

**NZX PARTICIPANT &  
VENDOR FEE SCHEDULE**  
Effective 1 July 2012



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### **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 will determine, in its sole discretion, whether any Participant or potential Participant meets the requisite criteria to participate in any NZX Market. Persons wishing either to trade in any products Quoted 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. NZX is not responsible for any errors or omissions contained in this publication. To the extent permitted by law, neither NZX, its subsidiaries, nor their respective directors, employees, officers, agents or contractors shall be liable for any direct, indirect or consequential losses, damages, costs, expenses or liabilities arising out of or in connection with this Fee Schedule. This publication is for information only and does not constitute an offer, invitation, solicitation or recommendation to engage in any transaction, or an opinion or recommendation in relation to acquiring or disposing of a financial product. All information, descriptions, examples and calculations contained in this publication are for guidance purposes only, and should not be treated as definitive.

# LIST OF CURRENT PRICES AND FEES

## 1. INTRODUCTION

The purpose of the NZX Participant & Vendor Fee Schedule is to outline pricing and charges for NZX Market Participants, NZX Derivatives Market Participants, NZX Data Vendors and Independent Software Vendors and (“NZX Participants”).

This NZX Participant & Vendor Fee Schedule will apply from 1 July 2012 (except where otherwise stated). Any changes that occur will be notified to the market in a revised and consolidated fee schedule placed on the NZX website under [http://www.nzx.com/nzx\\_customers/market\\_participants/fees](http://www.nzx.com/nzx_customers/market_participants/fees).

Indicative item codes that will appear on invoices are included in square brackets throughout this Fee Schedule, where appropriate.

All fees will be invoiced at the rates set out below, in New Zealand dollars, unless otherwise stated, and exclusive of GST. All fees are payable within 14 days of being invoiced and participants must pay GST on all fees. Interest may be charged on any overdue invoice at the current IRD use of money interest rate [LLF002].

The applicable fees will be determined by NZX at its discretion.

## 2. CHANGES FROM THE PREVIOUS SCHEDULE

Provided below is a list of new fees or structural changes to existing fees:

Section Number	Description of Change	Page Number
4	Removed FOX firm categories	6 – 8
7E	Market Surveillance billing cycle changed from 1 January to 31 December to 1 July to 31 June	17

All Fees are in NZD unless otherwise stated. NZX reserves the right to adjust all fees in this Schedule.

### **3. CONTACT DETAILS**

Any queries regarding the NZX Participant & Vendor Fee Schedule should be directed to NZX as per the contact details below.

#### **New Customer and General Enquiries**

Email: [markets@nzx.com](mailto:markets@nzx.com)

Phone: +64 4 495 2825.

Postal Address:

NZX Market Supervision  
NZX Limited  
Level 2, NZX Centre, 11 Cable Street  
PO Box 2959, Wellington 6011

#### **Billing Enquiries**

Email: [nzx-accounts@nzx.com](mailto:nzx-accounts@nzx.com)

Phone: +64 4 495 5053.

Postal Address:

NZX Accounts  
NZX Limited  
Level 2, NZX Centre, 11 Cable Street  
PO Box 2959, Wellington 6011

All Fees are in NZD unless otherwise stated. NZX reserves the right to adjust all fees in this Schedule.

## 4. MEMBERSHIP FEES

### A. Application and Accreditation Fees

Becoming an NZX Participant involves an application and accreditation process. The accreditation process is performed by NZX Market Supervision staff at the time of application and before approval has been granted. In addition to the application fee, NZX reserves the right to charge additional accreditation fees at a rate of \$320 per hour if it is considered that the application required a higher level of analysis than normal. Application fees are payable upon lodgment of an application with NZX, regardless of the outcome.<sup>1</sup>

Participants	Onshore Participant (NZD)	Offshore Participant (USD)
<b>Advising Participant</b>		
Advisor (including Associate Advisors, F&O Advisors) [COM027]	\$376	\$376
Advising Firm – Cash Market	\$7,525	\$5,645
Advising Firm – Derivatives Market	\$7,710	\$5,780
Advising Firm – Introducing Broker	\$7,525	\$5,645
Sponsors – Distributing and Underwriting, NZAX, NZDX and NZSX	\$7,525	\$5,645
<b>Trading Participant</b>		
Cash Market – Bank Only, Principal Book Only, Trading and Advising	\$7,525	\$5,645
Derivatives Market – Bank Only, Principal Book Only, Trading and Advising	\$7,420	\$5,565
NZX Trainer	\$1,035	\$1,294
NZX Dealer [COM028]	\$1,035	\$1,294
Technology Connecting Facility	\$7,245	\$5,434
Direct Market Access (per offering firm) <sup>1</sup>	\$7,245	\$5,434

<sup>1</sup> To offer Direct Market Access or DMA, firms must be accredited Trading & Advising Participants for the relevant market for which they will provide DMA services. There is an application fee associated with becoming a DMA provider given requirements to review systems and processes associated with providing DMA.

