc Requests                              | 15 |
| 6. NZ RegCo Application & Accreditation Fees           | 16 |
| 6.1 Cash Market Application & Accreditation Fees       | 16 |
| 6.2 Derivative Market Application & Accreditation Fees | 16 |
| 7. NZ RegCo Market Oversight Recoveries                | 17 |
| 7.1 Quarterly Compliance                               | 17 |
| 7.2 Desk Based Inspections                             | 17 |
| 7.3 On Site Inspections                                | 17 |
| 7.4 Applications for Waivers & Exemptions              | 18 |

Disclaimer:

The information contained in this Fee Schedule is a guide only. All Participants on any NZX Market must comply with the relevant Rules, and this document is not a substitute for those Rules. NZX Clearing will determine, in its sole discretion, whether any Participant or potential Participant meets the requisite criteria to become and remain a Participant. Persons wishing either to trade in any products available on an NZX Market or who wish to offer products via an NZX Market to others should consider both their legal and regulatory position, including the relevant Rules, and the risks associated with such products before doing so. No part of this publication may be redistributed or reproduced in any form or by any means or used to make any derivative work without written permission from NZX Clearing. NZX Clearing (including its parent company directors, officers, employees and contractors) shall not be liable (except to the extent required by law) for the use of the information contained herein however arising in any circumstances connected with actual trading or otherwise. NZX Clearing is not responsible for any errors or omissions contained in this publication. This publication is for information only and does not constitute an offer, solicitation or recommendation to acquire or dispose of any investment or to engage in any other transaction. All information, descriptions, examples and calculations contained in this publication are for guidance purposes only, and should not be treated as definitive.



# 1. Introduction

## 1.1 Overview

The purpose of this document is to outline pricing and charges for New Zealand Clearing Limited (“NZCL”) and New Zealand Depository Limited (“NZDL”) Participants (“NZX Clearing Participants”). Cash Markets include the NZX Main Board (“NZSX”), NZX Debt Board (“NZDX”) and the Fonterra Shareholders Market (“FSM”). Derivative Markets include Index and Equity derivative products.

The fee schedule is split into the following sections:

1. General Information
2. Cash Market Participant Fees
3. Derivative Market Participant Fees
4. Market Data & Connectivity Fees
5. Test & Training Services Fees
6. NZ RegCo Application & Accreditation Fees
7. NZ RegCo Market Oversight Recoveries

Please note:

- Where relevant we have outlined where fees are charged by NZX and where fees are charged in relation to NZ RegCo oversight and compliance activities.
- Indicative item codes that will appear on invoices are included in square brackets throughout this fee schedule where appropriate.
- All fees stated in this Fee Schedule are in New Zealand dollars, unless stated otherwise, and are GST exclusive. GST will be added to fees where GST is payable.
- All fees are payable on the 20th day of the following month after the date of invoice. Interest will be charged on any overdue invoice at the current IRD use of money interest rate.
- NZX Clearing reserves the right to adjust all fees in this schedule.

## 1.2 Contact Details

Please direct any queries relating to the Fee Schedule to the Capital Markets Development Team in the first instance.

**Email:** [capitalmarketsdevelopment@nzx.com](mailto:capitalmarketsdevelopment@nzx.com)

**Phone:** + 64 4 498 2272

If your query relates to payment of fees, then please contact the accounts team at NZX.

**Email:** [accountsreceivable@nzx.com](mailto:accountsreceivable@nzx.com)

**Phone:** +64 4 495 5053



## 2. Cash Markets (Equity, Debt and FSM)

Becoming an NZX Participant in relation to NZX's cash markets involves an application and accreditation process. The accreditation process is performed by NZ RegCo staff at the time of application and before approval has been granted. Application and accreditation fees are detailed in section 6 of this fee schedule.

