

# PRACTICE NOTE #1 Issued: 1 July 2010

## Listing fees

### INTRODUCTION

This practice note sets out the fees payable by an issuer. The Listing Rules set out an obligation on an issuer to pay fees.

The scales of fees and other related matters are published in this practice note.

NSX fees can be classified as follows:

- 1) Initial fees**  
comprising fees for admission and quotation plus pro rata annual fees;
- 2) Annual fees**  
payable each year;
- 3) Subsequent fees**  
payable for quotation of additional securities; and
- 4) Additional fees**  
including general fees and fees payable on a change in activities and listing on another Exchange.

### STRUCTURE OF PRACTICE NOTE

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### Practice Note History

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### Qualifications

National Stock Exchange of Australia Limited (NSX) issues practice notes to promote commercial certainty, reduce costs to business and assist market participants. We are available to discuss any questions you have in relation to a practice note. NSX may replace practice notes at any time. Issuers should contact NSX to ensure that they have the latest version of a practice note. As a practice note is only a guide to NSX practice, issuers are advised to contact NSX to discuss their particular circumstances and the application of the listing rules. NSX cannot give legal advice to issuers and recommends that they consider taking advice from a qualified professional person.



## Section 1 – Issuers with equity securities

### Initial fees (includes pro rata annual)

- 1.1 Under listing rules, an issuer seeking admission to the official list and quotation of securities must pay the fees set and published by NSX.
- 1.2 **On application**, an issuer must pay the fee set out in Table 1A for equity securities. However if, in NSX's opinion, the issuer is a successor to a listed issuer which is being removed from the official list, the issuer has to pay only half that fee. If the value of securities to be quoted is not known, then the issuer must pay the minimum application fee of \$5,500 (excl GST), plus the minimum CHES fee of \$1,650 (excl GST) or \$7,150 in total.
- 1.3 **On application**, an issuer with equity securities must pay a fee for quotation of any debt securities to be quoted, on the same scale as the fee for quotation of additional securities (see paragraph 1.21). The amount payable depends on the option the issuer adopts – the options available to Issuers with debt securities are explained in Section 2: Debt issuers. The option chosen will also determine the subsequent fees and annual fees payable. However, NSX may decide that the debt securities are like equity securities. In that case, the fees set out in Table 1A are payable for the debt securities. If the value of securities to be quoted is not known, then the issuer must pay the minimum application fee of \$7,500 (excl GST) plus the minimum CHES fee of \$1,650 or \$9,150 in total.
- 1.4 The NSX, at its discretion, can also combine the aggregate market capitalisation values of both equity and retail debt securities to be listed. Also, at its discretion the NSX may decide to accept for debt securities the lower of the debt securities fee or the equity securities fee where the debt securities are retail debt securities.
- 1.5 Before the date of first quotation, the issuer must pay the pro rata amount of the annual fee set out in Table 1D for its equity securities for the period from first quotation of its securities until the following 30 June. No pro rata fee is payable for debt securities.
- 1.6 For the purposes of Table 1D, the 'value of quoted equity securities' refers to the issue price or sale price of securities under the prospectus or information memorandum and if there is no issue price or sale price, the amount set by NSX.

### ADMINISTRATION (INCLUDING INVOICES AND REFUNDS)

#### Fees payable on admission

- 1.7 In practice, an issuer may not know precisely how many securities will be quoted. As an issuer is required to apply for quotation of the maximum number of securities that can be quoted (refer guidance note on applying for admission and quotation), the fee in Table 1A is based on that amount. However, if it is likely that quotation will not be granted to that number of securities for any of the reasons set out in the following paragraph, NSX will allow an issuer to make an adjustment for those securities.
- 1.8 For the purposes of paragraph 1.7, an adjustment to fees may be made in respect of securities, which will be classified as restricted securities if the NSX has made an "in principle" decision that a specified number of securities will be restricted securities.
- 1.9 If the number of securities for which NSX grants permission for quotation is less than the number for which the fee has been paid, a correction to the amount paid will need to be made by a refund from NSX. Any refund of the fee payable on application for admission cannot be offset against the pro rata annual fee. If there is an additional amount payable, this must be paid before quotation commences.



## Pro rata annual fees

1.10 In respect of the pro rata annual fees payable before the date of first quotation, an issuer will receive an invoice.

