

**Summary**

- Introduction
- DMA Dealer Application Documentation
- DMA Dealer Required Training
- Changes to ISV

---

Issued 26 May 2005  
Reissued March 2007

---

**Disclaimer**

This practice note has been issued by NZX to promote market certainty and assist Market Participants. This practice note sets out NZX's general approach to the subject, but is not to be regarded as a definitive statement of the application of the Rules in every situation. NZX may replace Guidance Notes and Practice Notes at any time and a Market Participant should ensure it has the most recent versions of those documents. This does not constitute legal advice. NZX recommends that Market Participants take advice from qualified persons.

**PRACTICE NOTE 02/05 – DIRECT MARKET ACCESS****Introduction**

Prior to the introduction of the NZX Participant Rules (“the Rules”) documentation was developed by NZX for submission by individuals seeking accreditation as DMA Dealers. This documentation has since been superseded by the requirements of the Rules. This Practice Note seeks to clarify the current documentation, training and accreditation requirements for approval as a DMA Dealer.

**DMA Dealer Application Documentation**

Individuals seeking designation as a DMA Dealer must provide all the information and supporting documentation required by Appendix 2 to the Rules. This application needs to be accompanied by a statutory declaration from the applicant in the form of Appendix 2A and a written undertaking from the Trading Participant in the form of Appendix 2B to the Rules. Any prior FASTER DMA Dealer application documentation has been superseded by these forms.

For the avoidance of doubt, submission of Appendices 2, 2A and 2B are a requirement whether or not these forms have been submitted in accordance with a prior Dealer application. However any supporting documentation requirements can be cross referenced to a previous application to the extent that it remains current.

Applicants are required to indicate clearly on these forms that the application is for that of a FASTER DMA Dealer.

All of these documents are available for download in word format at [http://www.nzx.com/regulation/Market\\_participant](http://www.nzx.com/regulation/Market_participant)

**DMA Dealer Required Training**

The undertaking in Appendix 2B refers to required training set out in the NZX Rules. For DMA Dealers, submission of this undertaking is confirmation from the Trading Participant that the individual:

- has the appropriate skills and experience to act as a DMA Dealer;
- has undertaken appropriate in-house training and training with the Independent Software Vendor (ISV) in line with DMA Market Entry Testing Guidelines and the Rules;
- is capable of using the software in the NZX Environment (test and production).

Clearly the significance of this undertaking is great and it should not be made by the Trading Participant lightly or simply in the manner of form filling.

### **Changes to Independent Software Vendor (ISV)**

Where a Trading Participant changes ISV or appoints an additional ISV, all DMA Dealers current at the time of this change need to undertake the requisite training (as detailed above) and complete a NZX Technical Proficiency Test (TPT) using the new ISV. Upon completion of this TPT, Trading Participants are required to submit an undertaking in the form of Appendix 2B confirming that the individual has undertaken the necessary training in relation to the new ISV.

For further information please contact [compliance@nzx.com](mailto:compliance@nzx.com)