All Fees are in NZD unless otherwise stated. NZX reserves the right to adjust all fees in this Schedule.

## B. Initial Admission Fees

Initial Admission Fees are charged by NZX on the successful accreditation of an NZX Participant in each of the categories detailed below.

Participants	Onshore Participant (NZD)	Offshore Participant (USD)
<b>Advising Participant</b>		
Advisor (including Associate Advisors, Futures & Options Advisors)	\$362	\$362
Advising Firm – Cash Market [PLF230]	\$10,750	\$7,525
Advising Firm – Derivatives Market	\$11,000	\$7,700
Advising Firm – Introducing Broker	\$10,750	\$7,525
Distributing and Underwriting Sponsor <sup>1</sup>	\$10,750	\$7,525
Sponsors – NZAX <sup>1</sup>	\$2,150	\$2,690
Sponsors – NZDX and NZSX <sup>1</sup>	\$13,450	\$9,400
<b>Trading Participant</b>		
Cash Market – Bank Only	\$32,250	\$22,580
Cash Market – Principal Book Only	\$32,250	\$22,580
Cash Market – Trading and Advising	\$43,000	\$30,100
Derivatives Market – Bank Only	\$49,550	\$37,200
Derivatives Market – Principal Book Only	\$49,550	\$37,200
Derivatives Market – Trading and Advising	\$60,575	\$45,430
Futures and Options Firm	\$10,750	\$7,525
NZX Trainer	\$1,075	\$750
NZX Dealer	\$1,075	\$750
Technology Connecting Facility	\$32,250	\$22,580

<sup>1</sup> NZX Advising Firms and NZX Cash Trading Firms that choose to also be NZX Sponsors or NZX Distribution and Underwriting Sponsors are exempt from the separate NZX Sponsor or NZX Distribution and Underwriting Sponsor fees.

All Fees are in NZD unless otherwise stated. NZX reserves the right to adjust all fees in this Schedule.

## C. 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 Participant during that period. For newly accredited NZX Participants, the annual fee is billed on a pro-rata basis upon accreditation. Any part month is counted as a full month.

Participants	Onshore Participant (NZD)	Offshore Participant (USD)
<b>Advising Participant</b>		
Advisor (including Associate Advisors, F&O Advisors) (LEV005)	\$365	\$365
Advising Firm – Cash Market [PFL003]	\$8,065	\$10,755
Advising Firm – Derivatives Market [PFL004]	\$11,000	\$11,000
Advising Firm – Introducing Broker	\$10,755	\$10,755
Distributing and Underwriting Sponsor [PFL425]	\$13,450	\$7,525
Sponsors – NZAX [PFL402] (rebated if sponsor brings a company to market during the year)	\$2,690	N/A
Sponsors – NZDX and NZSX [PFL400, PFL401]	\$13,450	N/A
<b>Trading Participant</b>		
Cash Market – Bank Only	\$32,250	\$22,600
Cash Market – Principal Book Only	\$32,251	\$22,601
Cash Market – Trading and Advising [PFL005]	\$43,000	\$30,100
Derivatives Market – Bank Only	\$49,550	\$37,175
Derivatives Market – Principal Book Only	\$49,550	\$37,175
Derivatives Market – Trading and Advising [PFL006]	\$60,575	\$45,425
Technology Connecting Facility	\$49,550	\$37,175

All Fees are in NZD unless otherwise stated. NZX reserves the right to adjust all fees in this Schedule.



## 5. TRANSACTION FEES

NZX offers an Aggregate Trading Fee Cap Program for Trading Participants in the cash equity market (details on the NZX website under [http://www.nzx.com/nzx\\_customers/market\\_participants/fees](http://www.nzx.com/nzx_customers/market_participants/fees)). This program only applies to the cash equity market and does not include additional crossing fees or small marriage fees.

