

HKEx Information Services Limited

(A wholly-owned member of the Hong Kong Exchanges and Clearing Limited Group)

Guiding Notes on Basic Market Prices Service Securities and Derivatives Market Data (for real-time data vendors)

PURPOSE

With effect from 1 April 2011, Basic Market Prices (BMP) Service¹ is made available to HKEx-IS licensed real-time market data information vendors for subscription on a flat-rate basis.

This document aims to provide guiding notes to those information vendors who offer Basic Market Prices Service in respect to real-time securities market data and/or derivatives market data services in the market. It supersedes any previous information package/guideline/guiding notes on BMP Service (or Free Prices Website Service).

DETAILS

1. The BMP Service will only be offered under the Market Data Vendor Licence Agreement of the Single Licence Regime.
2. HKEx-IS licensed real-time market data information vendors who wish to provide the BMP Service are required to submit their Service Application to HKEx-IS for consideration. Upon their Form A3 New Service Application is approved, their BMP Service will be added to Schedule 4 - Memorandum of Permitted Purpose. Accordingly, a Basic Market Prices Service Annex will also be issued and appended to their Market Data Vendor Licence Agreement.

Subscriber Fee

3. The Subscriber Fee for BMP is not charged or calculated based on the number of Subscriber Units. The information vendor is required to pay a flat-rated Subscriber Fee for subscription of the BMP Service to be disseminated regardless of the number of Subscriber Units through the delivery channels as priority-approved by HKEx-IS.
4. The Subscriber Fees are set out as follows for your reference: -
 - 4.1 Distribution on the service platform(s) of the information vendor and/or its group companies

¹ Basic Market Prices is repackaged from Free Prices Website Service which is provided to six designated websites in the form of pilot programme from 1 January 2010 to 31 December 2011 with 3-month soft launch lapsed on 31 December 2009.

Basic Market Prices Service <small>(note 1)</small>	For Information Vendor only	For Information Vendor and its group companies <small>(note 2)</small>
Securities Market Data <small>(note 3)</small>	HK\$80,000 per month	HK\$160,000 per month
Derivatives Market Data <small>(note 4)</small>	HK\$27,000 per month	HK\$54,000 per month

Note 1: There are both securities market and derivatives market of BMP Service available for subscription separately.

Note 2: Should the information vendor wish to extend the BMP Service to the related companies of their group, relevant group companies' fees will be liable.

Note 3: Securities Market Data refers to real-time information of listed securities included Equities, Warrants, Callable Bull/Bear Contracts, Listed Equity Linked Instrument, Exchange Traded Funds and Bonds.

Note 4: Derivatives Market Data refers to real-time information of listed Futures and Options.

- 4.2 Distribution on BMP Third Party's website or Information Vendor's website for Third Party as stipulated in paragraphs 8 and 9 of this document.

Securities Market Data

Website Category	Flat Fee per BMP Third Party Website
Third Party Website	HK\$68,000 per month
Listed Company Website	HK\$5,000 per month

Derivatives Market Data

Website Category	Flat Fee per BMP Third Party Website
Third Party Website	HK\$23,000 per month

Data Content

5. The data content for different markets is as follows:
- ◆ **Securities Market:** nominal/last traded price, closing price, today's high/low prices, trading volume, turnover value, Indicative Equilibrium Price (IEP) and Indicative Equilibrium Volume (IEV) during the pre-opening session of individual securities on the Stock Exchange.
 - ◆ **Derivatives Market:** last trade price, closing price, high/low price, trading volume & turnover of individual futures and options contract series on the Futures Exchange as well as individual stock options contract series on the Stock Exchange.

Scope of Service

6. Information vendor may provide the BMP Service not only on their websites, but also on other service platforms such as the mobile web, mobile phones and PDAs, smart phone applications, interactive TVs and pagers.
7. Information vendor is required to follow the following guidelines when offering the BMP Service:

- 7.1 Only the data content of BMP will be provided on real-time basis. Real-time indication for BMP data content is to be clearly displayed.
- 7.2 Any update of the data content of the BMP Service will only be provided on snapshot basis, meaning the user could only get the Basic Information of a selected security or a futures/options contract per request. Automatic update on flash chart is not allowed. For the avoidance of doubt, any derived data which can easily be reverse-engineered by the viewer or the end-user to the original real-time (or BMP) will be regarded as display of real-time price or BMP. Such display will be subject to the restriction under this paragraph 7.2.
- 7.3 No user registration is required for accessing the real-time BMP, except for portfolio valuation.
- 7.4 The BMP Service shall be provided as per paragraph 7.2 above that only the Basic Information of a single security or a futures/options contract will be provided upon each user request, except for the following ways:
- 7.4.1 Top 20 lists by % gainers, % losers, trading volume or turnover value. The top 20 lists can be shown by the following categories of respective Type of Information:
- 7.4.1.1 Securities Market Data: (i) all securities, (ii) all equities, (iii) all equities on the Main Board, (iv) all equities on the Growth Enterprise Market (GEM), (v) all warrants and (vi) all Callable Bull/Bear Contracts (CBBC);
- 7.4.1.2 Derivatives Market Data: (i) all futures contracts; and (ii) all options contracts;
- 7.4.2 Charting comparison (with 5 securities or 5 futures/ options contracts at maximum)
- 7.4.3 Portfolio valuation (with 20 securities or 20 futures/ options contracts at maximum)
- 7.4.4 Most recently visited list (with 20 securities or 20 futures/ options contracts at maximum)
- 7.5 The BMP Service is aimed for investor reference. Information vendor is required to post an appropriate advisory message to the investors that the BMP only provides basic market information for reference purposes and the investors should consider if they would need more detailed market information for reference or to facilitate their investment decision.

