

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

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

DETAILS

1. IVs who wish to provide the BMP Service are required to submit their Service Application (Form A3) and BMP Service Checklist to HKEX-IS for consideration and approval. Upon approval, the BMP Services will be added to Schedule 4 - Memorandum of Permitted Purpose. Accordingly, a Basic Market Prices Service Annex will also be issued and appended to the Market Data Vendor Licence Agreement.
2. IVs are also required to submit screen captures together with the BMP Service Checklist to HKEX-IS on any changes of data display and/ or layout of approved BMP Services for prior approval.

Subscriber Fee

3. The Subscriber Fee for BMP is not charged or calculated based on the number of Subscriber Units. IVs 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 services of IV and/or its group companies

Basic Market Prices Service (note 1)	For Information Vendor only	For Information Vendor and its group companies (note 2)
Securities Market Data ^{note 3)}	HK\$80,000 per month	HK\$160,000 per month
Derivatives Market Data ^(note 4)	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 IV 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 through BMP Third Party Service as stipulated in paragraphs 9 and 10 of this document.

Securities Market Data – BMP Subscriber Fee

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

Derivatives Market Data – BMP Subscriber Fee

BMP Third Party Service Category	Flat Fee per BMP Third Party Company
Standard Third Party Service	HK\$23,000 per month

- 4.2.1 Only one BMP Third Party Service Subscriber Fee shall be payable if IV provides Standard BMP Third Party Service on different platforms to the same BMP Third Party Company.
- 4.2.2 Volume discount on Subscriber Fees is available to BMP Third Party Service (Service Category of Standard Third Party Service only, NOT applicable to Listed Company Service):

	Number of Third Party Companies	Discount Levels	Discounted Subscriber Fees per BMP Third Party Company
Securities Market Data	>= 5 Companies	20%	HK\$54,400 per month
	>= 10 Companies	40%	HK\$40,800 per month
Derivatives Market Data	>= 5 Companies	20%	HK\$18,400 per month
	>= 10 Companies	40%	HK\$13,800 per month

- 4.2.3 Discounts must be claimed no later than the time due for submitting the relevant Subscriber Report.

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. IV may provide the BMP Service not only on their websites, but also on other service platforms such as internet PC/terminals, mobile applications, mobile web, interactive TVs and pagers.

7. IV is required to comply with 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 price (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 GEM, (v) all warrants, (vi) all Callable Bull/Bear Contracts (CBBC) and (vii) all eligible stocks for Shanghai-Hong Kong Stock Connect Southbound trading.
 - 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. IV 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 For BMP Service provided on websites, any search or inquiry box or command leading to the request for real-time BMP shall be placed within the IV's own website. In the same principle, the IV 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 IV's website should be prevented on a best endeavour basis.

- 7.7 Hyperlink of other websites to the IV's own website with the BMP Service is allowed. However, IV shall ensure having proper hyperlink policy in place so that the IV 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 Other websites could only hyperlink to the Home Page of IV's BMP Service and are not allowed to directly hyperlink to a web page of the IV 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 IV's website.
- 7.8 A standard disclaimer to indemnify HKEX-IS and HKEX group is to be placed on the BMP pages.
8. To support the transparency of odd lot data for Securities Market, with effect from October 2014, IVs are permitted to provide real-time Odd Lot Information on the BMP Service based on the following guidelines:
- 8.1 Data content of Odd Lot Information includes (1) Odd lot traded price and volume and (2) bid/ask price, volume and broker ID of odd lot orders and special lot orders. The Odd Lot Information shall be provided as per paragraph 7 above unless specified in this paragraph 8.
 - 8.2 The Odd Lot Information shall be provided on snapshot basis and the updated information will only be provided upon user request.
 - 8.3 In order not to confuse investors with board lot market data, the Odd Lot Information of individual securities shall be provided and displayed in a separate page from BMP data content of individual securities as defined in paragraph 5 above. IVs are advised to provide an "Odd Lot Information" button or hyperlink on the BMP page. By clicking this button or hyperlink, investors will be directed to the pop-up page or separate page of the Odd Lot Information of the corresponding securities.

BMP Third Party Service

9. Subject to separate fees, IVs may also provide the BMP Service for third party clients either on their own service platforms or their client's service platforms (referred below as the BMP Third Party Service). The types of service platforms¹ include internet PC/terminals, mobile applications and mobile web. The BMP Third Party 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 IVs themselves.
10. IV may provide the BMP Third Party Service according to the Scope of Service specified in this document and the Guiding Note on Third Party Service to the Standard Third Party Service clients except certain BMP Third Party Service user group is entitled to specific features:

10.1 Structural Products Issuers subscribing to Standard Third Party Service

¹ The BMP Third Party Service has been extended to cover also Mobile Application with effect from June 2014 whilst it has been further extended, with effect from October 2014, to other platforms, including PC/terminals to align the service platforms eligible for BMP IV service.

IV may provide the BMP Third Party Service to Structural Products Issuer which is entitled to simultaneous listing BMP of all the issuer's own-issued structural products which listed/ traded on SEHK, in addition to the scope of Standard Third Party Service.

10.2 *Listed Company Service*

IV may provide the BMP Third Party Service to Listed Company for investor relation purpose. Listed Company Service 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

11. IVs 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 IVs are shared such non-payment statistics on best endeavors basis.
12. IVs are required to provide a monthly Subscriber Report within 15 days of the end of each Month for the subscription of BMP Third Party Service in order to report the names of the Companies subscribing the BMP Third Party Service to HKEX-IS.
13. IVs are required to submit a BMP Service Checklist prior to the commencement of new BMP Service or prior to the effective date of changes to an existing BMP Service to confirm their compliance with the requirement as stipulated in this Guiding Note.

If IVs want to apply or have any questions regarding BMP Service, please send your enquiries to MarketData@hkex.com.hk.

Appendix: Frequently Asked Questions

Q1. How much recurring fees an 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)?

IV 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 (for OMD SS)	HK\$51,000 per quarter x 4
Subscriber Fee – BMP Service	+ HK\$80,000 per month x 12
Total Fee for indirect connection	= HK\$1,164,000 per annum
Connection Fee	+ HK\$45,000 per quarter x 4
Total Fee for direct connection	= HK\$1,344,000 per annum

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 IVs. 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 IVs. 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 IV who pays the monthly flat fee for the BMP Service?

IV 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 IV. IV may need to provide document proof on the ownership of the website with BMP where necessary.

Should the IV 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 to Third Party Companies, please refer to the relevant fees as stated in paragraph 4.2 of the Guiding Notes on Basic Market Prices

Service.

Q6. Can IV 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. Some IVs may provide integration service to the online trading platform of their third party clients. Under such arrangement, IV 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 IV's own BMP Service, instead of BMP Third Party Service?

Third party BMP 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 IV's own BMP Service and not covered in its own BMP Subscriber Fees, but subject to the additional fee for Third Party Service.

Q8. When IVs build application for their bank clients, the information stated in the application that the IV is the BMP provider. Would such BMP service in the bank clients be regarded as the IV's own BMP Service and no additional BMP Third Party Service be liable?

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

Q9. Interactive TV is one of the allowable service platforms for BMP. Could the IV partner with a cable TV operator to provide an interactive BMP service and regarded as the IV's own BMP Service?

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

Q10. 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 ~