

Guiding Note on Charge Per Unit Time Service (New Regime) Securities and Derivatives Market Data (for licensed real-time data vendors and end-users)

PURPOSE

This Guiding Note sets out the requirements for HKEX Information Services Limited (“HKEX-IS”) licensed real-time information vendors (IVs) and end-users (EUs) who provide real-time Charge Per Unit Time¹ Service (New Regime) for external dissemination or internal usage under Securities and/or Derivatives market.

DETAILS

The monthly subscriber / individual user fee applicable for the Charge Per Unit Time Service (New Regime) is **\$0.1 to \$0.14 per minute for Securities market and \$0.03 to \$0.05 per minute for Derivatives market depending on the level of data displayed**, subject to a minimum and maximum monthly subscriber / individual user fee of \$50 and \$250 (or \$70 and \$450 for more than 10 price levels with broker queue) for Securities market and \$15 and \$95 (or \$25 and \$380 for more than 10 price levels) for Derivatives market. **The usage time shall be rounded up to the nearest minute for each access session.**²

For marketing purpose, IVs and EUs are entitled to claim waiver of the minimum monthly subscriber / individual user fee of \$50 or \$15 respectively (as the case may be) for the initial subscription month for a newly activated user (i.e. they are only liable to pay the actual usage amount if it is less than 500 minutes) upon fulfilling the following requirements:-

1. **Eligibility:** Any newly activated subscriber / individual user who will use the service for not less than 2 consecutive months are eligible for the waiver. IVs and EUs must establish proper internal control procedures to avoid any abuse and any repeated claims of waiver for the same user within 3 months. However, users with service activation and termination fall within the same month are not entitled for the waiver. Please refer to Appendix 1 for details.

¹ IVs or EUs who externally disseminate or internally use our Securities and/or Derivatives market data on non-streaming or static basis are required to apply for Per Quote Access service which is chargeable under different subscriber / individual user fees.

² For the avoidance of doubt, Charge per Unit Time Service (New Regime) shall be calculated by reference to the amount of minutes (or part thereof) with access to the Information by each individual user. For example, if the subscriber / individual user accesses the Information for 10 seconds, it will be counted as one minute. However, if the subscriber / individual user accesses to the Information within the same minute, the additional access within that “one minute” will not be double counted. Access for more than one minute will be rounded up to the next nearest minute.

Please also note that the Charge Per Unit Time Service (New Regime) is applicable to display real-time data on streaming basis only, and shall not be used for generating snapshots of the Information for subsequent offline viewing. HKEX-IS reserves the right to re-define and/or re-classify the service in question and to request the licensees for cessation of the service in question.

2. Application: This Policy is applicable to licensees who have been approved to provide Charge Per Unit Time Service (New Regime) as recorded in the Schedule 4 - Memorandum of Permitted Purpose ("MOPP") of the respective Licence Agreement.
3. Reporting: IVs or EUs must report the subscriber / individual user details, including the subscriber / individual user ID, their respective actual usage in minutes, the date of service commencement and/or termination in the Detailed Monthly Subscriber / Individual User Report. Please refer to Appendix 2 for details.

For clarification purpose, all Charge Per Unit Time services approved and recorded in the MOPP before 16 March 2011 ("Pre-approved services") are with different charging basis. For the avoidance of doubt, licensees are required to seek our prior approval and to comply with the revised charging basis as mentioned in this Guiding Note for any extension of Pre-approved services in dissemination via Smartphone and/or mobile phone application.

HKEX-IS reserves the right to charge licensees the shortfall of payments together with interest for any failure to comply with the above requirements. Should IVs or EUs have any questions, comments or doubts on this Guiding Note, please contact the Data Client Audit team of Market Data Department via DataClientAudit@hkex.com.hk.

Appendix 1

Examples for calculating monthly Subscriber / Individual User fees for newly activated users

(For ease of understanding, it is assumed herein there is only one user activated with Charge Per Unit Time Service (up to 10 price levels) for 2 consecutive months with the 1st month being the initial subscription month):-

Scenario 1: Low usage for two consecutive months

For cases where there is actual usage of 280 and 400 minutes for the 1st month and immediate 2nd month respectively, IV or EU shall a) pay HK\$28 and HK\$50 for Securities market and b) pay HK\$8.4 and HK\$12 for Derivatives market accordingly.

Scenario 2: Low usage for the 1st month and High usage for the immediate 2nd month

For cases where there is actual usage of 280 and 5,000 minutes for the 1st month and immediate 2nd month respectively, IV or EU shall a) pay HK\$28 and HK\$250 for Securities market and b) pay HK\$8.4 and HK\$95 for Derivatives market accordingly.

Scenario 3: High usage for two consecutive months

For cases where there is actual usage of 4,500 and 5,000 minutes for the 1st month and immediate 2nd month respectively, IV or EU shall a) pay maximum fee of HK\$250 each of the two months for Securities market and b) pay HK\$95 each of the two months for Derivatives market.

Scenario 4: High usage for the 1st month and Low usage for the immediate 2nd month

For cases where there is actual usage of 3,500 and 280 minutes for the 1st month and immediate 2nd month respectively, IV or EU shall a) pay maximum fee of HK\$250 for the 1st month and minimum fee of HK\$50 for the immediate 2nd month for Securities market and b) pay HK\$95 for the 1st month and minimum fee of HK\$15 for the immediate 2nd month for Derivatives market.

Scenario 5: Medium usage for 2 consecutive months

For cases where there is actual usage of 1,500 and 2,000 minutes for the 1st month and immediate 2nd month respectively, IV or EU shall pay HK\$150 and HK\$200 for Securities market and b) pay HK\$45 and HK\$60 for Derivatives market accordingly.