### 2.1 Annual Membership Fees

Annual Membership Fees are invoiced on 1 July for the following 12 months to 30 June and are non-refundable either in whole or in part if the Participant ceases to be an NZX Clearing Participant during that period. For newly accredited NZX Clearing Participants, the annual fee is billed on a pro-rata basis upon accreditation. Any part month is counted as a full month. Annual membership fees include a component attributable to NZ RegCo for ongoing regulatory oversight and infrastructure provided to NZCL and NZDL in relation to NZX Clearing Participants.

| Participants Annual Fees   | Onshore Participant   | Offshore Participant (USD)  |
|--|---|---|
| Cash Market - Individual Clearing Participant <sup>1</sup> [CHO151 / CHO155]             | \$27,320  | \$21,926  |
| Cash Market - General Clearing Participant <sup>2</sup> [CHO152 / CHO156]                | \$34,354  | \$27,554  |
| Depository Participants - Base Fee <sup>3</sup> [CHO159 / CHO160]                        | \$6,800   | \$5,440   |
| Depository Participant - Legal Title Transfer (additional to base fee) [CHO163 / CHO164] | \$6,800   | \$5,440   |
| CSD System User [CHO161 / CHO162]  | \$270 per annum<br>(for each additional user, beyond two free user) | \$188 per annum<br>(for each additional user, beyond two free user) |
| NZX Clearing Approved registry [CHO165 / CHO166]   | \$27,500  | \$22,000  |

<sup>1</sup> Individual Clearing Participants with an existing accreditation in either the cash market or the derivatives market only pay an annual membership fee of \$10,000 in the alternate market.

<sup>2</sup> General Clearing Participants with an existing accreditation in either the cash market or the derivatives market only pay an annual membership fee of \$12,500 in the alternate market.

<sup>3</sup> Individual and General Clearing Participant annual fee includes the annual fee for becoming a Depository Participant.



## 2.2 Clearing Transaction Fees

All Transaction Fees are payable 15 days after the billing period.

### 2.2.1 Clearing and Settlement

| Cash Markets                                    |   |
|---|---|
| Clearing – Equity, Debt & FSM Trades [CHO820]   | <ul style="list-style-type: none"> <li>• 0.4 bps for daily value below \$100m</li> <li>• 0.325 bps for daily value between \$100 - \$200m</li> <li>• 0.275 bps for daily value over \$200m</li> </ul> |
| Settlement – Equity, Debt & FSM Trades [CHO410] | \$1.56 per security line per settlement batch   |

### 2.2.2 Settlement Penalties

These fees are based on the activity conducted.

| Cash Markets   |                          |
|--|--------------------------|
| Securities Settlement Failure <sup>4</sup> [CHO412]              | \$659 plus 6bps per day  |
| Failure to deliver cash for settlement                           | \$2500 plus 6bps per day |
| Corporate Actions Claims Process for Failed Obligations [CHO413] | \$320 per hour           |
| Buy-in Fee [CHO414]  | \$1000                   |
| Close-Out Fee [CHO415]   | \$1000                   |

<sup>4</sup> Based on the absolute value of each settlement obligation outstanding past the assigned settlement date. NZX Clearing reserves the right to charge on an hourly basis for NZX Clearing staff involved in settlement recovery at the urgent rate of \$450 per hour.

### 2.2.3 Margin & Collateral

| Cash Markets  | Onshore Participant            | Offshore Participant (USD)     |
|---|--------------------------------|--------------------------------|
| Collateral Management Fee (fee for managing cash and eligible collateral balances) [CHO429, CHO438]         | equal to the interest received | equal to the interest received |
| Negative interest rate recovery fee – charged in case of interest expense due to cash held                  | equal to the interest charged  | equal to the interest charged  |
| Margin Call Fee (where margin balance falls below margin requirement) [CHO430 / CHO439]                     | \$32.50 per call               | USD \$32.50 per call           |
| Collateral Release Fee (where clearing collateral release request processed successfully) [CHO440 / CHO441] | \$12.00 per release            | USD \$12.00 per release        |
| Failure to meet a margin call within specified timeframe [CHO450 / CHO451]                                  | \$1,000                        | USD \$1,000                    |

## 2.3 Depository Transaction Fees

All Transaction Fees are payable 15 days after the billing period.

### 2.3.1 Cash Movements

| Cash Movements  |                         |
|---|-------------------------|
| <b>Cash Movements - NZD</b>   |                         |
| Deposit and withdrawal of funds before 9.30am and after 4.00pm - Using SCP switch [CHO424]                | \$10.50 per day         |
| Cash transfer - between depository accounts (either within a participant or across participants) [CHO426] | \$0.75 per transfer     |
| Additional cash transfer exceeding one cash deposit and one withdrawal per day [CHO427]                   | \$10.50 per transfer    |
| <b>Cash Movements - USD</b>   |                         |
| Deposit and withdrawal of funds [CHO442]  | USD \$10.00 per day     |
| Cash transfer - between depository accounts (either within a participant or across participants) [CHO443] | USD \$0.75 per transfer |