## Annual fees

- 1.11 An issuer must pay the annual fee as set and published by NSX in this Practice Note. It must do so when and in the manner that NSX specifies.
- 1.12 The due date for payment 30 days within date of invoice.
- 1.13 If the issuer has quoted equity securities, the annual fee is the amount set out in Table 1D. If an issuer has quoted debt securities, it will be required to pay the additional amount payable required for the debt securities, this is set out in Section 2: Debt issuers.
- 1.14 For the purposes of Table 1D (market capitalisation), the value of quoted equity securities is the market capitalisation of the issuer, based on the closing price of the securities at 30 June multiplied by the number of securities quoted at the close of trading on 30 June. If the securities were suspended at 30 June, it is the value set by NSX.
- 1.15 Quoted securities include securities for which quotation has been granted, even if quotation has been suspended or deferred. Quoted securities also include forfeited shares, which have not been cancelled.

## Subsequent fees

- 1.16 An issuer must pay the fees for quotation of additional securities.
- 1.17 An issuer that has quoted equity securities, and is seeking quotation of additional equity securities, must pay the fee set out in Table 1B. However, no fee is payable:
- By an issuer seeking quotation of shares or units following the exercise or conversion of quoted securities; or
  - By an issuer on reinstatement to quotation of forfeited shares that have been sold, or redeemed by the former holder.
- 1.18 If the number of securities to be quoted is known at the time the issuer applies for quotation, the fee must be paid at that time, for example, in the case of a placement of securities. See paragraph 1.20 below in respect of employee incentive schemes.
- 1.19 If the number of securities to be quoted is not known at the time the issuer applies for quotation (for example, in the case of a non-underwritten rights issue) the issuer may do either of the following.
- Pay the fees at the time it applies for quotation, based on the maximum number of securities that can be quoted, being the number set out in the application for quotation (refer guidance note on applying for admission and quotation). If the number of securities for which NSX grants permission for quotation is less than the number for which the fee has been paid, a correction to the amount paid will need to be made by a refund from NSX. If there is an additional amount payable, this must be paid before quotation commences.
  - Pay the fees at the time it tells the NSX the actual number of securities to be quoted (which must be done as soon as this number is known). The fee must be paid before quotation commences.

## Employee incentive schemes

1.20 In the case of employee incentive schemes that involve the frequent issue of securities, NSX may agree to an issuer applying for quotation (and so paying fees) at other times, as set out below.

- Fees may be payable monthly – in this case the issuer notifies NSX of the number of securities issued under the employee incentive scheme each month, by the 10th business day of the next month; or
- Fees may be paid six monthly – in this case the issuer is invoiced for the securities quoted every six months; or
- Fees may be pre-paid – in this case the issuer pre-pays the minimum fee for quotation of additional securities and is invoiced for a further pre-payment of the minimum fee once the pre-paid amount is used up.

## Debt securities

1.21 For an issuer with quoted equity securities, issuing debt securities for the first time, the same subsequent fees are payable as those payable by debt issuers for quotation of additional debt securities.

Program debt	No program debt
\$4,000 per program (including the first class of debt security).	\$2,000 per class of debt security
\$2,000 per subsequent class under the program.	

- For explanation of terms used above, refer to Section 2–Debt Issuers.
- Prices exclude GST.
- The Exchange, at its discretion, may negotiate with issuers on fees where the issuer is expected to issue a substantial quantity of securities.

## Issuers with stapled securities

1.22 The fees payable by Issuers with stapled securities are calculated by applying the Tables to the combined value of the securities for which quotation is sought (i.e. as if the Issuers with the stapled securities were a single issuer). However, if the stapled securities include equity securities and debt securities, the debt securities are treated as equity securities for this purpose.

## Exercise of Options

1.23 In the case where options are exercised then application must be made, as soon as practicable, for the number of securities in that class which is quoted. NSX may agree to an issuer applying for quotation (and so paying fees) at times, as set out below.

- Fees may be payable monthly in arrears – in this case the issuer notifies NSX of the number of securities issued as a result of the exercise of options each month, by the 10th business day of the next month; or
- Fees may be paid at the end of the conversion of all options into the quoted class of securities; or
- Fees may be pre-paid – in this case the issuer pre-pays the minimum fee for quotation of additional securities and is invoiced for a further pre-payment of the minimum fee once the pre-paid amount is used up.

