



London
STOCK EXCHANGE

Autumn Bandwidth Review

SERVICE/TECHNICAL GUIDANCE NOTE



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1. Introduction

On 3 November 2003 we will introduce new bandwidths for a number of existing Broadcast Data Groups (BDGs) to allow for continued growth in trading volumes, service enhancements and to minimise broadcast delays. In addition, in the coming months, we are introducing new services that will require additional BDGs.

In response to increasing demand for trading services last year we upgraded the capacity of the trading platform by 80% in January 2003 increasing potential throughput and the rate at which LMIL can broadcast data to the market. As volumes continue to grow this year it is now necessary to increase the bandwidths of several of the existing BDGs to ensure data continues to be disseminated with minimal delay. This is in line with the Exchange's commitment to regularly review BDG bandwidths as communicated in Service Announcement Live 41/02, August 2002.

On 3 November 2003 we will also introduce our new trading service for mid-cap securities, SETSmm, which is a hybrid market combining the benefits of the SETS order book with those of market making. SETSmm will introduce new LMIL BDGs.

2. Scope

This document describes the changes being made to existing and SETSmm BDGs, and the introduction of a new Extranex Service, 'Extranex 1000'. It also covers the implementation timescales and customer testing requirements.

3. Bandwidth Changes

The following table details the bandwidth changes to existing BDGs.

Table 1 – Changes to existing bandwidths

BDG	Service	Current Bandwidth (kbps)	New Bandwidth (kbps)
B12	SEAQ Market Reference Data (Full)	43	40
B21	International Trades	2	6
B23	SETS Level 1	64	90
B26	International Level 1	15	25
B43	SETS Trades	99	139
B44	SETS Prices	82	105
B45	SETS Prices	82	125
B47	SETS and IRS VWAP	43	60
B48	SETS Enhanced Best Price	99	155
B49	SETS and IRS Cumulative Volumes	44	60
B51	IOB Enhanced Best Price	10	20

4. SETSmm London Market Information Link (LMIL) Broadcast Data

On 3 November 2003, the Exchange is introducing a new market model to trade FTSE 250, leading Irish securities quoted in London, and other securities in an electronic order book using market makers (“SETSmm”). SETSmm will use a dedicated set of broadcast data groups (BDGs) for reference data, Level 1, Level 1 Plus and Level 2 information. These groups are listed in the Table 2 below:

Table 2 – SETSmm BDGs

BDG	Description	Bandwidth (kbps)
B66	SETSmm Prices	132
B67	SETSmm Trades	17
B68	SETSmm Best Prices	111
B69	SETSmm Enhanced Best Prices	132
B70	SETSmm Trades VWAP	12
B71	SETSmm Cumulative Volume	12
B72	SETSmm Opening Price	31
B73	SETSmm Money Flow	64
B74	SETSmm Reference Data (Full)	3
B75	SETSmm Reference Data (Changes)	3

5. Implementation

As a result of the above initiatives, some Extranex 256-512 customers will need to upgrade their current Extranex installations. To help with this the Exchange will:

- Waive the one-off upgrade charges for this initiative, as long as orders are confirmed before 1 July 2003. The reason for this aggressive deadline is that the Exchange needs to ensure that customer requirements are satisfied promptly and ahead of the November Broadcast Data Group increases, due to the long lead times and subsequent testing (see Section 7) involved with many installations
- Introduce a new Extranex 1000 service (see Section 6), which bridges the cost gap between Extranex 512 and Extranex 2000, priced at £40,000 per annum (£30,000 for Back-up Option 2 or Test Only configurations). These prices are only applicable to subscribers within the United Kingdom
- Introduce a freeze on the additional Extranex charges, for customers who need to upgrade, incurred until 31 March 2004. As part of this initiative the Exchange will not charge the additional fee for customers' increased levels of Extranex service, for the remainder of this financial year, as long as customers' orders are confirmed by 1 July 2003

6. Extranex 1000 Service

The Exchange will be introducing a new Extranex 1000 service, providing connectivity to the Exchange's trading and information services. Extranex 1000 will complement the existing range of services from Extranex 64 to Extranex 2000.

7. Customer testing

7.1 Accreditation policy

The Exchange announced the formal implementation of its Accreditation Policy on 1 May 2003. All Independent Software Vendors (ISVs) and customers who develop in-house software must have passed a full conformance test in order to be accredited.

Accreditation details specifying core software attributes, such as version number, must also be passed to the Exchange. It is the developer's responsibility to keep the Exchange informed of any changes to the core components of the software. This information will then be used to track performance and usage of software in the market. Full details of the Accreditation Policy can be found at:

http://www.londonstockexchange.com/techlib/techdoc_testacc.asp

Customers using accredited software will benefit from a greatly reduced level of mandatory testing.

7.2 Testing Requirements

7.2.1 ISVs/In-House Developers/unaccredited software customers

ISVs wishing to subscribe to any of the existing or SETSmm BDGs in Tables 1 and 2, will be required to pass a High Volume Test. There is no mandatory requirement for In-House Developers and customers using unaccredited software. The High Volume Service Technical Guidance Note and Service Announcement (Live 15/03) can be found at:

<http://www.londonstockexchange.com/cmsattach/1790.pdf>

<http://www.londonstockexchange.com/techlib/word/ser/Live1503.doc>

ISV's, In-House Developers and customers using unaccredited software wishing to subscribe to any of the SETSmm BDGs, as detailed in Table 2 will also be required to pass a Live Connectivity test (LCON).

7.2.2 Accredited Software Customers

Customers using accredited software wishing to subscribe to any of the existing or SETSmm BDGs in Tables 1 and 2 have the following testing requirements:

- Total increase in bandwidth of less than or equal to 99kbps – no mandatory testing requirement
- Total increase in bandwidth of greater than 99kbps – recommended High Volume Test

Table 3 below summarises Customer Testing requirements.

Table 3 – Customer Testing requirements

	Existing Bandwidth Increase		SETSmm	
	Trading	LMIL	Trading	LMIL
ISV	n/a	Mandatory HVS	Recommended CDS	Mandatory HVS
In-House or Unaccredited Software Customers	n/a	Recommended HVS	Recommended CDS	Recommended HVS
Accredited Software Customers	n/a	Recommended HVS *	Recommended CDS	Recommended HVS *
Mandatory LCON	No	No	No	Yes

** HVS is only recommended for Accredited Software Customers if sum of total additional bandwidth is greater than 99kbps.*

8. Further Support

The Client Technology Group will provide technical support during the implementation of these changes via the following points of contact:

- The Technical Information Desk - Tel: 020 7797 3939, STX 33939
- E-mail Client Technology Group at ctg@londonstockexchange.com
- Technical queries may also be raised directly through your Technical Account Manager

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