

References Version 1, Operative 27/9/2001

Chapter 11, BSX Business Rules

Introduction

This guidance note has been issued to provide BSX brokers with details about fees that are payable to BSX, how fees are calculated and related matters.

BSX fees can be classified as:

- *Initial fees* – fees for applying to be recognised as a BSX broker;
- *Annual fees* – payable each year;
- *Fidelity Fund Contribution* – payable to insure BSX broker clients; and
- *Additional fees* – e.g. for additional assistance with examination of documents for application process.

Purpose

Providing details about fees should assist BSX brokers in appreciating what fees are payable as a BSX broker. This should also enable BSX brokers to plan finances ahead of time.

GST

The fees set out in the tables do not include the goods and services tax (GST). GST will be shown separately on tax invoices and receipts issued for fees.

Initial Fees

A broker applying for recognition as a BSX broker must pay an initial application fee set out in Table A.

Business Rule 11.15 prescribes that if BSX does not accept a BSX brokers

application BSX will refund to the entity its current refund fee.

Annual Fees

Annual fees are payable by BSX brokers to maintain recognition as a BSX broker. Annual fees are set out in Table B.

Fidelity Fund Contribution

All BSX brokers must pay fidelity fund contributions under the Corporations Law.

The primary aim of the BSX fidelity fund is to compensate BSX broker's clients who suffer pecuniary loss because of defalcation or fraudulent misuse of securities or other property by a BSX broker or their staff.

A broker will not be recognised as a BSX broker unless the minimum statutory payment prescribed by the Corporations Law has been paid to the fidelity fund.

The Corporations Law also prescribes that brokers must contribute a proportion of the balance of their trust accounts to the fidelity fund.

Additional Fees

A BSX broker must pay any additional fees or levies set and published by BSX from time to time under Business rule 11.17.

Table D sets out the schedule for additional fees.

Payment of Fees

Fees are payable at the time and in the manner set and published by BSX from time to time, in accordance with Business rule 11.18.

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Queries

If you have queries about this guidance note please contact the BSX Brokers office on:

Email: broker.manager@bsx.com.au

Table A – Fee on Admission

Category of Broker	Initial Fee Payable on Application
Individual	\$2000
Company	\$2000

Table B – Annual Fee

Category of Broker	Annual Fee
Individual	\$10,000
Company	\$10,000

Table C – Fidelity Fund Contributions

Category of Broker	Annual Contribution
Individual	\$2000
Company	\$2000

Table D – Additional Fees

Document/Activity	Minimum Charge	Hours in Minimum Charge
Examination of documents	\$180	1
Other matters	\$180	1