



# LME Private Investor Licence

## Guidance and Frequently Asked Questions

# 1 Introduction

The LME introduced a new market data Private Investor licence as of 4 October 2021.

## 2 Private Investor licensing

The Private Investor Distribution licence includes the distribution of Real Time, Level 2 LME Data to Private Individuals via a display application.

For the avoidance of doubt, the Private Investor Distribution licence does not apply to LBMA PGM data.

For further information regarding LME Market Data policies, please visit <https://www.lme.com/en-GB/Market-Data/Market-data-licensing> or contact [market.data@lme.com](mailto:market.data@lme.com).

## 3 Application

Application for a Private Investor Distribution licence is via the LME Online Licensing Portal, which is accessible from 4 October 2021 here: <https://datalicensing.lme.com>. The application process is simple and requires the following information to be submitted:

- Details of the Licensee, and any affiliated entities to be covered under the agreement;
- Details on data access;
- Verification of trading access to LME;
- The criteria used by the licensee to verify the Private Investor status.

Following submission of your application, if sufficient information has been provided, the LME will approve your application, or return it for further information to be provided. At this point, the licence will be executed by the parties, either electronically or in hard copy and subsequently uploaded to the LME Online Licensing Portal.

## 4 Licensee eligibility

The Licensee must be able to evidence a trading relationship with an LME member and provide contact details for the Member's Relationship Manager.

## 5 Private Investor eligibility

To qualify as a 'Private Investor', the customer must either be:

1. A natural person who:
  - a) *is not accessing, publishing or distributing the LME Data in the course of a trade, business, profession or other commercial activity;*
  - b) *is not acting as a principal, officer, partner, employee or agent of any business (excluding an entity meeting the requirements of paragraph 2 below) nor on behalf of any other natural person;*



- c) *is using the [LME Data] exclusively for their private purposes (which may include the management of their own private assets but shall exclude the management of any client assets);*
  - d) *is not currently acting in any capacity as an investment adviser and / or professional trader on the LME, whether or not they have at some time been qualified to do so; or*
2. an entity which is solely owned by a natural person (who meets the requirement of paragraph 1) and the entity's only purpose is to facilitate the management of such natural person's private assets.

Licensees will need to verify the Private Investor status of clients, and keep and maintain these verifications which may be requested for review during an LME audit.

As part of the pilot launch, distribution under the Private Investor Distribution licence is permitted to Private Investors within the following jurisdictions only:

- China
- China Taiwan
- Hong Kong
- Singapore
- South Korea

## 6 Reporting

Monthly reporting is required under the Private Investor Distribution licence, submitted via the LME Reporting Portal. Upon execution of the licence, Licensees will be provided with login credentials and a reporting guide to assist with the reporting.

Reporting must be submitted by the 15<sup>th</sup> of the month following the end of each calendar month. For example, reporting for October 2021 must be submitted by 15 November 2021.

Reporting must be submitted using the fields and reporting codes in the Market Data Licence Agreement – Private Investor Distribution.

## 7 Fees and fee waivers

The fees for the Private Investor Distribution licence, effective 4 October 2021 are as follows:

### 7.1 Annual licence fees

Data product	Registration fee (USD)	Annual licence fee (USD)
LME Real Time Data Distribution	<i>Fee waived until 1 January 2023</i>	<i>Fee waived until 1 January 2023</i>



## 7.2 Monthly user fees

Data product	Fee per Private Investor User (USD)
Real Time LME Data	1

## 8 Frequently asked questions

- I have Private Investors based outside of the five jurisdictions listed in the application. Can I provide this data product to them?**

We cannot currently permit distribution to clients outside of the jurisdictions listed in the application. If you would like to discuss further, please email us at [LMEmarket.data@lme.com](mailto:LMEmarket.data@lme.com)
- Can I distribute all LME data under this licence?**

This licence allows the distribution of LME Level 2 data only. This licence does not apply to LBMA PGM data.
- I am not currently a Client of an LME Member. Am I eligible for this licence?**

To be eligible for this licence, you must be an LME Member, or Client of an LME Member. The current list of LME Members can be found here: <https://www.lme.com/en/Trading/Access-the-market/Find-a-member>
- I am already a Licensed Distributor distributing LME Data to Non-Private Investors. Can I take advantage of the distribution waiver?**

Existing LME Licensed Distributors with a trading relationship with a LME Member can apply for this licence. The Registration fee and Annual Distribution licence fee are currently waived for all applicants. Please note that the monthly subscriber fee only applies to Private Investors.
- What happens to the waiver as we approach 1 January 2023?**

Annual Distribution licence fees will be applicable from 1 January 2023, and will be communicated to all Licensees ahead of the annual renewal.

