Frequently Asked Questions
Updated : 13 December 2016

Q1. **What are the key changes in relation to the renewed SDNet/2 service contracts between HKEX and Accredited Vendors'?**

A: HKEX has renewed the SDNet/2 service contracts with the three existing Accredited Vendors effective from 1 March 2016 and below are the key changes :

- Capped prices will only be available for 1Mbps to 20Mbps circuits and there will be NO capped price for circuits with bandwidth of 30Mbps or above. The new pricing arrangement is applicable to monthly tariff, installation charge and standby service fee.
- There is also change to certain one-off charge e.g. circuit bandwidth upgrade/downgrade, reconfiguration and relocation fee of specific Accredited Vendors.
- Introduction of Application Service Provider (ASP) circuit connection to SDNet/2

Q2. **What actions are Exchange Participants (EPs) /Clearing Participants (CPs) /Clearing Members (CMs)/Information Vendors (IVs) required to take for their existing circuit service contracts due to the renewal of SDNet/2 service contract between HKEX and Accredited Vendors?**

A: EPs/CPs/CMs/IVs are required to take note of the new service arrangement and the effective date of the renewal of service contract between HKEX and Accredited Vendors.

When a new contract has to be signed with Accredited Vendor after the expiry of the existing contract, the price and terms depend on when it is signed.

Contract signing date	Terms and conditions
Before 1 March 2016	will follow the existing contracts between HKEX and Accredited Vendors
On or after 1 March 2016	will follow the new service contracts between HKEX and Accredited Vendors

EPs/CPs/CMs/IVs are advised to contact their selected Accredited Vendors and consider the commercial offers and services provided by individual Accredited Vendor. EPs/CPs/CMs/IVs are advised to select Accredited Vendors according to their own business needs.

Q3. **What will be the monthly tariff charged by different Accredited Vendors under the renewed SDNet/2 service contracts?**

A: The prices of SDNet/2 monthly tariff and related services are either capped or

to be negotiated between EPs/CPs/CMs/IVs and the Accredited Vendors. EPs/CPs/CMs/IVs are advised to contact their selected Accredited Vendors and consider the commercial offers and services provided by individual Accredited Vendor. EPs/CPs/CMs/IVs are advised to select Accredited Vendors according to their own business needs.
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http://www.hkex.com.hk/eng/market/dv_tradinfra/sdnet2.htm or
http://www.hkex.com.hk/eng/market/clr/secclr/sdnet2.htm or
http://www.hkex.com.hk/eng/prod/dataprod/omd/Documents/SDNet2_Accredited%20Vendor%20Contact%20Information%20V1.pdf

Q4. **What is the installation cost of SDNet/2 circuits?**

A: EPs/CPs/CMs/ IVs are advised to contact the Accredited Vendors directly for the prices of SDNet/2 circuit and related services.

Currently, there are some situations where the Accredited Vendors are not allowed to install fibre cables (e.g. inside premises of data centre service providers or buildings whose building & management offices who sell their own fibre cables). EPs/CPs/CMs/IVs may need to bear the extra services cost charged by third parties. In such cases, EPs/CPs/CMs/IVs are advised to check with the Accredited Vendors because the degrees of installed fibre at each building by different Accredited Vendors may vary.

Due to the fact that the installation environment varies in different sites, the selected Accredited Vendor will carry out site visit to the offices of EPs/CPs/CMs/IVs and will discuss with the EPs/CPs/CMs/IVs on the facilities required for the circuit installation. Therefore, EPs/CPs/CMs/IVs should check with the Accredited Vendors if there is any extra cost required for the circuit installation according to actual situation.

Q5. **What is the minimum subscription period and termination notice of SDNet/2 circuits?**

A: The minimum subscription period of SDNet/2 circuits is 3 months and 1 month advance notice for termination without any cause given by the EPs/CPs/CMs/IVs.

Q6. **After installation of the SDNet/2 circuits, can EPs/CPs/CMs/IVs terminate the service contract any time and change to another Accredited Vendor?**

A: The minimum subscription period of SDNet/2 circuit is 3 months.

If EPs/CPs/CMs/IVs wish to terminate the service within the minimum subscription period, they can submit 1 month's advance notice to the respective Accredited Vendor to terminate the service at the end of the 2nd month.

After the 3-months minimum subscription period, EPs/CPs/CMs/IVs can terminate the service by giving 1 month's advance termination notice to the respective Accredited Vendor.

Accredited Vendor has the right to ask for any remaining or outstanding payment due to the service termination. EPs/CPs/CMs/IVs should check with Accredited Vendor beforehand whether it is applicable for its service terms and conditions.

Q7. **Can EPs/CPs/CMs/IVs select more than one Accredited Vendor at one time?**

A: Yes. EPs/CPs/CMs/IVs who have more than one set of SDNet/2 circuits are allowed to select more than one Accredited Vendor. However, EPs/CPs/CMs/IVs must subscribe from the same Accredited Vendor for both individual circuits within a dual-circuit configuration.

