

# A Quick Guide to the Financial OTC Booking Fee

October 2025



SETTING THE GLOBAL STANDARD



# Introduction

The London Metal Exchange (LME) introduced a Financial OTC Booking Fee in March 2018.

This guide is designed for all LME market participants and explains:

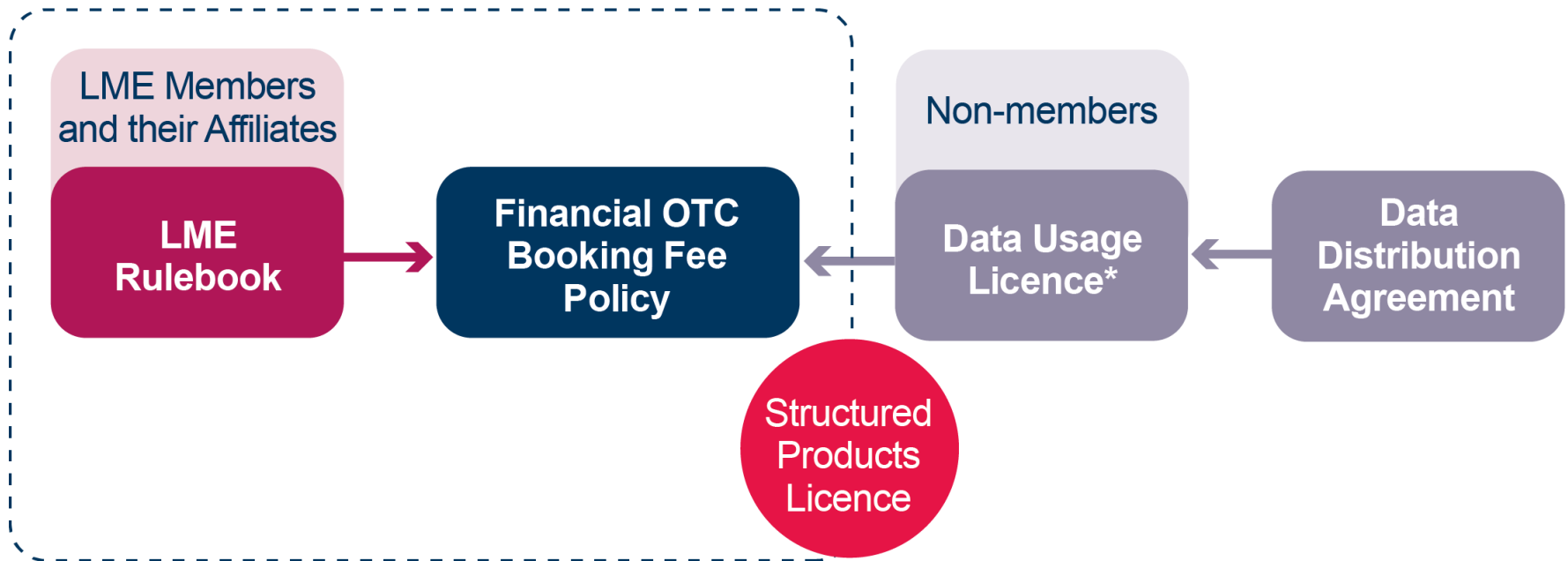
What the fee is

Who it applies to

How the fee works

What you need to do

# What does the Financial OTC Booking Fee policy cover?



\*The Data Usage Licence was also updated to incorporate proposed changes

# What do I need to know?

The below process is designed to help you determine whether you need to register and what you need to do:



# Do I need to register?

**The Financial OTC Booking Fee Policy applies to you, and you will need to register, if you are:**

**1**

**An LME Member**

Physical LME Members with no Financial Institutions in their group are exempt

**2**

**An Affiliate of an LME Member that does OTC LME business**

Affiliates who are Physical Participants or Client Asset Managers are exempt and Affiliates unrelated to LME business are not included