### 2.3.2 OTC Settlement

| OTC Settlement                             | Fee                                |
|--|------------------------------------|
| OTC Settlement – Listed Product [CHO417]   | \$3.40<br>per side per transaction |
| OTC Settlement – Unlisted Product [CHO418] | \$4.00<br>per side per transaction |

### 2.3.3 Registry Messaging

| Description   | Fee    |
|---|--------|
| NZD Uplift [CHO420]   | \$3.00 |
| Registry Transfers - Listed Product [SRI200 / SRI210 / SRI220 / SRI240 / SRI250 ] | \$0.82 |
| Registry Transfers - Unlisted Product [CHO444 – CHO448]                           | \$2.99 |
| CSN Portfolio Balance Enquiry per line item returned [SRI370]                     | \$0.13 |

<sup>5</sup>Registry transfers include client outward transfers, client inward transfers, owned outward transfers, owned inward transfer and delivery free of payment.

<sup>6</sup>General Registry Balance Enquiries include CSNs and Transfer (FTA) accounts.



### 2.3.4 SWIFT

| Interface Messages                                     | Fee          |
|--|--------------|
| Fee per message transmitted via SWIFT network [CHO320] | \$0.45       |
| Recovery of other SWIFT related fees                   | As per SWIFT |

### 2.3.5 Stock Lending & Borrowing

| Stock Lending & Borrowing <sup>6</sup> | Fee   |
|--|---|
| Borrowing (minimum one day) [CHO432]   | OCR plus, with a floor of 2%, plus 52 bps (per annum) |
| Lending Fee Income [CHO431]            | OCR, with a floor of 2 %, minus 51 bps (per annum)    |

<sup>6</sup>NZD borrowing and lending fees are invoiced exclusive of GST

### 2.3.6 Other Services

| Other Services                         | Fee   |
|--|-------|
| Late Elections and Claims fee [CHO830] | \$150 |





## 3. Derivatives Markets (Index and Equity)

Becoming an NZX Participant in relation to NZX's derivative markets involves an application and accreditation process. The accreditation process is performed by NZ RegCo staff at the time of application and before approval has been granted. Application and accreditation fees are detailed in section 6 of this fee schedule.

### 3.1 Annual Membership Fees

Annual Membership Fees are invoiced on 1 July for the following 12 months to 30 June and are non-refundable either in whole or in part if the Participant ceases to be an NZX Clearing Participant during that period. For newly accredited NZX Clearing Participants, the annual fee is billed on a pro-rata basis upon accreditation. Any part month is counted as a full month.

Annual membership fees include a component attributable to NZ RegCo for ongoing regulatory oversight and infrastructure provided to NZCL and NZDL in relation to NZX Clearing Participants.

| Participants   | Onshore Participant   | Offshore Participant (USD)  |
|--|---|---|
| Derivatives Market - Individual Clearing Participant <sup>1</sup><br>[CHO153 / CHO157] | \$25,209  | \$20,167  |
| Derivatives Market - General Clearing Participant <sup>2</sup><br>[CHO154 / CHO158]    | \$31,658  | \$25,326  |
| BaNCS User [CHO161 / CHO162]   | \$270 per annum<br>(for each additional user, beyond two free user) | \$188 per annum<br>(for each additional user, beyond two free user) |

<sup>1</sup> Individual Clearing Participants with an existing accreditation in either the cash market or the derivatives market only pay an annual membership fee of \$10,000 in the alternate market.

<sup>2</sup> General Clearing Participants with an existing accreditation in either the cash market or the derivatives market only pay an annual membership fee of \$12,500 in the alternate market.



## 3.2 Clearing Transaction Fees

All Transaction Fees are payable 15 days after the billing period.

### 3.2.1 Clearing and Reporting

| Derivatives   |        |
|---|--------|
| NZD Traded Derivatives - Equity Derivatives                           |        |
| Equity Derivatives (fees per lot per side)                            |        |
| Index Futures [CHO506]  | \$0.74 |
| Equity Options [CHO505]   | \$0.56 |
| Equity Derivatives (per trade)  |        |
| Give-up - includes between accounts and between Participants [CHO507] | \$0.06 |
| Position Adjustment - Match-out / Close-out trade [CHO508]            | \$0.13 |
| Match-out/closeout - Manual entry by Clearing House [CHO509]          | \$5.53 |