Section A - Reporting under the Monthly Subscriber / Individual User Report Summary

A) IVs or EUs shall classify the users into three Categories, namely:-

- 1) Users with Capping Monthly Subscriber / Individual User Fees (e.g. \$250 for Securities market and \$95 for Derivatives market)
- 2) Users with Minimum Monthly Subscriber Fees (e.g. \$50 for Securities market and \$15 for Derivatives market)
- 3) Users with Monthly Subscriber / Individual User Fees between Categories (1) and (2) above

B) IVs or EUs shall then report a) the number of subscriber / individual user units for each of the first two Categories and b) the total monthly usage time in minutes for Category 3 supported by a remark in indicating about the number of subscribers / individual user units.

SAMPLE : Extract of Monthly Subscriber Report Summary**Section I – Summary of Subscriber Fee**

Country Code	Licensee Service Name (As per Schedule 4 - MOPP of the Vendor Agreement)	Fee Item Code	Subscriber Fee per Unit (HK\$)	Number of Subscriber Unit	Total Subscriber Fee (HK\$)
A) Securities Market					
HKG	e.g. XYZ Duration Service	Charge Per Time – Max	\$ 250.00	1	\$250.00
HKG	e.g. XYZ Duration Service	Charge Per Time – Min	\$ 50.00	1	\$50.00
HKG	e.g. XYZ Duration Service	Charge Per Time	\$ 0.10	2,100	\$210.00
				(Remark 1)	
				Total Payment	\$510.00
					(A1)
B) Derivatives Market					
HKG	e.g. XYZ Duration Service	Charge Per Time – Max	\$ 95.00	1	\$95.00
HKG	e.g. XYZ Duration Service	Charge Per Time – Min	\$ 15.00	1	\$15.00
HKG	e.g. XYZ Duration Service	Charge Per Time	\$ 0.03	2,100	\$63.00
				(Remark 1)	
Remark 1	There are in total 2 subscribers in this category				
				Total Payment	\$173.00
					(A2)
The Sub-totals (A1) and (A2) should be identical with those reported in the Detailed Subscriber Report in <u>Section B</u> below.					

Section B - Reporting under the Monthly Detailed Subscriber Report

IVs and EUs are also required to submit a detailed subscriber / individual user report in analyzing the usage time for each of the 3 Categories with the following headings.

(Please be reminded that vendors are not entitled to any volume discount for Charge Per Unit Time Service.)

A) Securities Market

Reporting Month	Unique Subscriber ID	Company Name	Address	Country Code	Service Name	Fee Type	Total Subscriber Fees payable	Date of service commenced	Date of service terminated	Total Usage Time in minutes
<u>1. Newly admitted subscribers who are entitled for the waiver</u>										
Feb'16	AA003	Pink Lady Co. Ltd.	5/F., Yau Lai Bldg.	HKG	XYZ	Charge Per Time	<u>\$30</u>	18 Jan'16	-	300*
<u>2. Existing subscriber with different usage categories</u>										
<u>a) Subscribers with Capping Monthly Subscriber Fees</u>										
Feb'16	AA001	Lucky Chan	n.a.	HKG	XYZ	Charge Per Time - Max	<u>\$250</u>	3 Jan '16	-	3,000
<u>b) Subscribers with Minimum Monthly Subscriber Fees</u>										
Feb'16	AA004	Red Lady Co. Ltd.	3/F., Yau Lai Bldg.	HKG	XYZ	Charge Per Time - Min	<u>\$50</u>	8 Jan '16	-	20
<u>c) Subscribers with Monthly Subscriber Fees between \$50 and \$250</u>										
Feb'16	AA005	JJ Corp.	12/F., Tse Bong Bldg.	HKG	XYZ	Charge Per Time	<u>\$180</u>	2 Jan '16	-	1,800*
Total							<u>\$510</u>	(A1)		<u>2,100*</u>

C) Derivatives Market

<u>Reporting Month</u>	<u>Unique Subscriber ID</u>	<u>Company Name</u>	<u>Address</u>	<u>Country Code</u>	<u>Service Name</u>	<u>Fee Type</u>	<u>Total Subscriber Fees Payable</u>	<u>Date of service commenced</u>	<u>Date of service terminated</u>	<u>Total Usage Time in minutes</u>
1. Newly admitted subscribers who are entitled for the waiver										
Jan'16	AA003	Pink Lady Co. Ltd.	5/F., Yau Lai Bldg.	HKG	XYZ	Charge Per Time	<u>\$9</u>	18 Jan'16	-	300*
2. Existing subscriber with different usage categories										
a) <u>Subscribers with Capping Monthly Subscriber Fees</u>										
Jan'16	AA001	Lucky Chan	n.a.	HKG	XYZ	Charge Per Time - Max	<u>\$95</u>	3 Jan'16	-	3,500
b) <u>Subscribers with Minimum Monthly Subscriber Fees</u>										
Jan'16	AA004	Red Lady Co. Ltd.	3/F., Yau Lai Bldg.	HKG	XYZ	Charge Per Time - Min	<u>\$15</u>	8 Jan'16	15 Jan'16	20
c) <u>Subscribers with Monthly Subscriber Fees between \$15 and \$95</u>										
Jan'16	AA005	JJ Corp.	12/F., Tse Bong Bldg.	HKG	XYZ	Charge Per Time	<u>\$54</u>	2 Jan'16	-	1,800*
Total							<u>\$173</u>	(A2)		<u>2,100*</u>

Please note that Sub-totals (A1) and (A2) should be identical with those reported in the Monthly Subscriber Report Summary in Section A above.