

HKEx Information Services Limited

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

5 December 2012

By Email

Our Ref: MDD/12/2151

To: All Vendors under the Market Data Vendor Licence Agreement

Discount Programme for Mainland China Region

This is further to our letter of 7 November 2011 (Ref: MDD/11/2139) on the Discount Programme for Mainland China Region (the “Mainland Discount Programme”).

Please be informed that the Mainland Discount Programme due to expire by the end of 2012 will be extended and the monthly fees of \$80 (retail clients) and \$120 (corporate clients) will remain unchanged until 31 December 2013 as per the table below:

Subscriber Fees per the Market Data Vendor Licence Agreement	Discounted Monthly Fee
Securities market data	<u>For retail clients residing in Mainland China</u> \$80 per Subscriber Unit per month until <u>end 2013</u> <u>For corporate clients located in Mainland China</u> \$120 per Subscriber Unit per month until <u>end 2013</u>
Derivatives market data (Futures and options data without price depth)	Free for those who subscribe to securities market data under the subject Mainland Discount Programme

Please inform your Mainland subscribers of the updated programme details and review your business arrangement with them where applicable.

Kindly be reminded that your entitlement to the Mainland Discount Programme is subject to the following conditions:

1. Vendors should implement both technical and business controls to ensure that the Mainland Discount Programme is restricted to residents (for retail clients) genuinely residing and institutions (i.e. corporate clients) physically located in the Mainland China region (excluding Hong Kong, Macau and Taiwan).
2. Vendors who want to apply for the Mainland Discount Programme shall seek prior approval from HKEx-IS by submission of Service Applications. Upon approval, we shall specify in Schedule 4 - the Memorandum of Permitted Purpose (“MOPP”) of the Market Data Vendor Licence Agreement (“Licence Agreement”) services that are eligible for the Mainland Discount Programme. Service applications previously approved by HKEx-IS for the purpose of the Mainland Discount Programme need not be re-submitted unless details of the applications have changed.

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3. The Subscriber Fee under the Mainland Discount Programme is charged on monthly fee basis and could not be applied jointly with duration-based charging schemes. The volume discounts for subscribers as per Schedule 5 of the Licence Agreement is also not applicable if vendors choose to apply the Mainland Discount Programme.
4. Vendors are required to provide breakdown in the Monthly Subscriber Reports detailing the number of Subscriber Units by region. The report should include address/location for corporate clients applying for the Mainland Discount Programme.
5. Vendors who take the Mainland Discount Programme must pass on the discount to the Subscribers. Vendors who do not pass the discount to Subscribers are not entitled to the Mainland Discount Programme.
6. Vendors are required to claim the discounted prices before the due date for monthly payment and reporting. HKEx-IS may charge the standard Subscriber Fees as under the Licence Agreement for units not reported for the purpose of the Mainland Discount Programme on or before the due dates for payment and reporting as stipulated in the Licence Agreement.
7. HKEx-IS reserves the right to remove any vendor service that is believed to have violated the conditions of the Mainland Discount Programme from the MOPP of the Licence Agreement and reserves the right to amend the conditions of the Mainland Discount Programme at any time.

HKEx-IS will charge vendors the over-claimed discounts together with interest penalty for any failure in complying with the above conditions.

Should you have any queries, please feel free to contact Ada Lee at 852 2840 3520 (adalee@hkex.com.hk) or Yvette Ying at 852 2840 3009 (yvetteying@hkex.com.hk).

Yours faithfully,

Daniel Poon
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DP/RL0/WS/CH0