### 3.2.2 Margin & Collateral

| Margin & Collateral   | Onshore Participant            | Offshore Participant (USD)     |
|---|--------------------------------|--------------------------------|
| Collateral Management Fee (fee for managing cash and eligible collateral balances) [CHO429, CHO438]         | equal to the interest received | equal to the interest received |
| Negative interest rate recovery fee – charged in case of interest expense due to cash held                  | equal to the interest charged  | equal to the interest charged  |
| Margin Call Fee (where margin balance falls below margin requirement) [CHO430 / CHO439]                     | \$32.50 per call               | USD \$32.50 per call           |
| Collateral Release Fee (where clearing collateral release request processed successfully) [CHO440 / CHO441] | \$12.00 per release            | USD \$12.00 per release        |
| Failure to meet a margin call within specified timeframe [CHO450 / CHO451]                                  | \$1000                         | USD \$1000                     |



### 3.2.3 Settlement and Exercise

| Derivatives                                    |        |
|--|--------|
| NZD Traded Derivatives - Equity Derivatives    |        |
| Equity Derivatives (all fees per lot per side) |        |
| Index Futures [CHO511]                         | \$0.54 |
| Option exercise/assignment [CHO549]            | \$1.00 |

### 3.2.4 Settlement Penalties

These fees are based on the activity conducted.

| Derivatives                                      |         |
|--|---------|
| NZD Traded Derivatives - Equity Derivatives      |         |
| Equity Derivatives - Settlement Failure [CHO516] | \$1,320 |

## 3.3 Depository Transaction Fees

All Transaction Fees are payable 15 days after the billing period.

### 3.3.1 Cash Movements

| Cash Movements  |                         |
|---|-------------------------|
| Cash Movements - NZD  |                         |
| Deposit and withdrawal of funds before 9.30am and after 4.00pm - Using SCP switch [CHO424]                | \$10.50 per day         |
| Cash transfer - between depository accounts (either within a participant or across participants) [CHO426] | \$0.75 per transfer     |
| Additional cash transfer exceeding one cash deposit and one withdrawal per day [CHO427]                   | \$10.50 per transfer    |
| Cash Movements - USD  |                         |
| Deposit and withdrawal of funds [CHO442]  | USD \$10.00 per day     |
| Cash transfer - between depository accounts (either within a participant or across participants) [CHO443] | USD \$0.75 per transfer |

### 3.3.2 SWIFT

| Interface Messages                                     | Fee          |
|--|--------------|
| Fee per message transmitted via SWIFT network [CHO320] | \$0.45       |
| Recovery of other SWIFT related fees                   | As per SWIFT |



## 4. Market Data & Connectivity Fees

### 4.1 Connectivity – Installation Fee

The figures below show indicative network installation and connectivity pricing. Final pricing is dependent on actual site locations, existing equipment, time and materials, fees from service providers and timing requirements. NZX Participants & Vendors will be charged separately for access to and use of the testing environment, testing and training services, and additional custom development dependent on the level of use and work required.

| Direct and Gateway Connection [NET010] | Installation Fees (One-off) |
|--|-----------------------------|
| New Zealand                            | \$1,000                     |
| Australia (Sydney PoP –Equinix Sy4)    | \$750                       |

### 4.2 Monthly Connectivity Network Infrastructure Fee

NZX reserves the right to amend these fees annually based on Participant & Vendor and infrastructure capacity and usage requirements. The monthly connectivity fee includes the NZX Participant's or Vendor's share of core network usage, transmission and managed service and infrastructure costs.

| Direct and Gateway Connections  | Fees (Indicative Only)                                 |
|---|--|
| Direct Connection within New Zealand: <ul style="list-style-type: none"> <li>• SDWS - 100MB [NET107]</li> <li>• Mobile circuit backup [NET240]</li> </ul> | \$2,300<br>\$100                                       |
| Australia (Sydney PoP –Equinix SY4) [NET109]  | \$2,800  |
| Direct Connection from overseas [NET202]  | Contact <a href="mailto:data@nzx.com">data@nzx.com</a> |

| Connectivity Through Third Party Telco | Fees (Indicative Only) |
|--|------------------------|
| 256kb [NET230]                         | \$475                  |
| 2MB [NET235]                           | \$750                  |

| Virtual Private Network                  | Amount  | Description  |
|--|---------|--|
| Installation Fee One-off [NET020]        | \$1,035 |  |
| VPN - Site to Site Monthly Fee [NET120]  | \$450   | Fee for VPN connection, includes share of core network usage and transmission. |
| VPN - Remote Office Monthly Fee [NET055] | \$35    | Preferable usage for testing or disaster recovery.                             |



NZX reserves the right to amend these fees annually based on the NZX Participant & Vendor and infrastructure capacity and usage requirements.