Q8. **How should EPs/CPs/CMs/IV/s select their Accredited Vendors?**

A: All Accredited Vendors must provide SDNet/2 service according to the pre-defined technical requirements from HKEX. Technically, SDNet/2 circuits provided by all Accredited Vendors are fully compatible with the market systems of HKEX.

EPs/CPs/CMs/IVs are advised to contact their selected Accredited Vendors and consider the commercial offers and services provided by individual Accredited Vendor. EPs/CPs/CMs/IVs are advised to select Accredited Vendors according to their own business needs. Before selection, EPs/CPs/CMs/IVs are advised to study carefully the terms and conditions offered by the individual Accredited Vendor

Q9. **Is there any change to the on-going support and service due to the SDNet/2 service contract renewal between HKEX and Accredited Vendors?**

A: There is no change in the on-going support and services due to the SDNet/2 service contract renewal between HKEX and Accredited Vendors.

For network problem, EPs/CPs/CMs/IVs should report the fault to their Accredited Vendors directly.

Accredited Vendors will be responsible for monitoring the healthiness of the circuits of EPs/CPs/CMs/IVs. EPs/CPs/CMs/IVs are advised to check with their selected Accredited Vendors if notification service will be provided when the Accredited Vendors' networks encounter interruption.

Q10. **Are EPs/CPs/CMs/IVs required to inform HKEX if they have changed the SDNet circuit bandwidth or Accredited Vendors?**

A: EPs/CPs/CMs/IVs are required to inform the Exchanges/Clearing Houses for change of SDNet circuit bandwidth or Accredited Vendors.

Q11. **Will there be any change of IP address if EPs/CPs/CMs/IVs change the Accredited Vendors?**

A: There will be change of IP address if EPs/CPs/CMs/IVs change the Accredited Vendors.

Q12. **If EPs/CPs/CMs/IVs want to downgrade the SDNet circuit bandwidth, would it affect the existing connections?**

A: EPs/CPs/CMs/IVs should subscribe not lower than the specified minimum bandwidth. The minimum bandwidth requirements of the respective market systems can be found in the [Price Information /Technical Specification/Service level of SDNet/2 or OMD Connectivity Guide]
http://www.hkex.com.hk/eng/market/sec_tradinfra/sdnet2.htm or
http://www.hkex.com.hk/eng/market/dv_tradinfra/sdnet2.htm or
http://www.hkex.com.hk/eng/market/clr/secclr/sdnet2.htm   or
http://www.hkex.com.hk/eng/prod/dataprod/omd/implementation/Phase1a.htm
or
http://www.hkex.com.hk/eng/prod/dataprod/omd/Phase2.htm

EPs/CPs/CMs/IVs may subscribe more than the minimum bandwidth from the Accredited Vendors in accordance with their business needs.

Q13. **Would the daily operations of EPs/CPs/CMs/IVs be affected during the course of bandwidth upgrading/downgrading?**

A: EPs/CPs/CMs/IVs should liaise with the Accredited Vendors to perform the bandwidth upgrading/downgrading after the daily operation has been completed.

Q14. **How can EPs/CPs/CMs/IVs obtain the contact of Accredited Vendors?**

A: EPs/CPs/CMs/IVs can click the below link http://www.hkex.com.hk/eng/market/sec_tradinfra/Documents/SDNet2_Accredited Vendor Contact Information.pdf for Accredited Vendors' contacts.

Q15. **Can EPs/CPs/CMs/IVs send email enquiries to HKEX?**

A: For further questions regarding SDNet/2, please send email to sdnet@hkex.com.hk

Q16.   What is ASP connection?

A: ASP ("Application Service Provider") is the service provider providing shared SDNet/2 circuit services connectivity to multiple EPs/CPs/CMs/IVs. Under the ASP connection service, ASP will subscribe the SDNet/2 circuits from the Accredited Vendor(s) and manage the network connectivity on behalf of the EPs/CPs/CMs/IVs.

ASPs should contact the Accredited Vendor regarding the application of ASP connections and HKEX-IS on the data licensing requirement.

EPs/CPs/CMs/IVs should contact their respective software/system providers regarding the ASP connection services.

Q17   Who are eligible to apply for ASP connection?

A: The ASP connection initiative aims to enhance the infrastructure efficiency of the application providers who are also providing managed services to market participants. Therefore, BSS vendors / OAPI developers / Market Data ASPs are eligible to apply for the ASP connections. However, HKEX reserves the right of final decision.

Q18   What application accesses can be aggregated on an ASP connection?

A: Currently, the HKEX Application accesses allowed to be aggregated on ASP connection are listed as follow:

Cash Market and China Connect Market: OCG, OMD-C, CCCG, OMD-CC

Derivatives Market: HKATS connection through Central Gateway, DCASS connection through Central Gateway, OMD-D

Market segregation is required, which means that an ASP connection may only access to either Cash Market and China Connect Market applications or Derivatives Market applications.