

INCENTIVE PROGRAMME SPECIFICATIONS

Ring Transition Rebate Programme

1. This programme is governed by the Incentive Programme General Terms, which can be found on the LME website.
2. Capitalised terms not otherwise defined in this Specification document shall have the meanings ascribed to them in the LME Incentive Programme General Terms.

Eligibility criteria

3. All Category 1 Members are eligible for the Ring Transition Rebate Programme (“RTRP”) but must complete the required RTRP Application Form and accompanying spreadsheet in order to access any benefits under the RTRP.
4. The RTRP rebate is applicable only to business executed by Category 1 Member house traders, via the specified Tag 58 identifiers or using specified LMEselect logins detailed in the Application Form and accompanying spreadsheet.
5. It is the Participant’s responsibility to ensure that the specified Tag 58 or LMEselect login is only used by house traders. It can be used at all times during the relevant Business Day, but will only qualify for the RTRP during the applicable eligibility windows for the Eligible Contracts below.
6. Participants are required to submit their duly completed Application Form and accompanying spreadsheet by email to incentive.programmes@lme.com.
7. To the extent that a Member Participant, or any Affiliate of the Member Participant, has been issued with, or has agreed to pay the LME (as applicable) fines or settlement amounts exceeding US\$ 250,000, but less than US\$ 500,000, such Member shall only be entitled to benefit from the RTRP to the extent set out in the table below:¹

Aggregate Member fine	Percentage of eligible rebate paid
≤ US\$ 250,000	100%
> US\$ 250,000 but ≤ US\$ 300,000	75%

¹ To the extent that an exchange rate calculation is required to determine whether a threshold has been reached, the LME shall use the HM Revenue & Customs monthly exchange rate applicable as at the date the relevant fine was issued (or, in the case of a settlement, on the date that the relevant settlement agreement was executed).



> US\$ 300,000 but ≤ US\$ 400,000	50%
> US\$ 400,000 but ≤ US\$ 500,000	25%
> US\$ 500,000	0%

Eligible contracts

8. The following shall be eligible contracts for the purposes of the RTRP: 3-month outright and all carry Exchange contracts traded on LMEselect in Aluminium, Aluminium Alloy, Cobalt, Copper, Zinc, NASAAC, Nickel, Lead, and Tin ("**Eligible Contracts**") during the trading windows specified in the below table:

Metal	Eligible Contracts trading windows	
	3-month outrights	All carries
AA	16:35:00.000 - 16:39:59.999	16:05:00.000 - 16:34:59.999
AH	16:30:00.000 - 16:34:59.999	16:00:00.000 - 16:29:59.999
CA	16:45:00.000 - 16:49:59.999	16:15:00.000 - 16:44:59.999
CO	16:20:00.000 - 16:24:59.999	15:50:00.000 - 16:19:59.999
NA	16:35:00.000 - 16:39:59.999	16:05:00.000 - 16:34:59.999
NI	16:55:00.000 - 16:59:59.999	16:25:00.000 - 16:54:59.999
PB	16:15:00.000 - 16:19:59.999	15:45:00.000 - 16:14:59.999
SN	16:05:00.000 - 16:09:59.999	15:35:00.000 - 16:04:59.999
ZS	15:55:00.000 - 15:59:59.999	15:25:00.000 - 15:54:59.999

9. These trading windows have been specified in order to align with the 3-month volume-weighted average price ("**VWAP**") window for Closing Price determination, and the preceding 30 minutes for carry trading. The LME reserves the right to amend these windows as appropriate (including, without limitation, in the event that the timings for Closing Price determination should change) and will notify Participants of any such changes.

Rebate calculation

10. Participants shall be eligible for a rebate of trading fees, which shall be calculated based on the difference between the applicable Ring trading fee and applicable LMEselect trading fee as shown by category in the table below, and subject to the cap in paragraphs 11 and 12.



Category ²	Rebate per lot per leg per side
Short-dated carry	US\$ 0.11
Medium-dated carry	US\$ 0.22
All other carries	US\$ 0.43
Outright trades	US\$ 0.43

Rebate cap

11. The total rebate amount available to be paid under the RTRP shall be capped at US\$ 2 million for the duration of the RTRP.
12. If aggregate rebate payments reach the US\$2 million cap in any month of the RTRP, the LME will terminate the RTRP and pay any final rebates amounts up to the US\$2 million cap to Participants on a pro rata basis for that final month.

Duration of the RTRP

13. The RTRP shall commence on 6 September 2021.
14. The RTRP shall terminate on 5 September 2022, or when capped rebate referred to above is reached, whichever is sooner.
15. The LME may, at its absolute discretion, amend the RTRP programme by way of a Member Notice at any time.
16. For further information, please contact the Relationship Management team at rm@lme.com.

² The terms “short-dated carry” and “medium-dated carry” are defined within the LME Group Fees and Charges Schedule, available on the LME website, and as updated from time to time.