



# Cboe Europe Equities

## Market Data Policy

Effective 1 January 2018

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## 1 INTRODUCTION

### 1.1 Scope

This data policy document (the “**Data Policy**”) sets out the policies relating to the use, pricing, reporting and distribution of Cboe Europe Equities (“**Cboe**”) Market Data (“**Data**”).

For information regarding Cboe Index Data please see the Index Data Policy document.

For Data, the Data Policy forms part of, and should be read in conjunction with:

- (i) the Cboe Market Data Price List, which is comprised of the standard Data price list and the Disaggregated Price List as defined in Section 2.6 (together the “**Data Price List**”) and
- (ii) the Data Recipient Agreement (“**DRA**”) in place with Cboe Europe Limited, trading under the name of Cboe Europe Equities.

This Data Policy may be amended from time to time, in accordance with the provisions of the DRA.

The Data Policy and the Data Price List are available on the Cboe website, at the following link: [http://markets.cboe.com/europe/equities/support/market\\_data/Cboe](http://markets.cboe.com/europe/equities/support/market_data/Cboe)

The use of End Of Day, Delayed Data or Historical Data, including extracts, does not attract any End User Fees. Recipients may retain and store the Data, in any medium including, but not limited to, electronic storage, for record keeping purposes as required by law and/or regulation, incurring no additional Fee.

Section 4 of the Data Policy provides non-exhaustive examples of activities which would be treated either as Distribution, thereby attracting applicable Fees, or as activities by Service Providers, thereby not attracting Fees.

This Data Policy may be amended from time to time, in accordance with the provisions of the DRA.

If there are any questions regarding the interpretation of this Data Policy, please contact your Cboe account manager or email [MarketDataEu@cboe.com](mailto:MarketDataEu@cboe.com) as appropriate.

### 1.2 Definitions

Unless otherwise defined herein, capitalised terms used in this Data Policy shall have the meaning ascribed to them in the DRA.

In this Data Policy, the following definitions shall apply:

“**Access ID**” is the unique user access identifier controlling access to the Information, including through own and/or Data Vendors’ display devices;

**“Data Users”** means any user of the Information irrespective of whether a direct contractual relationship between such user and Cboe is in place;

**“Data Vendor”** means a person wishing to Distribute the Data as indicated on a Data Order Form;

**“Delayed Data”** means Data which is used or Distributed delayed by a period of at least fifteen (15) minutes;

**“Display Use”** is the viewing of Information via a graphical user interface, application or other display medium;

**“End Of Day Data”** means Data extracts or aggregated Data which is Distributed no sooner than 15 minutes after the end of continuous trading in the Cboe order books;

**“End User”** means an individual that:

- (i) is a Professional User; and
- (ii) accesses the Information for Display Use;

**“Exempt Uses”** are the uses of Information in accordance with section 3.3 below;

**“Financial Products”** means tradable financial instruments, derived in whole or in part from the Data, such as contracts for differences and spread bets, but excluding indices;

**“Historical Data”** means any archived Data which relates to a period prior to the current trading day;

**“Information”** shall mean the Data;

**“Members”** means Trading Participants and any customers of Trading Participants that trade on the System via the Trading Participant and that have not executed a relevant agreement to trade on the System with Cboe;

**“Non Display”** is the use of the Information for purposes which fall outside of the Display Use definition. The Non Display Fees apply to specific Non Display uses of the Information as described in Section 2.4 below;

**“Non Professional User”** is an individual who views or uses the Information in a personal capacity for his/her own personal investment activities, and not as a principal, officer, partner, employee, contractor or agent of any business, or on behalf of any other individual or business;

**“Professional User”** is an individual, company or other body corporate who is not a Non Professional User;

**“Recipient”** means the signatory of the DRA; and

**“White Label Client”** or **“WLC”** means a legal entity who uses a “White Label Platform” or similar provided by the WLL;

**“White Label Licensee”** or **“WLL”** means a Recipient who provides a “White Label Platform” solution or similar to WLCs for internal and/or external Distribution, as the case may be, of the Data as allowed under the White Label licence;

**“White Label Platform”** or **“WLP”** means a platform created and/or hosted by the WLL and through which such WLL Distributes, as the case may be, of the Data as allowed under the White Label licence, but which is branded as if it were a WLC platform or co-branded, and any reference to distribution through any such platform shall be deemed to be a reference to distribution by the WLL.