**3**

**A Financial Intermediary that licenses LME data and does OTC LME business**

**No one else needs to register:**

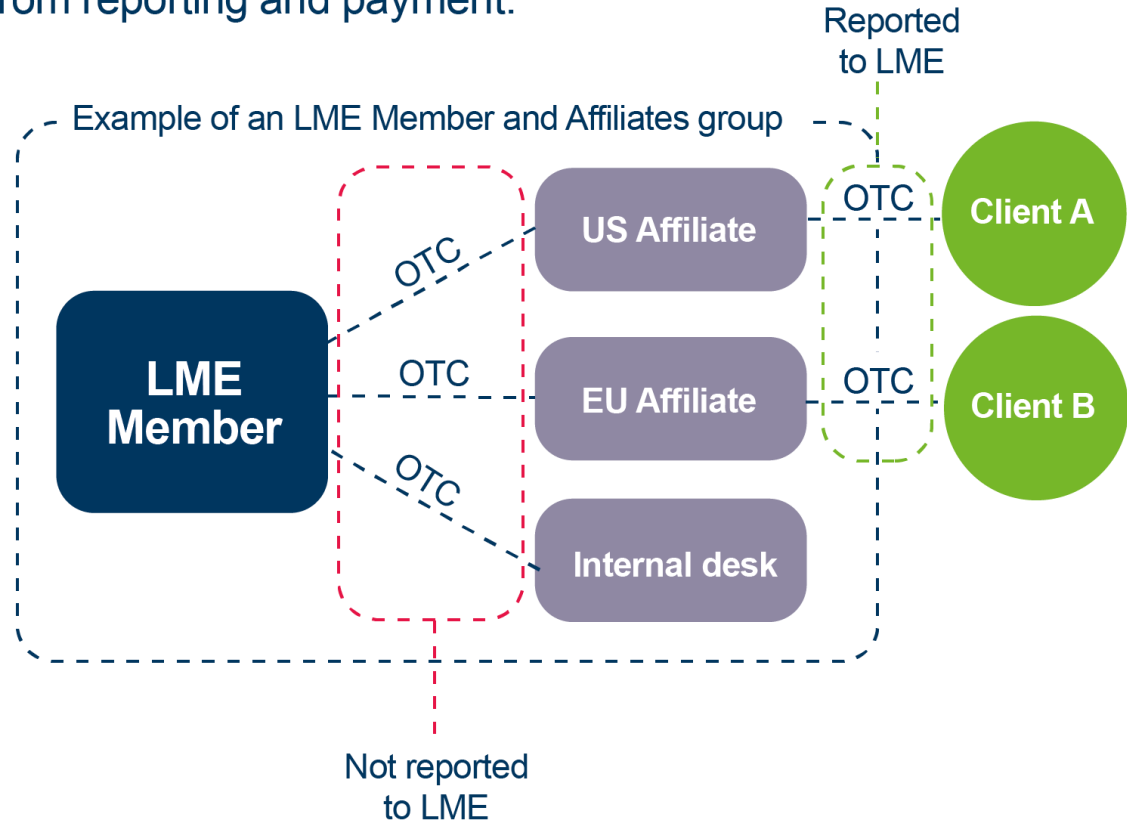
The fee is not designed to apply to physical participants or investors. Your member may pass on costs on your OTC trades – please speak to your member

# Work out your group structure

The LME allows any affiliated entities, who need to register, to report and pay as a 'group'. This reduces administrative burden and exempts all trades within the group from reporting and payment.

## What to do?

- > Once you know all of your Affiliates who need to report, decide which ones you want to register as a group
- > Each group only requires one registration form, completed by the entity which will be doing the reporting for the group



# Fill out a registration form

If you are a Member,  
fill out Form 1:

1: Fill out your  
company  
details here

2: If you are  
exempt because  
you are purely  
physical,  
tick here

3: List all your  
Affiliates who  
need to register  
here

4: Tick if you want  
to report on  
behalf of the  
Affiliate

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**Financial OTC Booking Fee Policy – FORM 1**

**Member Registration**

a) Member Entity: \_\_\_\_\_

b) This Member entity and its Affiliates are exempt from the Financial OTC Booking Fee Policy under the **Non-Financial Group Exemption**:

No

Yes

c) If "no" was answered in section b) above, please list all Affiliates of the Member entity, who are Booking Fee Participants, detailing which will be included in the Member's Reporting Group (please include additional Affiliate entities on additional page to this form if necessary):

Affiliate entity	Will be included in this Member's Reporting Group	
	Y	N
_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>
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_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>

d) This Member entity will join another Member's Reporting Group:

No

Yes

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10 Finabury Square, London EC2A 1AJ | Tel +44 (0)20 7113 8888  
Registered in England no 2128966. Registered office as above.

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e) If "yes" was answered in section d) above, please specific the Member Entity which will act as the Group Reporting Participant:

\_\_\_\_\_

I confirm on behalf of \_\_\_\_\_ [insert Member Entity] that, to the best of my knowledge, the information in this form is true, accurate, and complete.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_

Link to register Form 1: <https://datalicensing.lme.com/Forms>

# Fill out a registration form

If you are not a Member, fill out Form 2:

1: Fill out your company details here

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Financial OTC Booking Fee Policy – FORM 2

**Non-Member Registration**

a) Reporting Entity:  
.....

b) Other Booking Fee Participants, who are Affiliated with the above Reporting Entity, and electing to be included in its Reporting Group.