- 7.6 Any search or inquiry box or command leading to the request for real-time BMP shall be placed within the information vendor's own website. In the same principle, the information vendor shall ensure that BMP result page can only be generated by user activation of the search or inquiry box. Direct access to specific BMP result page via bookmarks or other hyperlinks outside the information vendor's website should be prevented on a best endeavour basis.
- 7.7 Other websites are allowed to freely hyperlink to the information vendor's own website with the BMP Service. Information vendor shall ensure having proper hyperlink policy in place so that the information vendor has the right to stop a particular website hyperlink to their own website with the BMP Service in case the hyperlink is found in contravention of the terms of the BMP Service:
- 7.7.1 Third party websites are not allowed to directly hyperlink to a web page of the information vendor with real-time BMP; and
- 7.7.2 The command on making the request for real-time BMP of individual securities or futures/options contract, including entering the stock code, should be within the information vendor's website.
- 7.8 A standard disclaimer to indemnify HKEx-IS and HKEx group is to be placed on the BMP pages.

BMP Third Party Website Service

8. Subject to separate fees, information vendors may also provide the BMP Service for third parties either on their own websites or their client's websites (referred below as the BMP Third Party Website Service). The BMP Third Party Website Service is specially designed for users such as exchange participants, financial institutions, listed companies and issuers of structured products who are interested in the service but do not wish to be an information vendor themselves.
9. Information vendor may provide the BMP Third Party Website Service according to the Scope of Service specified in this document and the Guideline on Third Party Website Service except those features and requirements specified herein this paragraph below:
- 9.1 BMP Third Party Website Service is only applicable for dissemination of BMP via Internet website only. For the avoidance of doubt, only PC web and mobile web with the same domain can be entitled to provide the BMP.
- 9.2 Two website categories are available under BMP Third Party Website Service:
- 9.2.1 Third Party Website*

Third Party Website is entitled to provide BMP of all securities on the cash market or all contract series on derivatives market subject to the subscription. Certain-user specific features could be enabled according to different user group's entitlement:

- ◆ Structural Products Issuer Website – entitled to simultaneous listing BMP of all the issuer's own-issued structural products which listed/traded on SEHK.
- ◆ Index Compiler Website – details of the terms are being studied. Service Application on Index Compiler Website will not be accepted for the time being.

9.2.2 Listed Company Website

Information vendor may provide the BMP Service to Listed Company Website for investor relation purpose. Listed Company Website is entitled to provide BMP of the listed company's share price and the equity warrants/instruments/ bonds /debt issued by the listed company.

Reporting

10. Information Vendors are required to provide a Quarterly Report within 15 days of the end of each Quarter for the subscription of BMP Service in order to share the non-payment statistics to HKEx-IS on a regular basis. Such non-payment statistics, including the page views, the average number of unique visitors per trading day and number of quotes requested for securities (or futures/options contracts) are collected for HKEx-IS reference only and HKEx-IS understands that Information Vendors are shared such non-payment statistics on best endeavors basis.

If IVs want to apply or have any questions, comments or doubts regarding BMP Service, please contact the Sales and Marketing Team of Market Data Department at:

Ada Lee

AdaLee@hkex.com.hk
(+852) 2840 3520

Yvette Ying

YvetteYing@hkex.com.hk
(+852) 2840 3009

April 2011

HKEx-IS

Appendix: Frequently Asked Questions

Q1. How much recurring fees an information vendor (“IV”) needs to pay if the IV only provides the BMP Service for Securities Market Data on its own website(s) or service platform(s)?

The information vendor who only provides Securities Market BMP Service on its own website or service platform is required to pay the following licence fees to HKEx-IS:

<u>Fees item</u>	<u>Amount (HK\$)</u>
Redistribution Fee	HK\$51,000 per quarter x 4
Subscriber Fee – BMP Service	+ HK\$80,000 per month x 12
<i>Total Fee for indirect connection</i>	<i>= HK\$1,164,000 per annum</i>
Connection Fee	+ HK\$45,000 per quarter x 4
<i>Total Fee for direct connection</i>	<i>= HK\$1,344,000 per annum</i>

Note 1: Indirect connection means that the IV will receive market data indirectly via other HKEx-IS licensed direct connection IVs.

Note 2: Direct connection means that IV will receive market data directly from HKEx-IS. IV will need to setup and maintain their own interface programme according to HKEx-IS transmission specification.