### 4.3 Web Data

| Service          | Amount | Description                     |
|------------------|--------|---------------------------------|
| Installation Fee | \$280  | One-off set up fee              |
| Web Data access  | \$225  | Monthly fee for Web Data access |



## 5. Testing and Training Services

Training to use NZX Systems may be required in order for users to be accredited by NZ RegCo. The fees below apply to training on NZX Systems.

In Relation to the training required, NZX Participants & Vendors may appoint one individual to undergo training on NZX Systems. That individual will then be responsible for training all other employees of that NZX Participant or request that NZX provides all of its training for NZX Systems.

| Duration                    | Amount  | Details                                      |
|-----------------------------|---------|--|
| Full Day                    | \$1,800 | Training for a whole day                     |
| Half Day                    | \$900   | Training for half a day                      |
| Per hour (one hour minimum) | \$280   | Training for any length less than half a day |

<sup>1</sup>: After hours includes Monday to Friday 1730 – 0800, weekends and New Zealand public holidays.

### 5.1 Support Services

Use of NZX staff for assistance in ISV system development network changes, data development requirements and testing (outside the normal course of business) will be charged at the following rates:

| Rate                              | Amount                            |
|-----------------------------------|-----------------------------------|
| Standard Rate [NET078]            | \$280 per hour (one hour minimum) |
| After Hours <sup>1</sup> [NET079] | \$320 per hour (one hour minimum) |

<sup>1</sup>: After hours includes Monday to Friday 1730 – 0800, weekends and New Zealand public holidays.

### 5.2 Technical Testing and Conformance Services

NZX testing services are available for all NZX Participants, back office vendors, data distributors and ISVs. Additionally, actual costs incurred for travel and other expenses will be on charged to the NZX Participant or Vendor. NZX has sole discretion for the purpose of calculating any charge for conformance and testing services provided. Charges will be agreed and signed off before any work commences.

| Testing Type        | Amount          |
|---------------------|-----------------|
| Conformance Testing | \$2,100 per day |
| DMA Testing         | \$2,100 per day |



### 5.3 Back Office System (BOS) Changeovers

NZX Participants & Vendors will be charged a one-off administration fee if they wish to change their Back-Office System (BOS) plus an hourly fee for work completed by NZX.

| Rate                              | Amount                            |
|-----------------------------------|-----------------------------------|
| Admin Fee One-off [NET010]        | \$5,200                           |
| Standard Rate [NET078]            | \$280 per hour (one hour minimum) |
| After Hours <sup>1</sup> [NET079] | \$320 per hour (one hour minimum) |

<sup>1</sup> After hours includes Monday to Friday 1730 – 0800, weekends and New Zealand public holidays.

### 5.4 Other Ad hoc Requests

| Rate                              | Amount                            |
|-----------------------------------|-----------------------------------|
| Standard Rate [NET078]            | \$280 per hour (one hour minimum) |
| After Hours <sup>1</sup> [NET079] | \$320 per hour (one hour minimum) |

<sup>1</sup> After hours includes Monday to Friday 1730 – 0800, weekends and New Zealand public holidays.



## 6. NZ RegCo Application & Accreditation Fees

### 6.1 Cash Market Application & Accreditation Fees

Becoming an NZX Participant in relation to NZX's cash markets involves an application and accreditation process. The accreditation process is performed by NZ RegCo staff at the time of application and before approval has been granted. In addition to the application fee, additional accreditation fees at a rate of \$420 per hour may be charged if it is considered that the application required a higher level of analysis than normal. Application fees are payable upon lodgement of an application, regardless of the outcome.

| Participants Application & Accreditation Fees | Onshore Participant | Offshore Participant (USD) |
|---|---------------------|----------------------------|
| <b>Clearing Participants<sup>1 2</sup></b>    |                     |                            |
| Cash Market - Individual Clearing Participant | \$16,500            | \$13,200                   |
| Cash Market - General Clearing Participant    | \$19,250            | \$15,400                   |
| Cash Market – Depository only Participant     | \$5,000             | \$4,000                    |

<sup>1</sup> NZX Clearing Participants with an existing accreditation in either the cash market or the derivatives market will pay an application and accreditation fee of \$5,000 to be accredited in the alternate market.

