

Section A – Notes to the Application

- a. **China Connect Drop-Copy Session** : China Connect Drop-Copy Service is an optional service in HKEX China Connect Central Gateway (CCCG). CCCG in the application form and explanatory note has the same meaning of China Connect Central Gateway as defined in the Rules of the Exchange. China Connect Drop-Copy Service is a real-time reporting service in respect of orders and trades of an Exchange Participant (EP) that have been inputted into or recorded by the CSC. China Connect Drop-Copy session is a connection to the China Connect Drop-Copy Service. EP can choose to receive trades only or orders and trades done through all input devices (i.e. China Connect Open Gateways and/or CCCGs), as long as all of its broker number are assigned to the China Connect Drop-Copy Session. EP subscribing the China Connect Drop-Copy Service may apply for a Backup China Connect Drop-Copy session as a backup of the China Connect Drop-Copy session.
- b. **Message Protocol** : A China Connect Drop-Copy Session can support either Binary or FIX message protocol and must be specified before the connection. EP should refer to the interface specifications of China Connect Drop-Copy for details of these two message protocols at http://www.hkex.com.hk/eng/market/sec_tradinfra/chinaconnect/TechnicalDoc.htm .
- c. **IP Address Scheme for China Connect Drop-Copy Session** : It will be separately provided in the [Connectivity Guide HKEX CCCG Platform](#).
- d. **Existing BSS System Connected to the Applied China Connect Drop-Copy Session** : EP connecting an existing BSS to the newly applied China Connect Drop-Copy session is required to conduct rollout test to verify the connection among existing CCCG/BSS, the applied China Connect Drop-Copy session and CSC Host via production circuits. EP may rollout the newly applied China Connect Drop-Copy session in production after successful completion of the rollout test, submission of BSS Declaration and rollout notification to HKEX by giving not less than 2 weeks in advance notice.
- e. **New BSS System Connected to the Applied China Connect Drop-Copy Session** : EP connecting a new BSS system to the newly applied China Connect Drop-Copy session is required to conduct a full cycle of BSS testing before connecting to China Connect Drop-Copy session and CSC for receiving trades and orders. The BSS testing shall include offline simulator test, end-to-end test and rollout test. EP can download the BSS testing package from Electronic Communication Platform (ECP) at <https://www.ecp.hkex.com.hk/> or contact HKEX – Participant General Enquiry Hotline at 2840-3626 for assistance on collection of the BSS testing package. Subject to return a positive simulator test and end-to-end test results, EP can apply to conduct rollout test to verify the connection among new BSS, the applied China Connect Drop-Copy session and CSC Host via production circuits. EP may rollout the newly applied China Connect Drop-Copy session after successful completion of rollout test, submission of BSS Declaration and rollout notification to HKEX by giving not less than 2 weeks in advance notice.
- f. **Relocation of BSS Connecting China Connect Drop-Copy Session** : If the relocation of BSS, including but not exclusively the relocation of it to / from HKEX Hosting Data Centre, will result in change of its IP address, EP have to inform HKEX by submitting the [“Requisition Form for Change of BSS Connection Information for HKEX China Connect Central Gateway \(CCCG\) Trading / Drop Copy Session”](#) at least 3 working days advance notice before the effective date.
- g. **Broker Number Assignment** : Each China Connect Drop-Copy session is required to assign at least one broker number and the maximum is 80 broker numbers. Each EP cannot have more than 80 broker numbers in total, regardless of the number of trading devices operated by EP. The same broker number can be assigned to one or more China Connect Drop-Copy session of the same EP.

- h. Circuit and Network Switch Installation :** Dual circuits connection is required for China Connect Drop-Copy session connecting to CSC. EP can install separate dual circuits for China Connect Drop-Copy session. Or EP can share the same circuits of China Connect Drop-Copy session with other HKEX applications, depending on the type of network subscription by referring to the below table. EP should ensure sufficient bandwidth to meet with different HKEX applications and consider the resilience.