### **1.3 Affiliates**

Recipient’s Affiliates are permitted to utilise the Information at no additional Fee, provided that:

- (i) the Recipient notifies Cboe that it intends to have its Affiliates covered by the DRA; and
- (ii) the Information use falls within the scope of the licence entered into by the Recipient. If a Recipient has not entered into a DRA with the right to Distribute the Information, the Recipient may only provide the Information to an Affiliate for internal use. Such Affiliate shall not onward Distribute the Information unless it executes a DRA directly with Cboe and (if applicable) pays the relevant Fees.

## **2 MARKET DATA FEE TYPES**

This section describes the Fee types shown in the Data Price List.

### **2.1 Distribution Licence Fees**

The Distribution Licence Fees (Level 1 or Level 2) apply to Realtime, Delayed and Historical Data only.

A Recipient wishing to Distribute Data to one or more third parties is liable to pay, the applicable Distribution Licence Fee as indicated in the Data Price List in consideration for the right to Distribute the Realtime Data.

A Recipient wishing to Distribute Delayed or Historical Data to one or more third parties is liable to pay the applicable Distribution Licence Fee as indicated in the Data Price List in consideration for the right to Distribute the Delayed or Historical Data. A Delayed or Historical Data Licence is not applicable if a Realtime Data Licence is held.

The Licence Fee that applies to a Recipient Distributing Data to one or more Professional Users, is tiered to allow Recipients to select different options, as follows:

- (i) all market segments available on Cboe from time to time (“**All Markets**”); or
- (ii) one or more subsets of All Markets (“**Unitised**”), currently as follows:
  - (a) subset one – UK and Ireland (UKI);
  - (b) subset two – France, the Netherlands, Belgium and Portugal (FNBP);
  - (c) subset three – Sweden, Finland, Denmark and Norway (Scandinavia);
  - (d) subset four – Germany and Austria (G&A);
  - (e) subset five – Spain, Italy, Switzerland and Cboe’s Regulated Market instruments (SISC).

The Distribution of Realtime Data does not need to represent the main activity of the business for the Distribution Licence Fees to apply. The Distribution Licence Fees apply to the Distribution of Realtime and Delayed Data to Professional Users, Non Professional Users or both.

New or existing Recipients wishing to Distribute the Data must contact Cboe for authorisation prior to such Distribution. Subject to section 1.3, this provision does not apply to the Distribution of Data to Affiliates.

The Distribution Licence Fees are liable to payment through the onward chain of Distribution of Realtime Data. Therefore, if a Recipient receives Realtime Data directly from Cboe and Distributes the Realtime Data to one or more third parties, who in turn wish to onward re-Distribute the Realtime Data (“**Sub-Vendor**”), then, in addition to the Licence Fee applicable to the Recipient, the Sub-Vendor too is subject to a Distribution Licence Fee.

The Distribution Licence Fees are annual, payable in advance and invoiced in January for the coming year. New Data Vendors entering into a Data Recipient agreement after January will pay a pro-rated Distribution Licence Fees to the end of the current calendar year.

Recipients and their Affiliates are responsible for ensuring that, if they hold a Delayed Data licence, then the Data received is used or Distributed as Delayed Data.

## 2.2 White Label Licence Fees

A White Label Licence is required if a Recipient (White Label Licensee) provides a White Label Platform or similar solution to a WLC for Distribution and/or internal use of the Data.

The WLC may use the Data in a Display Use manner within the WLC’s trading platforms, apps and websites, either hosted by the WLC or a Service Facilitator. The WLC shall not use the Data in a Non Display manner or for the creation of Financial Products.

## 2.3 Display Fees

The Display Use of Realtime Data by End Users is liable to Fees. The two price models for the Display Use of Realtime Data by End Users are the following:

- (i) The Direct Model, for which a per end user fee applies (“**Per End User Fee**”); and

- (ii) The Vendor Model, for which a per access fee applies (“**Per Access Fee**”).

Sections 2.3.1 and 2.3.2 describe the Direct Model and Vendor Model.

The Display Use of Realtime Data by Non Professional Users is not subject to Display Fees. This fee exemption does not apply where Non Professional Users Distribute or allow, directly or indirectly, access to the Realtime Data to Professional Users.

### **2.3.1 Direct Model - Per End User Fee**

If the Recipient is a Member (“**Direct Model**”), the Per End User Fee applies. The Per End User Fee will be directly invoiced to the Recipient. Before this arrangement can be entered into, the Recipient must satisfy Cboe that it has sufficient inventory controls to accurately count display devices. In the Direct Model, the Recipient executes a Data Recipient agreement with Cboe.

In the Direct Model, the unit of count applied for Fee purposes (“**UoC**”) is the number of End Users within the Recipient’s organisation (“**Internal End Users**”). This is irrespective of the number of Access IDs Internal End Users utilise (whether simultaneously or not).

