



15 March 2022

Mr Bruce Roberts  
Chair  
ARNECC  
C/- PO Box 2222  
Midland WA 6936

By email to [chair@arnecc.gov.au](mailto:chair@arnecc.gov.au)

**Re: Misleading statements by PEXA senior management on ASX/Cboe interoperability**

Dear Mr Roberts

I wanted to draw to your attention a number of inaccurate and misleading public statements made by senior PEXA executives, CEO Glenn King and COO Simon Smith, including at the October 2021 Ministerial Roundtable, the December 2021 Interoperability Forum and PEXA's HY22 Results Q&A session in February 2022, that there is no interoperability between ASX and Chi-X (now Cboe Australia) (**Cboe**).

Contrary to PEXA's assertion, ASX and Cboe do in fact interoperate via data feeds by exchanging share bid and offer prices and related data, in real time, to facilitate share transactions which are priced by reference to the National Best Bid and Offer (NBBO) price spread across the entire share market.

Both ASX and Cboe are required by ASIC's Market Integrity Rules and the Corporations Act to do this. ASX entered into an agreement with Cboe (then Chi-X) to do this when Chi-X launched in Australia in October 2011. PEXA is being asked to do no more than what ASX and CBOE already do: exchange data with other ELNOs so that customers can obtain the best deal.

We felt it was important to call out the untrue statements made by senior PEXA executives as it calls into question the veracity of other claims made by PEXA regarding the difficulties of implementing interoperability for ELNOs.

Sincerely yours,

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**Tim Hogben**  
Group Executive, Securities and Payments

cc. Ms Anna Brakey, Commissioner, Australian Competition & Consumer Commission