

October 27, 2022

Undertaking #12

MPI to confirm that and provide a different table because what IBAM want is the rates pre-online transactions carried forward up until the launch date and then the new rates carried forward at that time.

RESPONSE:

As requested, please refer to the updated table below which maintains the pre-online transaction commission rates for an additional 12 months due to the delay in implementing the new Nova on-line transactions.

Figure 1 Estimated Broker Commissions (10 year Comparison: Updated to reflect a 12-month Delay in the Deployment of Online Transactions)

Line No.	Fiscal Year #	1	2	3	4	5	6	7	8	9	10	Total Difference
	Fiscal Year	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	
1	Commission Estimate (\$Millions):											
2	Status Quo - Prior Agreement	90.63	93.77	97.02	100.38	103.86	107.46	111.18	115.03	119.02	123.15	
3	New Rates with Online Transactions	88.47	93.69	92.29	93.26	94.18	95.06	98.36	101.78	105.32	108.97	
4	Difference	2.16	0.08	4.73	7.13	9.68	12.40	12.82	13.26	13.71	14.17	90.13
5	Assumption - % of online transactions		10%	25%	30%	35%	40%	40%	40%	40%	40%	

Caveat: The exact timelines for the deployment of online transactions are subject to change and will be better known once R3 discovery is complete.