Therefore, if an Internal End User accesses the Realtime Data via different Access IDs, Cboe will charge the Realtime Data access only once for an Internal End User in a given billing period (i.e. Cboe will net the Fees). Recipients must report all necessary information, as required by Cboe, to enable it to reconcile Access IDs to Internal End Users, for Fee netting purposes. If applicable, Cboe will inform the relevant Data Vendors providing Realtime Data to the Recipient that the Per Access Fee (see section 2.3.2) does not apply to such Recipient.

### **2.3.2 Vendor Model - Per Access Fee**

If an End User utilises a third party’s product displaying the Realtime Data and the content is supplied by such (or another) Data Vendor (“**Vendor Model**”), the Per Access Fee applies. The Per Access Fee is collected by the Data Vendor providing access to the Data to the End User and remitted to Cboe. In the Vendor Model, the Data Vendor executes a Data Recipient agreement with Cboe.

In the Vendor Model, the UoC is by way of Access ID. This means that if the Realtime Data is used by the same End User through different Access IDs, the Per Access Fee applies to each Access ID.

## **2.4 Non Display Fees**

The Non Display Fee is applicable whenever the Realtime Data is used in a Non Display manner, within one or more of the following contexts (whether or not the Recipient creates Derived Work with the Data):

- (i) application of smart order routing logic to the Recipient's own orders or provision of smart order routing products/services to Professional Users;
- (ii) provision of automated/algorithmic trading services to Professional Users;
- (iii) trading in a principal capacity via an in house algorithmic/automated trading capability;
- (iv) operation of reference price systems for the purposes of trading activity or order matching; or
- (v) use of Data within other automated applications for the purposes of risk management, portfolio management and fund administration.

The Non Display Fee is structured so as to allow Recipients to select one or more market segments, as defined in the Cboe Participant Manual ("**Segment**") available on the Cboe website from time to time, with a fee cap as set out in the Data Price List.

The Non Display Fee is a flat monthly Fee regardless of whether the Non Display Use is in one or more of the contexts described in section 2.4(i) - (v). It is incurred by establishing a fee liable use of the Data. Therefore, there is no UoC for the Non Display Fee.

The Non Display Fee requires the Recipient to execute a DRA with Cboe, regardless of the manner of receiving the Data (direct from Cboe or via a Data Vendor).

For guidance as to whether a specific use falls under the Non Display Fee, Recipients should contact their account manager at Cboe.

## **2.5 Other Licence Fees**

### **2.5.1 Creation of Financial Products**

Recipients wishing to licence the Data for the creation of certain tradeable financial products (for example, CFDs and spread bets) marketed to retail clients shall execute a Financial Products licence with Cboe. For any other Financial Product, clients should contact Cboe.

### **2.5.2 Creation of Indices**

The rights under the Financial Product licence do not include the creation of indices based, in whole or in part, on the Data. Clients wishing to license the Data for the creation of Indices should contact Cboe.

### **2.5.3 Derived Data – APA**

The use of APA post trade data attracts a fee when it is used to create Derived Data for Distribution to customers. The relevant Fee is set out in the Data Price List.



## 2.6 MiFID II Data Disaggregation

As required by MiFID II, Cboe has implemented a disaggregated pricing model for its Data available and illustrated on the Cboe website (“**Disaggregated Price List**”).

Evidence of adequate controls (technical or otherwise) in use by the Recipient may be requested by Cboe in order to prevent data usage outside of the selected scope of the Disaggregated Pricing entered into.

The following principles apply to Recipients wishing to utilise Cboe’s disaggregated pricing:

- (i) The DRA is executed between the Recipient and Cboe, regardless of the manner of receiving the Data (direct from Cboe or via a Data Vendor).
- (ii) For the Disaggregated Price List to apply the Recipient must inform Cboe of its intention, failing which the standard price list will apply. New Recipients can select this option when executing the DRA. Existing Recipients must inform Cboe by the end of November of each year, effective for the commencement of the next calendar year.
- (iii) If the Recipient selects the Disaggregated Pricing List, it must inform Cboe as to the appropriate Fee Type (as described in Sections 2.1 through 2.4). The standard price list will apply to the Fee Types not specifically selected.
- (iv) For Display Data, the Disaggregation Pricing is applied to the Vendor Model only. Please note however that the UoC is as defined in Section 2.3.1.
- (v) The Recipient may switch between the standard price list and the Disaggregated Price list with effect upon renewal of the relevant term of the DRA.