<sup>2</sup> Any NZX Clearing Participant seeking to vary their accreditation (for example, from an Individual Clearing Participant in the Cash or Derivatives Market to a General Clearing Participant in same market), will pay an application and accreditation fee of \$5,000 for that variation.

### 6.2 Derivative Market Application & Accreditation Fees

Becoming an NZX Participant in relation to NZX's derivatives market involves an application and accreditation process. The accreditation process is performed by NZ RegCo staff at the time of application and before approval has been granted. In addition to the application fee, additional accreditation fees at a rate of \$420 per hour may be charged if it is considered that the application required a higher level of analysis than normal. Application fees are payable upon lodgment of an application, regardless of the outcome.

| Participants Application & Accreditation Fees        | Onshore Participant | Offshore Participant (USD) |
|--|---------------------|----------------------------|
| <b>Clearing Participants<sup>1 2</sup></b>           |                     |                            |
| Derivatives Market - Individual Clearing Participant | \$16,500            | \$13,200                   |
| Derivatives Market - General Clearing Participant    | \$19,250            | \$15,400                   |

<sup>1</sup> NZX Clearing Participants with an existing accreditation in either the cash market or the derivatives market will pay an application and accreditation fee of \$5,000 to be accredited in the alternate market.

<sup>2</sup> Any NZX Clearing Participant seeking to vary their accreditation (for example, from an Individual Clearing Participant in the Cash or Derivatives Market to a General Clearing Participant in same market), will pay an application and accreditation fee of \$5,000 for that variation.





## 7. NZ RegCo Market Oversight Recoveries

NZX Clearing Participants are required to provide details of their compliance with the applicable rule sets and their financial position on a monthly basis. If an NZX Clearing Participant has more than one category of participation, the highest applicable amount is paid, rather than the aggregate amount. Other NZX Participant Fees are found in the NZX Participant Fee Schedule.

The annual membership fee for NZX Trading & Advising Participants which are also NZX Clearing Participants includes one annual on-site or desk based inspection, in respect of both accreditations. NZX Participants who are only NZX Clearing Participants will be charged the Market Oversight Recoveries detailed below.

Annual recoveries are invoiced quarterly three months in arrear on 1 January, 1 April, 1 July and 1 October of each year.

### 7.1 Quarterly Compliance

| Participants                | Recoveries |
|-----------------------------|------------|
| Individual Clearer [CHO203] | \$950      |
| General Clearer [CHO204]    | \$950      |

### 7.2 Desk Based Inspections

| Participants                             | Recoveries |
|--|------------|
| Individual Clearing Participant [CHO201] | \$10,460   |
| General Clearing Participant [CHO202]    | \$10,460   |

### 7.3 On Site Inspections

NZX Clearing supervision staff conduct onsite supervisory inspections of the business conduct, practices and systems of NZX Clearing Participants. Inspections are conducted by NZX Clearing / NZ RegCo staff and will be completed annually or at other intervals as determined by NZX Clearing / NZ RegCo. The hourly NZX Clearing charge includes NZX Clearing staff time spent in preparation for Participant visit times on site and subsequent reporting writing and follow-up activity.

| On Site Inspections                 | Recoveries            |
|-------------------------------------|-----------------------|
| Hourly rate for time spent [CHO205] | \$420 per hour        |
| Travel and Expense [CHO206]         | Actual costs incurred |



## 7.4 Applications for Waivers & Exemptions

Applications are billed at an hourly rate, for actual time spent on any request regardless of the outcome. The rates applied are based on the urgency of the decision as indicated by the Participant at the time of the application. NZX Clearing endeavors to respond to all applications within the timeframe specified by the NZX Clearing Participant. However, accepting an application on urgency is not a guarantee that NZX Clearing will be able to accommodate the NZX Clearing Participant's requested timeframe.

| Time Frame   | Total Hourly Charge |
|--|---------------------|
| Standard Rate (10 or more business days) [CHO207]                        | \$420               |
| Priority Rate 1 (Decisions required in 6 to 9 business days) [CHO208]    | \$595               |
| Priority Rate 2 (Decisions required in 3 to 5 business days) [CHO208]    | \$750               |
| Priority Rate 3 (Decisions required in 2 business days or less) [CHO208] | \$960               |