TABLE 1A

**Fee on Admission of Equity Securities  
(or combined equity and retail debt securities)**

<b>Value of equity securities for which quotation is sought</b>	<b>Fee payable on application for Admission (Excl GST)</b>
Up to \$2 million	\$5,500
\$2,000,001 to \$10m	\$5,500 + 0.11% on excess over \$2m
\$10,000,001 to \$100,000,000	\$14,300 + 0.033% on excess over \$10m
\$100,000,001 to \$1,000m	\$44,000 + 0.016% on excess over \$100m
Over \$1,000 million	\$188,000 + 0.0055% on excess over \$1,000m

TABLE 1B

**Fee on Quotation of Additional Equity Securities  
(or combined equity and retail debt securities)**

<b>Value of equity securities for which quotation is sought</b>	<b>Fee (Excl GST)</b>
Up to \$100,000	\$550
\$100,001 to \$500,000	\$550 + 0.1375% on excess over \$100,000
\$500,001 to \$2,500,000	\$1,100 + 0.048% on excess over \$500,000
\$2,500,001 to \$10,000,000	\$2,060 + 0.02754% on excess over \$2.5m
\$10,000,001 to \$100,000,000	\$4,125 + 0.0055% on excess over \$10m
Over \$100m	\$9,075 + 0.0022% on excess over \$100m

For the Purposes of Tables 1A and 1B the value of securities is calculated in accordance with Table 1C

TABLE 1C

**Valuing Securities for Tables 1A and 1B**

Type of Security	How to calculate value per security
Share or Unit	The highest of: <ul style="list-style-type: none"> <li>• issue price (if issued for non-cash consideration, the amount fixed by NSX)*</li> <li>• sale price (if sold for non-cash consideration, the amount fixed by NSX)*</li> <li>• 10 cents</li> </ul>
Option over shares or units	Issue price (if sold for non-cash consideration, the amount fixed by NSX)* plus the highest of: <ul style="list-style-type: none"> <li>• exercise price</li> <li>• 10 cents</li> </ul>
Convertible note or preference security	Issue price (if issued for non-cash consideration, the amount fixed by NSX)*
Combined equity & retail debt securities	Combined market capitalisation of quoted securities.

\*NSX normally fixes the amount by reference to the first sale price of the securities after the announcement of the reason for the issue (for example, acquisition or takeover)

TABLE 1D

**Annual Fee for Equity Securities  
(or combined equity and retail debt securities)**

Value of quoted equity securities	Fee (excl GST)
Up to \$2 million	\$5,500
\$2,000,001 to \$10,000,000	\$5,500 + 0.035% on excess over \$2m
\$10,000,001 to \$100,000,000	\$8,300 + 0.0066% on excess over \$10m
\$100,000,001 to \$1,000,000,000	\$14,240 + 0.0012% on excess over \$100m
Over \$1,000,000,001	\$25,040 + .0011%

For the Purposes of Tables 1A and 1B the value of securities is calculated in accordance with Table 1C



## Section 2 – Debt issuers

### Introduction

- 2.1 A debt issuer is an issuer, which is seeking quotation of debt securities only. Debt securities may be issued either under a single issue or under a debt program. A debt program usually involves an issuer issuing a general disclosure document under which it may issue one or more classes of debt securities up to a set dollar value. This document is supplemented by a terms sheet for each new class.
- 2.2 Under the listing rules an issuer must pay the fees set by NSX for admission and quotation, as annual fees and for the quotation of additional securities. Recognising the various ways in which debt issuers structure their offerings, including differing maturity dates, principal amounts, interest rate structures and currencies, NSX recommends that an issuer seeking quotation of debt securities approach NSX for guidance as to the appropriate listing fee for their debt securities. Unless NSX decides otherwise, the following fees apply to a debt issuer. However, if NSX decides the debt securities are like equity securities, the fee structure for equity securities will apply.

### Program debt

- 2.3 On application, an issuer seeking admission to the official list and quotation of debt securities only, must pay an initial fee of \$7,500 (this includes the fee for quotation of securities in the first class under a program). No pro rata annual fee is payable on application.
- 2.4 The fee for quotation of additional securities is \$4,000 under each additional program (which includes quotation of the first class in the program) and \$2,000 for quotation of securities in each additional class after the first under the program. There is no fee payable for quotation of additional securities in the same class under a program.
- 2.5 An annual fee of \$5,000 per debt program applies.

### No program debt

- 2.6 On application, an issuer seeking admission to the official list and quotation of debt securities only, must pay an initial fee of \$7,500 (this includes the fee for quotation of securities in the first class, excl GST). No pro rata annual fee is payable on application.
- 2.7 The fee for quotation for each additional class of securities is \$2,000 (excl GST).
- 2.8 An annual fee of \$5,000 per class (excl GST).

### Subsequent fees – equity securities issued for the first time

- 2.9 On application for quotation, an issuer that is admitted to the official list as a debt issuer and is seeking quotation of equity securities for the first time, must pay the initial fees in relation to the equity securities set out in Table 1A.
- 2.10 In respect of the pro rata annual fees payable within one month of first quotation, an issuer will receive an invoice within one week after the date of first quotation of its securities



## Section 3 – All issuers

### Initial fees – refund if issuer is not admitted

- 3.1 If an issuer's application for admission to the official list is not accepted, NSX will refund the amount paid by the issuer in relation to its application, less \$7,150 (excl GST, see Table 3). This may also apply if the issuer's application is accepted but its securities are not quoted and it is removed. NSX may keep an additional amount to reflect any work involved in dealing with the application. The additional amount will be based on the scale in Table 3 (i.e. \$200 per hour).

