

Example calculations for cash equity transactions

NASDAQ OMX Iceland
Referring to price list effective
As of 1 January 2009

1. Introduction

Pursuant to the price transparency requirements to be implemented by 31st December 2006, NASDAQ OMX is providing its clients with easier access to information on fees relating to cash equity trading services on NASDAQ OMX Nordic (Copenhagen, Helsinki, Iceland and Stockholm). The purpose of this document is to illustrate with examples how a member of NASDAQ OMX Iceland is invoiced on the equity market.

2. Trading related fees

When a new broker firm applies for membership on the NASDAQ OMX Nordic Exchange in Iceland, the new member will not be facing any entry fees for becoming a member. NASDAQ OMX Nordic operates the Exchanges in Iceland, Helsinki, Stockholm and Copenhagen, and when a member wishes to become a trading member on these markets the only fees that this new member is facing is on the Clearing & Settlement side and in terms of establishing connectivity access to the NASDAQ OMX Nordic trading system SAXESS.

Local members of NASDAQ OMX Iceland are charged an initial SAXESS connection fee of ISK 450.000. They are charged a cable fee for the connection to Stockholm, ISK 50.000 pr. month for one net server and ISK 25.000 for additional net servers. To connect to SAXESS, local members must also establish connection to the Icelandic Banks Data Center (IBDC). None of the fees for that connection are paid to NASDAQ OMX Iceland and, therefore, not included in the cost figures below. Remote members to NASDAQ OMX Iceland pay connectivity fees according to the NASDAQ OMX Nordic Technical Services Price list.

On the Icelandic market charges are based on the number and value of trades. The price list differentiates between automatched and reported trades as well as between primary and secondary bids. For further information on trading fees, please see the price list of NASDAQ OMX Iceland.

3. Scenario assumptions

The scenarios are aimed at giving clarity to the trading prices on the Iceland Stock Exchange. The various assumptions applied to each scenario are detailed below. The parameters are based on size of trading member and technical access point and location. Share of automated matching is 100% in scenarios 1-a, 2-a and 3-a. Share of automated matching is 75% in scenarios 1-b, 2-b and 3-b.

- Scenario 1-a/b

- This example represents a local trading member with high volumes and number of trades in any given month

- Scenario 2-a/b

This example represents a remote trading member with medium volumes and number of trades in any given month. In this example, it is assumed the remote member is already a member in Copenhagen, Helsinki or Stockholm and, therefore, pays neither a minimum monthly fee nor additional connectivity fees to NASDAQ OMX Iceland.

■ **Scenario 3-a/b**

This example represents a local trading member with smaller volumes and number of trades in any given month.

High Volume/ no. orders Scenario 1-a	Medium Volume/no. orders Scenario 2-a	Lower Volume/no. orders Scenario 3-a
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Connectivity to SAXESS System ¹			
Cost	75.000	0	50.000
Initial fees			
Entry-fee	0	0	0
Minimum monthly fee ²	87.500	0	87.500
Company profile			
Avg. trading turnover per month ³	3 500 000 000	400 000 000	100 000 000
Avg. number of trades per month ⁴	1 000	100	25
Trading fees⁵			
Transaction fee	70 000	7 000	1 750
Value based fee	192 500	22 000	5 500
Total direct trading fees	262 500	29 000	7 250
Total equity membership invoicing⁶	425 000	29 000	144 750

¹ It is assumed that high volume members have two net servers and low volume members have one net server and pay cable fees accordingly. Please refer to section 2 for further information on connectivity to the SAXESS system.

² Minimum monthly fee is invoiced quarterly in advance Minimum monthly fee is payable only to one of the NASDAQ OMX Nordic exchanges.

³ For average turnover figures, all trades are double counted.

⁴ For average number of trades, all trades are double counted.

⁵ All trading fees are reported in ISK.

⁶ Trading fees are invoiced monthly in arrears.

High Volume/ no. orders Scenario 1-b	Medium Volume/no. orders Scenario 2-b	Lower Volume/no. orders Scenario 3-b
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Connectivity to SAXESS System⁷			
Cost	75.000	0	50.000
Initial fees			
Entry-fee	0	0	0
Minimum monthly fee ⁸	87.500	0	87.500
Company profile			
Avg. trading turnover per month ⁹	3 500 000 000	400 000 000	100 000 000
Avg. number of trades per month ¹⁰	1 000	100	25
Trading fees¹¹			
Transaction fee	70 000	7 000	1 750
Value based fee	192 500	22 000	5 500
Total direct trading fees	262 500	29 000	7 250
Total equity membership invoicing¹²	425 000	29 000	144 750

⁷ It is assumed that high volume members have two net servers and low volume members have one net server and pay cable fees accordingly. Please refer to section 2 for further information on connectivity to the SAXESS system.