**Affiliated entities**

.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....

I confirm on behalf of \_\_\_\_\_ [insert Reporting Entity] that, to the best of my knowledge, the information in the form is true, accurate, and complete.

Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Position: \_\_\_\_\_

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2: List any Affiliates you want to report on behalf of

# Which trades are reported?

## Contracts not cleared at the LME, such as:

- Trades done under ISDA
- Documented by long form confirmation
- Documented in any other form
- Undocumented

## Which have any of the following characteristics:

- Swaps settling against LME reference prices
- Physical forwards settled using LME infrastructure (e.g. LMEsword)
- Physical forwards settled on the basis of LME brand and warehouse lists

## And which are not:

- Precious metals contracts
- Ferrous metals contracts
- Contracts covered by another licence (such as the Derived Data Licence or Structured Product Licence)

# How to report

The LME provides a reporting sheet to be completed on a monthly basis

On a monthly basis, fill in reporting sheet provided by the LME with total amounts traded

Metal	Trade category	Total Tonnage	Non-LME Lookalike Tonnage
AA	Client contracts received	0	
AA	Financial Swap	3000	1500
AA	Eligible Spreads - Financial	0	0
AA	OTC Bring-on	1000	
AA	Physical Forward	0	0
AA	Eligible Spreads - Physical	0	0
AA	Physical Spot	0	
<hr/>			
AH	Client contracts received	0	
AH	Financial Swap	52500	34,000
AH	Eligible Spreads - Financial	24000	14,000
AH	OTC Bring-on	9550	
AH	Physical Forward	6000	0
AH	Eligible Spreads - Physical	3200	500
AH	Physical Spot	8000	
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CA	Client contracts received	0	
CA	Financial Swap	12500	4000
CA	Eligible Spreads - Financial	2000	1000
CA	OTC Bring-on		
CA	Physical Forward	1200	0
CA	Eligible Spreads - Physical	0	0
CA	Physical Spot		

Reporting sheet automatically calculates indicative fees – this will be confirmed by the LME

AA		AH	
Trade Category	Tonnage	Trade Category	Tonnage
Total Outright	3,000	Total Outright	58,500
Total Eligible Spreads	0	Total Eligible Spreads	27200
Non-Lookalike Outright	1,500	Non-Lookalike Outright	34,000
Non-Lookalike Eligible Spreads	0	Non-Lookalike Eligible Spreads	14500
<b>Chargeable Tonnage</b>	<b>2,250</b>	<b>Chargeable Tonnage</b>	<b>51,475</b>
<hr/>		<hr/>	
Available offsets	offset Tonnage	Available offsets	offset Tonnage
OTC Bring-on	500	OTC Bring-on	4,775
Client contracts received	0	Client contracts received	0
<b>Total</b>	<b>500</b>	<b>Total</b>	<b>4,775</b>
<hr/>		<hr/>	
Waived	Tonnage	Waived	Tonnage
Physical Spot	0	Physical Spot	8,000
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Net by category	Tonnage	Net by category	Tonnage
Chargeable tonnage	2250	Chargeable tonnage	51,475
Offsets	500	Offsets	4,775
<b>Net chargeable tonnage</b>	<b>1,750</b>	<b>Net chargeable tonnage</b>	<b>46,700</b>
<b>Total \$</b>	<b>\$413.00</b>	<b>Total \$</b>	<b>\$8,816.96</b>

Reports must be emailed to the LME

# How does the LME calculate what I owe under the new Policy?

## General Principle

Financial participants pay **\$4.72** per lot for each applicable OTC contract (where a Client Contract would have been issued – if available)

**The LME offers a wide set of waivers, offsets and discounts:**

### Waivers

- Intra-group trades
- Spot physical trades
- Close-out of swaps
- Financing trades