### A. Trading

	Fees
<b>Cash</b>	
Equity and Debt Trade [TRD001, TRD401, TRD011]	\$1.00 per side per trade plus 0.20 bps of the total trade value, capped at \$20
Additional crossings fee for Equity and Debt trades	\$8.00
-less than \$50K [TRD013, TRD022, TRD409]	\$4.50
-greater than \$50k and less than \$100k [TRD014, TRD023, TRD410]	
<b>Derivatives (all fees per lot per side)</b>	
<b>Agricultural Derivatives</b>	
Dairy Futures	
Trade Fee [WMP001, SMP001, AMF001]	US\$0.28
Block Trade Surcharge [WMP002]	US\$1.50
EFP (Exchange for Physical) / EFS (Exchange for Swap) surcharge [WMP003, WMP004]	US\$1.50
Options on Dairy Futures	
Trade Fee	US\$0.28

All Fees are in NZD unless otherwise stated. NZX reserves the right to adjust all fees in this Schedule.

## B. Trade Penalties

Penalty charges apply to all NZX Participants for certain breaches of reporting and trade completion obligations. If any trade (including Crossings and Negotiated Deals) is cancelled, the Trading Participant (not the Clearing Participant) is liable for paying the cancellation fees.

	Fees
<b>Cash</b>	
Cancellation of on-market trade [CLR010]	\$22 per side
Cancellation of crossings [CLR011]	\$27 per side
Crossing outside the current quotes [CCT100]	\$538 per side
Negotiated Deal Cancellation [CLR012]	\$27 per trade
Late Reporting	\$538 per trade
<b>Derivatives</b>	
Cancellation of trade [CLR050]	US\$538 per trade
Position limit breach (further penalties may also be imposed)	US\$1,615 per trade

All Fees are in NZD unless otherwise stated. NZX reserves the right to adjust all fees in this Schedule.

## 6. PARTICIPANT & VENDOR TECHNOLOGY FEES

### A. Connectivity

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.

#### Installation Fees (One-off)

Direct and Gateway Connection (NET010)	Fees (Indicative Only)
New Zealand	\$1,000
Australia	\$1,300
Asia	\$3,300 – \$5,000
UK	\$4,300
US	\$3,700

#### Monthly Connectivity Network Infrastructure Fee

NZX reserves the right to amend these fees annually based on Participant & Vendor and infrastructure capacity and usage requirements. Monthly connectivity fee include the Participant'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:	
– Metro Circuits (Wellington and Auckland) 2MB [NET105]	\$1,763–\$2,118
– Metro Circuits (Wellington and Auckland) 256k [NET150]	\$1,763–\$2,118
– Other National Circuits [NET100]	\$2,091–\$2,628
Direct Connection from overseas [NET202]:	
– Australia	\$3,017 – \$4,429
– Asia	\$3,961 – \$4,429
– UK	\$4,182 – \$4,661
– US	\$4,182 – \$4,661

All Fees are in NZD unless otherwise stated. NZX reserves the right to adjust all fees in this Schedule.

## B. Monthly Trayport Front End

	Fees
Live Trayport User – Full Access [SBT450]	\$349 per user
Live Trayport User – Read Only [SBT451]	\$249 per user
FIX Connectivity [DMA000]	\$2,675 per connection or logon

## C. Virtual Private Network (VPN)

Service	Amount	Description
Installation Fee One-off [NET020]	\$1,035	
VPN – Site to Site Monthly Fee [NET120]	\$446.25	Fee for VPN connection, includes share of core network usage and transmission.
VPN – Remote Office Monthly Fee [NET055]	\$35.00	Preferable usage for testing or disaster recovery.

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

## D. Web Data

Subscribers to Web Data will be invoiced annually. Refer to the NZX Data price list for further information.

## E. IT Testing and Training Services

### IT Training for NZX Systems

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

In relation to the training required, NZX Participants & Vendors may:

1. 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

All Fees are in NZD unless otherwise stated. NZX reserves the right to adjust all fees in this Schedule.

2. Request that NZX provides all of its training for NZX Systems.

Duration	Amount	Details
Full Day	\$1,739	Training for a whole day
Half Day	\$869	Training for half a day
Per hour (one hour minimum)	\$259	Training for any length less than half a day

### 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]	\$259 per hour (one hour minimum)
After Hours <sup>1</sup> [NET079]	\$311 per hour (one hour minimum)

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

### Technical Testing and Conformance Services

NZX testing services are available for all NZX Participants, back office vendors, data distributors and ISV's. 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	\$2,070 per day
DMA Testing	\$2,070 per day

All Fees are in NZD unless otherwise stated. NZX reserves the right to adjust all fees in this Schedule.