### ANNUAL FEES

#### Removal for non-payment of annual fees

- 3.2 NSX will suspend an issuer's securities on the 16th business day after the due date for payment of the annual fee if that fee is not paid. NSX will remove the issuer from the official list at the close of trading on the 20th business day if the fee remains unpaid.
- 3.3 NSX requires payment of the fee by bank cheque or Electronic Funds Transfer if payment is made more than 15 business days after the due date.
- 3.4 Issuers should contact the NSX in advance to make alternative arrangements if there are difficulties in meeting the timescale in 3.2 above.

#### Additional fees

- 3.5 An issuer must pay additional fees as set and published by NSX.

#### Additional fees – general

- 3.6 The general fee payable is \$200 per hour. Minimum fees are set out in Table 3.

#### Additional fees – payable on a change to activities

- 3.7 If an issuer changes its activities, it must pay half the fee required to be paid on application for an equivalent new listing (i.e. Half the fee set out in Table 1A).

#### Additional fees – administration fee for delisting and listing on another Approved Exchange

- 3.8 Due to the liaison required by NSX to facilitate the orderly transfer of an issuer's securities to another exchange a minimum fee of \$20,000 is payable. Minimum fees are set out in Table 3.

#### Goods & Services Tax

- 3.9 The fees and charges set out in this practice note are exclusive of Goods & Services Tax (GST) unless otherwise indicated. GST collected by the Exchange on its fees and charges will be shown separately on the tax invoices issued in relation there to

TABLE 3

**General Fees**

<b>Document/activity</b>	<b>Minimum Charge (excl GST)</b>	<b>Hours in Minimum charge</b>
Application for an "in principle" decision (e.g. A listing rule waiver) by an unlisted issuer	\$5,500	If listing proceeds, all of this amount may be set off against the minimum application fee. Minimum charge is non-refundable.
Review of prospectus (information memorandum) and other documents in relation to an application for listing (except constitutions)	\$5,000 (part of the initial listing fee)	25
Review of a company's constitution: <ul style="list-style-type: none"> <li>• if tailored to individual issuer</li> <li>• if based on a pro forma approved by NSX</li> </ul>	\$1,000 \$200	5 1
Review of a trust's constitution	\$2,000	10
Examination of documents	\$200	1
Other matters (e.g. reinstatement applications)	\$200	Per hour
Administration fee for transfer of listing to another Approved Exchange where the issuer is no longer listed on an NSX exchange	\$20,000	N/A
CHESS fee per issuer payable on Initial Listing Application	\$1,650	Non-refundable
CHESS fee per issuer payable per year (no prorate account is available)	\$825	Non-refundable



## Section 4 – ASTC/CHESS fees

- 4.1 In addition to fees payable under the Listing Rules, CHESS fees apply in relation to settlement and registry matters. These fees are invoiced by ASX Operations Pty Limited (ASX Operations) on behalf of ASX Settlement and Transfer Corporation Pty Ltd (ASTC) which operates the CHESS sub-register on behalf of listed entities. ASTC also operates the Securities Clearing House which processes settlement of transactions in securities quoted on ASX, and other movements of ASX quoted securities.
- 4.2 Invoices in relation to CHESS fees are issued by ASX Operations monthly in arrears.
- 4.3 CHESS fees apply to matters including the following:
  - CHESS holding statements, which are issued monthly;
  - Movements between sub-registers, such as transfers and conversion; and
  - Takeovers and buybacks, which includes an offer establishment fee.
- 4.4 Listed entities can obtain the Schedule of CHESS settlement fees from their Company's Advisor or ASX Settlement Operations. Any enquiries in relation to CHESS invoices should be directed to ASX Settlement Operations.
- 4.5 ASTC charges NSX a fee for access to the ASTC/CHESS Transfer Services facility. The CHESS fee that NSX charges issuers covers the cost of this access. Further, ASTC charges Issuers direct a fee for Issuer access to the facility. Please refer to the ASTC published rates for further information.

## Section 5 – Nominated Adviser and Sponsoring Broker Fees

- 5.1 As part of the listing process, Issuers are required to appoint a Nominated Adviser and a Sponsoring Broker. The fees charged by these organisations vary from firm to firm and are not determined by the Exchange.
- 5.2 Those entities seeking to become registered Nominated Advisers and Participants of the Exchange should refer to the relevant application forms for full Fee details