Q2. Our company is not HKEx-IS licensed information vendors. What application forms should we need to fill in for applying for a vendor licence for provision of BMP Service?

Your company will need to complete and file the Form A1, Form A2 and Form A3 for HKEx-IS processing and consideration. Normally, it will take 4 months to complete the application process.

Q3. Our company is already the HKEx-IS licensed information vendors. What application forms should we need to submit for applying for subscription of BMP Service?

Your company will need to complete and file the Form A3 for HKEx-IS processing and consideration. Normally, it will take 1 month to complete the approval process if the applicant provides sufficient information for HKEx-IS processing. However, if your company does not have the relevant Datafeed for the provision of BMP Service, you will need to complete Form A2. It will take 2 months to complete the approval process.

Q4. Will the BMP be able to support price alert service?

The BMP Service is designed to support dissemination of basic market prices on interactive service platforms. Each real-time stock price or futures/options contract update must be provided per user request. Price alert service is a push service triggered by pre-set criteria. It is hence not regarded as an interactive service and is not eligible to be provided under BMP Service.

Q5. Is there any limit on the number of websites for the information vendor who pays the monthly flat fee for the BMP Service?

Information vendor is charged on a monthly flat fees basis for the provision of the BMP Service on its own website(s), but not the websites of third parties or their related companies. There is no limit set for the number of websites as long as the website is owned by the information vendor. Information vendor may need to provide document proof on the ownership of the website with BMP where necessary.

Should the information vendor wish to extend the BMP Service to their related companies, they need to pay additional fees accordingly to paragraph 4.1 of the Guiding Notes on Basic Market Prices Service. For provision of BMP Service on third party website, please refer to the relevant fees as stated in paragraph 4.2 of the Guiding Notes on Basic Market Prices Service.

Q6. Can information vendor adopt BMP in the Interactive Voice Response System (IVRS) Service?

Provided that the voice response system is running on interactive mode, meaning the user will only receive (or listen) the real-time stock quote or futures/options contract upon each request immediately triggered by the user, it is allowed under BMP service.

Q7. BMP Third Party Website Service is charged on per website basis. How does HKEx define a third party website?

Each BMP Third Party Website with its location will be defined clearly on the Memorandum of Permitted Purpose (MOPP). The location will be identified by its domain or URL. The Third Party BMP Website is not limited to those third party clients' websites, but also the BMP Service provided by information vendor for the third party at information vendor's own websites. If the latter case is, information vendor needs to pay for the additional third party website fee even if the information vendor has paid the BMP Subscriber Fees for information vendor's own websites.

Q8. Could the BMP Third Party Website Service be applied to mobile web? How does it charge? Could the mobile webpage be framed into the third party client's Smartphone application?

Third Party BMP Website may apply to Internet web and mobile web and subject to a single fee as long as they are under the same domain. Framing into Smartphone or mobile phone app is however not allowed. Should any third party company wish to provide the BMP on Smartphone application, they may consider apply for a vendor licence from HKEx-IS.

Q9. Some information vendors may provide integration service to the online trading platform of their third party clients. Under such arrangement, information vendor may apply for a pop up window showing BMP but not frame the BMP inside their client's website, would this be treated under the information vendor's own BMP Service, instead of BMP Third Party Website Service?

Third party BMP Website Service is not limited to those services framing to the third party client website, but also provided for their capacity. In this regard, as long as the BMP Service is provided for a third party company, it is not regarded as the information vendor's own BMP Service and not covered in its own BMP Subscriber Fees, but subject to the additional fee for Third Party Website Service.

Q10. When information vendors build application for their bank clients, the information stated in the application that the information vendor is the BMP provider. Would such BMP service in the bank clients be regarded as the information vendor's own BMP Service and no additional BMP Third Party Website Service be liable?

On the same principle as above in the answer to Q9, information vendor is required to pay additional fee for Third Party BMP Website Service if they are providing the BMP Service for the third party no matter they are on the third party website or information vendor's own website.

Q11. Interactive TV is one of the allowable service platforms for BMP. May the information vendor partner with the cable TV operator to provide an interactive BMP service and regarded as the information vendor's own BMP Service?

As long as the BMP Service is provided by information vendor for a third party, it is regarded as information vendor's own BMP service and not covered in BMP Subscriber Fee. For cable TV case, the Third Party BMP Website service is not applicable and hence the cable TV operator may need to apply for a vendor licence for provision of the service.

Q12. Our company plans to disseminate the BMP Service for Derivatives Market data on our website. Can we display the BMP for the list of HSI Index Futures with different contract months on the same page?

The key principle of offering BMP Service is to provide one BMP quote upon each user request (except those features described in paragraph 7.4 of the Guiding Notes on Basic Market Prices Service). One BMP quote only contains such data content as last traded price, high/low, turnover/volume of a particular security or a futures/options contract month. Based on this principle, the display of BMP for more than one futures and options contract month is not allowed. For the avoidance of doubt, the BMP content of call or put contract of a particular Option series is also regarded as separate BMP quote.

~ End ~