## Back Office System (BOS) Changeovers

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

Rate	Amount
Admin Fee One-off [NET010]	\$5,175
Standard Rate [NET078]	\$259 per hour (one hour minimum)
After Hours <sup>1</sup> [NET079]	\$311 per hour (one hour minimum)

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

## Other Adhoc Requests

Rate	Amount
Standard Rate [NET078]	\$259 per hour (one hour minimum)
After Hours <sup>1</sup> [NET079]	\$311 per hour (one hour minimum)

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

All Fees are in NZD unless otherwise stated. NZX reserves the right to adjust all fees in this Schedule.

## 7. MARKET OVERSIGHT RECOVERIES

NZX requires that all NZX Participants provide details of their compliance with the applicable rule sets and their financial position on a monthly basis.

If an NZX Participant has more than one category of participation, the highest applicable amount is paid, rather than the aggregate amount. NZX Participants who are also NZCC Clearing Participants will only be charged the Market Oversight Recoveries included in the NZCC pricing schedule.

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

### A. Annual Compliance

Participants [COM035]	Recoveries
<b>Advising Participant</b>	
Advising Firm – not holding client funds	\$1,935
Advising Firm – holding client funds	\$1,935
Distributing and Underwriting Sponsor	\$1,935
<b>Trading Participant</b>	
Cash Market – Bank Only	\$1,935
Cash Market – Principal Book Only	\$1,935
Cash Market – Trading & Advising	\$1,935

### B. Desk Based Capital and Prudential Inspections

Participants [COM006]	Recoveries
<b>Advising Participant</b>	
Advising Firm – not holding client funds	\$800
Advising Firm – holding client funds	\$1,615
<b>Trading Participant</b>	
Cash Market – Principal Book Only	\$800
Cash Market – Trading & Advising	\$4,850
NZX Futures & Options Firm	\$4,850
Futures & Options Introductory Broker	\$800

All Fees are in NZD unless otherwise stated. NZX reserves the right to adjust all fees in this Schedule.

### C. On Site Inspections

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

	Recoveries
Hourly labour charge [COM001, COM005, COM010, COM015]	\$320 per hour
Travel and Expense [COM003]	Actual costs incurred

### D. Applications for Waivers & Exemptions from NZX Rules

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 NZX Participant at the time of the application. NZX endeavours to respond to all applications within the timeframe specified by the NZX Participant. However, accepting an application on urgency is not a guarantee that NZX will be able to accommodate the NZX Participant's requested time frame.

Time Frame [COM025, COM026]	Total Hourly Charge
Decisions required in under 2 business days	\$900
Decisions required in between 3 – 5 business days	\$670
Decisions required in between 6 – 9 business days	\$510
Decisions required in 10 or more business days	\$320

All Fees are in NZD unless otherwise stated. NZX reserves the right to adjust all fees in this Schedule.



## E. Market Surveillance – Cash Market

All NZX Trading Participants in the cash market (equity and debt) are subject to recoveries for general market surveillance and enforcement of the NZX Participant rules. The annual fees period runs from 1 July to 31 June. Annual fees are detailed below and are invoiced quarterly three months in arrears on 1 July, 1 October, 1 January and 1 April of each year. The value and activity components are added together to calculate the total amount payable within the prescribed minimum and maximum recoveries set out below.

Cash Market Surveillance Recoveries [COM100]	Recoveries
Maximum recovery	\$67,500
Value of cash market trades each calendar year:	
• Greater than or equal to \$20 billion	\$43,650
• Greater than or equal to \$10 billion and less than \$20 billion	\$32,200
• Greater than or equal to \$5 billion and less than \$10 billion	\$22,350
• Less than \$5 billion	\$14,550
Number of trades each calendar year:	
• Greater than or equal to 300,000 trades	\$43,650
• Greater than or equal to 150,000 and less than 300,000 trades	\$32,200
• Greater than or equal to 50,000 trades and less than 150,000	\$22,350
• Less than 50,000 trades	\$14,550
Minimum Recovery	\$14,550

For example, an NZX Participant that traded cash securities with a value of \$9 billion and executed 120,000 trades across all markets between 1 July to 31 June will pay \$43,000 (\$21,500 based on the value of cash market traded and \$21,500 based on trade volumes).

## F. Stands in Market

The Trading Participant responsible for making the bid for a stand in the market is required to pay a fixed amount of \$7,763 [PMS001]. This covers the use of NZX Technology resources, NZX Client & Market Services and NZX Market Supervision.

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