

To: All Members, warehouse companies and their London agents and other interested parties

Ref: 19/025

Classification: General updates Trading

Date: 28 January 2019

Subject: **Rusal – Lifting of Sanctions**

Executive Summary

1. This Notice confirms that (i) the Special Committee has lifted the temporary conditional suspension so that warranting may be resumed in respect of all Rusal metal; and (ii) the conditions imposed by Notices 18/107 and 18/117 are removed so that Members may freely enter into Contracts with Rusal and its affiliates.

Defined terms

2. Terms not otherwise defined herein shall have the meaning ascribed to them in In Notice 18 / 323 dated 19 December 2018 (the “**Market Feedback Notice**”), and all other terms not otherwise defined in the Market Feedback Notice or herein shall have the meaning ascribed to them in the Rules and Regulations of the LME (the “**Rulebook**”).

Background

3. In the Market Feedback Notice, the LME sought the feedback of Members, Clients, and other interested parties on: (i) the Warranting Proposal; and (ii) the Contracts Proposal. In Notice 18/340 dated 31 December 2018, the LME confirmed that the market engagement exercise had identified no substantive concern with either proposal. The LME therefore confirmed that it intended to proceed with both proposals, subject to the Sanctions being lifted, and, in the case of the Warranting Proposal, subject to approval of the Special Committee. OFAC has now lifted the Sanctions, and the Special Committee has approved the Warranting Proposal.

Warranting of Metal

4. With effect from the date of this Notice, the temporary conditional suspension on placing Rusal metal on warrant is lifted. For the avoidance of doubt, this means that all Rusal metal can be placed on Warrant, including metal produced: (a) prior to 6 April 2018; (b) between 6 April 2018 and the date of this Notice; and (c) after the date of this Notice.

Contracts with Rusal and Affiliates

5. With effect from the date of this Notice, the requirements imposed by Notices 18/107 and 18/117 are removed. For the avoidance of doubt this means that Members are free to enter into Contracts with Rusal or any subsidiary or affiliate of Rusal that is not a subject of Sanctions, and there is no requirement to make payment into a blocked account or to provide any form of undertaking to the LME.



Sanctions Issues

6. Members should be mindful of international sanctions issues, and should always take their own advice in relation thereto. Members should also note the provisions of the LME and LME Clear Rulebooks in relation to sanctions.

Queries

7. Any market participant wishing to ask questions or seeking clarification on any aspect of this Notice is asked to contact the LME by email to marketengagement@lme.com.

Matthew Chamberlain
Chief Executive Officer

cc: Board directors
User Committee
Physical Market Committee
All metal committees
Traded Options Committee