## 3 REPORTING OBLIGATIONS AND AUDITS

### 3.1 Who reports, what is reported and frequency of reporting

Under the Direct Model, all Recipients must report their Data usage to Cboe directly, including the information necessary to reconcile Access IDs to Internal End Users. Cboe will allocate a specific date to each Recipient to be used as the reference date for the annual full declaration on Data usage (the “**Allocation Date**”). The Recipient may update its report on a quarterly basis from the Allocation Date (the “**Updated Report Date**”), to reflect changes in the number of Internal End Users that may have an impact on the Fees payable by such Recipient. Such changes will apply from the Updated Report Date onwards. Invoices will be generated monthly in arrears.

Data Users must have adequate entitlement systems in place to control and record the Access IDs in use, their physical location, the identity of the End Users and be capable of generating historic reports out of such systems. Entitlement systems must also prevent a given Access ID from being used more than once at any given time.

Under the Vendor Model, Data Users receiving the Data from a Data Vendor for Display Use must report display usage via their Data Vendor who will then forward the reports to Cboe. For

guidance on the format of the document to be submitted for reporting please contact [MarketDataEu@cboe.com](mailto:MarketDataEu@cboe.com).

There are no user or application reporting obligations if a Recipient is liable to pay the Non Display Fee as described in Section 2.4. However, if the number of Segments changes, the Recipient shall notify Cboe promptly.

## **3.2 Financial Product reporting**

Cboe may request that Financial Product licence Recipients report details of any White Label Clients, Platforms or services via which the Financial Products are distributed.

## **3.3 Exempt Uses**

### **3.3.1 Disaster Recovery related use**

Cboe permits Recipients to use Access IDs for a Display Use of the Information at disaster recovery sites at no additional cost.

### **3.3.2 Regulatory and IT related use**

For the purposes of counting End Users to calculate the applicable Display Fee, End Users whose primary function is one or more of the following, can be excluded:

- (i) compliance;
- (ii) software development; and/or
- (iii) IT system support.

Recipients shall record the Access IDs who access the Information for the purposes above. However, these Access IDs shall not be counted for reporting purposes or should be flagged appropriately.

## **3.4 Audits**

The purpose of an audit is to confirm that the Information declarations made by the Recipient and its Data Users are complete and accurate.

Information which may be required in connection with an audit includes: details on the market data function and infrastructure of the Recipient and its Data Users, such as the platforms and applications using the Data and the permissioning system; the controls and procedures in place governing the release of the Data; enablement reports and usage declarations by the Recipient and its Data Users; and a list of Data Users which the Recipient and its Data Users have considered to be non-chargeable and of Service Providers, including service facilitators.

The above list is non-exhaustive. During the course of an audit, other specific issues may arise that require additional information to be provided by the Recipient and its Data Users.

Where an audit reveals that the Recipient and/or its Data Users have declared materially inaccurate information with regard to the use of Information, Recipient shall be liable, in

addition to any monies payable by the Recipient in connection with the use of the Information as provided for in the Agreement, for all costs and expenses incurred by Cboe in carrying out the audit (including external advisors and interest accruing from the date the Information should have been reported to Cboe at the rate set forth in the DRA.

## 4 DISTRIBUTION AND SERVICE PROVIDERS

### 4.1 Distribution

The following are non-exhaustive examples of Distribution for the purposes of the DRA which attract a Distribution Licence Fee:

**Firms that sell exchange market data via normalised feeds:** firms aggregating and normalising the Data to a proprietary format.

**Firms that sell exchange market data via raw feeds:** firms aggregating Data from Cboe but leaving the Data in its raw source format.

**Market data and/or trading terminal vendors:** firms selling software displaying the Data for which they source the content either directly from Cboe or via another Distributor.

### 4.2 Service Providers

The DRA provides a definition for Service Providers. This definition includes “service facilitators”.

The following are non-exhaustive examples of use of the Information that are treated as an activity by Service Providers. This activity does not attract a Distribution Licence Fee;

**Telecommunication providers, extranet service providers:** firms that operate managed networks and/or provide point-to-point telecommunications services. These firms are not considered Data Vendors. If the Information is fed through multicast by such firms, a Connectivity, Service Bureaus And Other Access Services agreement must be executed.

**Software vendors:** firms that provide trading and/or data software to Recipients. Where a software vendor also bundles its service with managed services (i.e. hosting and managing the software and hardware in their own data-centres) to clients, they will not be classed as Data Vendors if they can demonstrate, to Cboe’s satisfaction, that:

- (i) the Data is Distributed to Cboe Trading Participants only (who have executed a DRA with Cboe);
- (ii) the technical control of Data permissioning is ultimately exercised and retained by the Trading Participant; and
- (iii) the software vendor is named as a Service Provider in the DRA between Cboe and the Trading Participant.