### Offsets

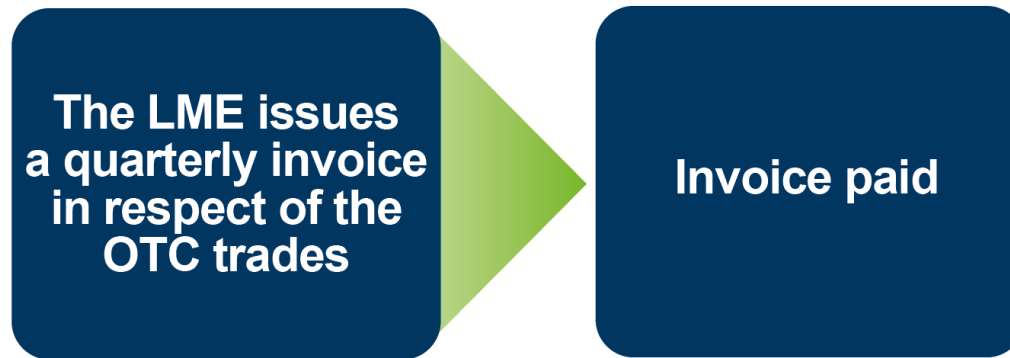
- Client Contracts received within group
- OTC bring-ons

### Discounts

- Short-dated calendar spreads
- Non-LME Lookalikes

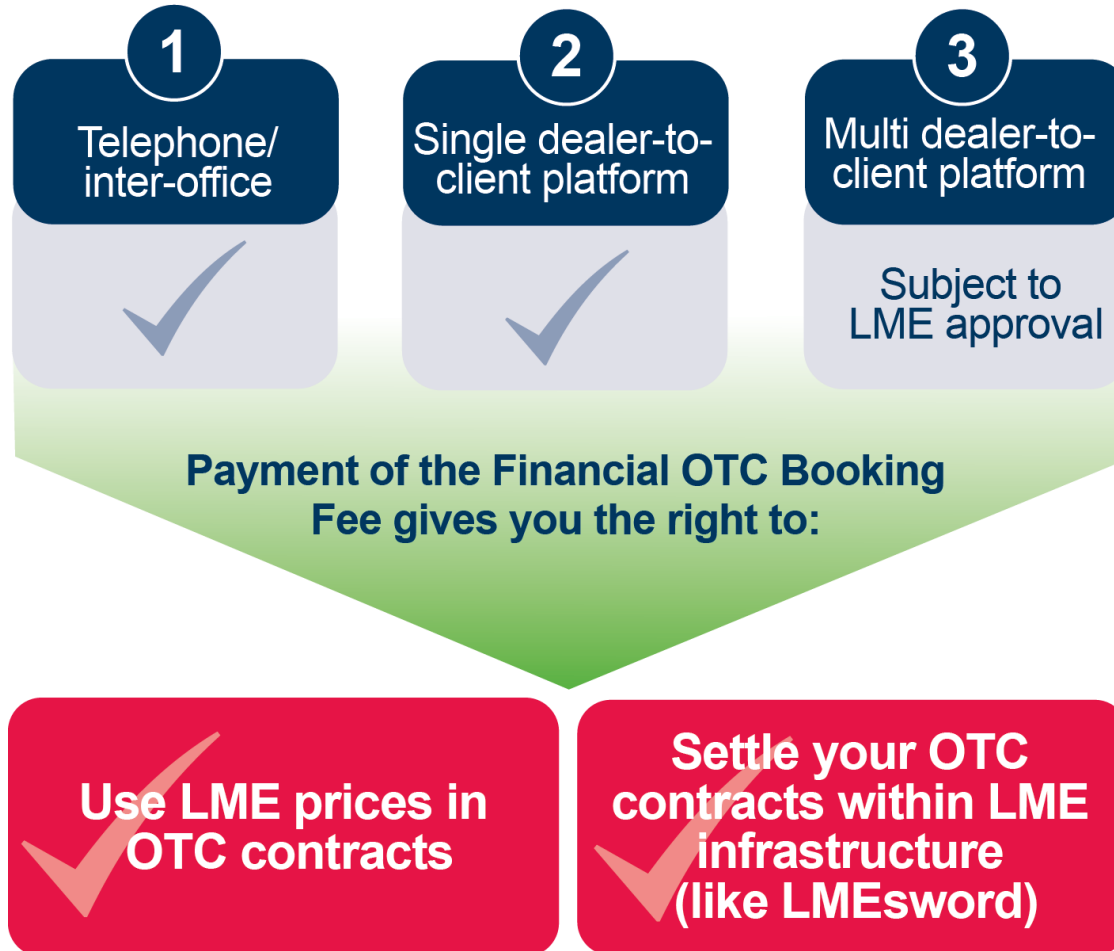


# Fee payment



**Your LME relationship manager will support you through the entire process and can advise on any aspect**

# What platforms can I use to create OTC contracts?



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