Type of network subscription	Other HKEX application allow to share with same circuits of China Connect Drop-Copy Session					
	CCCG	OMD-CC	OCG	Drop-Copy	OMD-C	CCOG
(i) SDNet/2 circuit	✓	✓	✓	✓	✓	X
(ii) SDNet/2 ASP connection	✓	✓	✓	✓	✓	X
(iii) HSN	✓	✓	✓	✓	✓	✓
(iv) HSN Virtual Port Service	✓	✓	✓	✓	✓	✓

- ✓ allow to share with same circuits of China Connect Drop-Copy Session
 X not allow to share with same circuits of China Connect Drop-Copy Session

Type of network subscription :

- (i) via SDNet/2 circuits provided by Accredited Vendor (i.e. HKT, WTT and HGC). The contact information of Accredited Vendor is posted at HKEX website http://www.hkex.com.hk/eng/market/sec_tradinfra/sdnet2.htm.
- (ii) via SDNet/2 Application Service Provider (ASP) connection provided by ASP. ASP subscribes SDNet/2 circuits from Accredited Vendor (i.e. HKT, WTT and HGC) and provides shared SDNet/2 circuit connectivity to multiple EPs and manage the network connectivity on behalf of the EPs. However, there is a cap on the number of EPs and market turnover volume on each SDNet/2 ASP connection to minimize concentration risk. EP may check with the ASP before subscribing to the services. In addition, EP should check with the ASP the circuit number, IP addresses and the installation date in order to fill in the form of Application for China Connect Central Gateway Session.

For more information of ASP connection, please refer to “Frequently Asked Questions” of SDNet/2 on HKEX website http://www.hkex.com.hk/eng/market/sec_tradinfra/sdnet2.htm.

- (iii) via HKEX Service Network (HSN) provided by HKEX Hosting Services. The contact information of HKEX Hosting Services is posted at HKEX website <http://www.hkex.com.hk/eng/prod/hosting/hostingservices.htm>.
- (iv) via HSN Virtual Port Service provided by HKEX Hosting Services Approved ASP. Multiple EP’s trading facilities can be aggregated on the same HSN connection. However, there is a cap on number of EPs and market turnover volume on each aggregated HSN connection to minimize the concentration risk. EP may check with HKEX Hosting Services Approved ASP before subscribing to the services. In addition, EP should check with HKEX Hosting Services Approved ASP the circuit number, IP addresses and the installation date in order to fill in the form of Application for China Connect Central Gateway.

EP is responsible for arranging with network provider directly for circuits and network switch(es) installation, quotation and billing arrangement. EP should ensure the readiness of circuits and network switch(es) prior to connecting to China Connect Drop-Copy session. For further details on network configuration, EP should refer to the [Connectivity Guide HKEX CCCG Platform](#).

For market data related arrangement, please contact HKEX-IS by sending email to marketdata@hkex.com.hk.

- i. **Bandwidth Requirement** : The minimum bandwidth requirement for China Connect Drop-Copy session is listed below:

China Connect Drop-Copy Session	Minimum Bandwidth Requirement
With Orders and Trades	60 Kbps/Throttle
With Trades Only	20 Kbps/Throttle

China Connect Drop-Copy session will include orders and trades from the CCCG sessions and non-CCCG devices (i.e. CCOG/BSS devices) of the assigned broker number. EP should estimate number of throttles to be utilized for each China Connect Drop-Copy session base on its own trading pattern.

- j. **Monthly Fee for China Connect Drop-Copy Session/ Backup China Connect Drop-Copy Session** : The monthly fee is calculated on a full month basis and will be based on number of rolled out sessions as at the first trading day of each month. A new China Connect Drop-Copy session/Backup China Connect Drop-Copy session roll out on the 2nd trading day or afterwards during the month will be charged the monthly fee in the following month while there will be no refund of the monthly fee of China Connect Drop-Copy session/Backup China Connect Drop-Copy session if termination is made during the month. Please refer to Section B – “Fees and Charges” for details of charges.
- k. **Backup Arrangement for China Connect Drop-Copy Session** : In order to reduce the service impact to EPs due to the failure of China Connect Drop-Copy session, for each China Connect Drop-Copy session, EP may apply for a backup China Connect Drop-Copy session for connection from a backup device in its office or in its business continuity centre by providing a maximum 3 additional IP address to HKEX for same Comp ID. EP can connect to its backup China Connect Drop-Copy session via the backup device and continue the service without notifying HKEX. EP should take note that only one of the 4 IP addresses (i.e. 1 primary and 3 backup IPs) can be allowed connection using the assigned Comp ID at any time.

Section B – Fees and Charges

a. Monthly Fee *(subject to SFC approval)*

Chargeable Item	Amount (HK\$)
China Connect Drop-Copy Session or Backup China Connect Drop-Copy Session	\$4,500 for each session, except that there shall be no charge for the first Drop-Copy session and its backup of each EP