

Guiding Note on Reporting and Payment Requirements for Real-time Data Services (for licensed end-users)

PURPOSE

This Guiding Note sets out the reporting and payment requirements for HKEX-IS licensed end-user licensees (EUs) with internal usage of our Securities and/or Derivatives Market Data (“Market Data”) on real-time basis.

DETAILS

In order to facilitate the EUs to comply with clauses 6.4 and 6.5 of the Market Data End-User Licence Agreement (the “End-user Agreement”) on submission of monthly Individual User Reports and maintenance of complete and accurate Licence Fees calculation records, please find the requirements below:-

A) General Requirements for all real-time data services

- A1. All EUs must implement proper permissioning system to disallow concurrent access from the same User ID via the same or different device(s) and/or application(s). This rationale applies to all market data services other than the snapshot service without capping charge.
- A2. All EUs must implement linkages among systems in permissioning access rights on Individual User Units (including any device by means of which the Information can be processed or perceived by humans and any Individual User who has authorization to access the Information) and the reporting of all Individual User Units to HKEX-IS to eliminate the risk of omission in updating any one of the systems.
- A3. All EUs must implement mechanism to ensure the duration of our streaming Market Data used is in multiple of complete month.
- A4. All EUs must maintain proper database on Individual User Units as audit trails for at least 7 years.

B) Additional Requirements for Usage Based services (Snapshot and Charge Per Unit Time)

- B1. All EUs must implement proper metering system to count, capture and report each individual snapshot quote to HKEX-IS. In situations where each request of a portfolio or watch list displays 10 Market Data stocks, 10 quotes must be reported.
- B2. All EUs must implement proper metering system to count the time usages immediately upon access to our Market Data under the Charge Per Unit Time service and to round up the usage to the nearest minute for each access.
- B3. All EUs must implement proper mechanism to prohibit sharing of User ID for avoidance of any abuse of our monthly capping charge per User ID.

- B4. All EUs must comply with the Guiding Note for Audit Metering System in submitting a 3rd Party Quote Meter Audit Report within 90 days upon the initial financial year-end during which with service launch and within 60 days upon financial year-end on an annual basis thereafter.
- B5. All EUs must ensure that their metering system is capable to capture and report all fee-liable quotes to HKEX-IS. Market Data disseminated within 15 minutes after market close of each trading session is still fee-liable. For the avoidance of doubt, upon the launch of Closing Auction Session (“CAS”), any information of non-CAS securities delayed by less than 15 minutes after the reference price and any information for CAS securities delayed by less than 15 minutes after the trading session status for day close is made available is considered as fee-liable.

C) Payment and Reporting Requirements

- C1. All EUs are obliged to comply with clause 6.4 of the End-User Agreement on submission of Monthly Individual User Reports (both Individual User Report Summary and Detailed Individual User Report) to HKEX-IS via ElecReport@hkex.com.hk within 15 days of the end of each month. For Individual User Report relates to Individual Users outside Hong Kong, it shall be provided within 30 days of the end of the month.

HKEX-IS will send out reporting template in excel format via e-mail around each month-end for EUs' completion and submission purposes.

- C2. Any late payment after 30 days from the due date, interest shall be levied as stipulated in clause 6.9 of the End-User Agreement. The late interest shall be calculated from the date such sums first become due until settlement at a rate of 40% per annum.
- C3. All EUs are obliged to comply with Schedule 5 of the End-User Agreement.

Should EUs have any additional concerns or queries, please contact the Data Client Audit team of Market Data Department via DataClientAudit@hkex.com.hk.