⁸ Minimum monthly fee is invoiced quarterly in advance Minimum monthly fee is payable only to one of the NASDAQ OMX Nordic exchanges.

⁹ For average turnover figures, all trades are double counted.

¹⁰ For average number of trades, all trades are double counted.

¹¹ All trading fees are reported in ISK.

¹² Trading fees are invoiced monthly in arrears.

Appendix Scenario 1-a & b (Automatched trades 100 pct. and 75 pct.)

Number of executed orders per month		1.000				
Trade value (ISK) in a month		3.500.000.000				
Share of automatched trades		100%		Share of primary bids		50%
		Number of trades	Transaction fee (ISK)	Value	Value based fee (ISK)	Total trading fee (ISK)
Automatched trades	Primary bids	500	30.000	1.750.000.000	96.250	126.250
	Secondary bids	500	40.000	1.750.000.000	96.250	136.250
Reported trades		0	0	0	0	0
Total direct trading fees			70.000		192.500	262.500
Monthly minimum fee						87.500
Total equity membership invoicing excluding technical service fee						350.000
Share of automatched trades		75%		Share of primary bids		50%
		Number of trades	Transaction fee (ISK)	Value	Value based fee (ISK)	Total trading fee (ISK)
Automatched trades	Primary bids	375	22.500	1.312.500.000	72.188	94.688
	Secondary bids	375	30.000	1.312.500.000	72.188	102.188
Reported trades		250	17.500	875.000.000	48.125	65.625
Total direct trading fees			70.000		192.500	262.500
Monthly minimum fee						87.500
Total equity membership invoicing excluding technical service fee						350.000

Appendix Scenario 2-a & b (Automatched trades 100 pct. and 75 pct.)

Number of executed orders per month	100
Trade value (ISK) in a month	400.000.000

Share of automatched trades	100%	Share of primary bids	50%
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		Number of trades	Transaction fee (ISK)	Value	Value based fee (ISK)	Total trading fee (ISK)
Automatched trades	Primary bids	50	3.000	200.000.000	11.000	14.000
	Secondary bids	50	4.000	200.000.000	11.000	15.000
Reported trades		0	0	0	0	0
Total direct trading fees			7.000		22.000	29.000

Monthly minimum fee 0

Total equity membership invoicing excluding technical service fee 29.000

Share of automatched trades	75%	Share of primary bids	50%
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		Number of trades	Transaction fee (ISK)	Value	Value based fee (ISK)	Total trading fee (ISK)
Automatched trades	Primary bids	38	2.250	150.000.000	8.250	10.500
	Secondary bids	38	3.000	150.000.000	8.250	11.250
Reported trades		25	1.750	100.000.000	5.500	7.250
Total direct trading fees			7.000		22.000	29.000

Monthly minimum fee 0

Total equity membership invoicing excluding technical service fee 29.000

Appendix Scenario 3-a & b (Automatched trades 100 pct. and 75 pct.)

Number of executed orders per month		25				
Trade value (ISK) in a month		100.000.000				
Share of automatched trades		100%		Share of primary bids		50%
		Number of trades	Transaction fee (ISK)	Value	Value based fee (ISK)	Total trading fee (ISK)
Automatched trades	Primary bids	13	750	50.000.000	2.750	3.500
	Secondary bids	13	1.000	50.000.000	2.750	3.750
Reported trades		0	0	0	0	0
Total direct trading fees			1.750		5.500	7.250
Monthly minimum fee						87.500
Total equity membership invoicing excluding technical service fee						94.750
Share of automatched trades		75%		Share of primary bids		50%
		Number of trades	Transaction fee (ISK)	Value	Value based fee (ISK)	Total trading fee (ISK)
Automatched trades	Primary bids	9	563	37.500.000	2.063	2.625
	Secondary bids	9	750	37.500.000	2.063	2.813
Reported trades		6	438	25.000.000	1.375	1.813
Total direct trading fees			1.750		5.500	7.250
Monthly minimum fee						87.500
Total equity membership invoicing excluding technical service fee						94.750