



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 further information regarding LME Market Data policies, please visit <https://www.lme.com/en-GB/Market-Data/Market-data-licensing> or contact LMEmarket.data@lme.com.

3 Application

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

- Company information, such as address and business details;
- Information about the products and services that you intend to include LME Data in. You will be asked to upload system diagrams and workflows to demonstrate how the Data will be processed and entitled to Subscribers;
- Information on how you process Private Investors applications;
- A list of Affiliate companies, if any, that you wish to include on the licence;
- Relevant contact details for various functions e.g. billing, reporting, contract management;
- Terms and Conditions your customers are subject to for the use of your services;
- Ownership structure chart;
- Terms and Conditions your customers are subject to for the use of your services;
- Previous 3 years financial accounts, signed by third party auditor. Please note this requirement is waived if you are already a licenced HKEX data distributor.

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 licence is available for LME members, member's clients or sub-clients who are located in the jurisdictions below as part of the pilot program.

- China Taiwan
- Hong Kong SAR
- Singapore



- South Korea
- Vietnam

The Licensee must be able to evidence a trading relationship with an LME member or a client of 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
- Vietnam

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 15th of the month following the end of each calendar month. For example, reporting for October 2024 must be submitted by 15 November 2024.

Reporting must be submitted using the fields in the Market Data Reporting Portal



User Guide – Private Investor Licensing and the reporting codes in the LME Market Data Policy.

7 Fees and fee waivers

The fees for the Private Investor Distribution licence are as follows:

7.1 Annual licence fees

Data product	Registration fee (USD)	Annual licence fee (USD)
LME Real Time Data Distribution	<i>Please refer to schedule 3 of the agreement for the fee details, including the latest arrangement of the waivers.</i>	

7.2 Monthly user fees

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

* Maximum Private Investor User fee capped at USD 5000 for each licensee, even if the number of private investor users is more than 5000.

8 Frequently asked questions

- **What information will the applicants need to provide during the Private Investor licence application process?**

The applicant will be required to provide the following information during the application process (please note applicants might be required to provide supplemental information once the application has been received):

- Information on the legal entity applying for the Private Investor licence. If the applicant is not an LME Member, they will be required to include details on the LME Member they have a trading relationship with.
- Information about the products and services that will disseminate LME Data to Private Investors
- Diagrams/workflows to demonstrate how the Data will be processed and entitled to Private Investors
- Terms and Conditions that the Private Investor will be required to sign in order to access the LME Data
- Relevant contact details for various functions (primary, billing, reporting...)
- Previous 3 years financial accounts, signed by a third party auditor.
- Ownership structure chart on company letterhead including all shareholders, controllers and beneficial owners with a direct or indirect interest of 25% or more.

- **How long does the licence application process take?**



The application usually takes 4-6 weeks, subject to the applicant providing all the required information in a timely manner.

- **I have Private Investors based outside of the six 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

- **Can I distribute all LME data under this licence?**

This licence allows the distribution of LME Level 2 data only.

- **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.

- **I am a Private Investor licensee and I now want to provide LME Data to institutional/professional users as well, does the annual licence fee waiver still apply?**

In order to disseminate data to institutional/professional user, a Real Time and/or 30 min Delayed Distribution licence is required. This licence is separate from the Private Investor licence and requires separate annual licence fees and monthly user fees. More information on this licence can be found at this link: <https://www.lme.com/en/Market-data/Market-data-licensing/Data-distribution>

If you would like to discuss in more detail, please email us at LMEmarket.data@lme.com

- **Who will be required to submit the monthly reporting to the LME? How will the reporting be billed?**

The Private Investor licensee has the obligation to submit the monthly reporting to the LME. The LME will provide a user guide and credentials after the agreement has been executed. More information on the reports template and required information can be found in the Private Investor Distribution terms. The LME will bill the Private Investor licensee based on the monthly reports.

- **I am an applicant and would like my ISV/Data Vendor to submit the Private Investor reporting, is this possible?**

No, it is not possible for the ISV or Data Vendor to submit the Private Investor monthly reporting. For the avoidance of doubt, this means the report cannot be sent to the LME from an ISV or Data Vendor. The Private Investor licensee, in accordance to the reporting terms of the agreement, has the obligation to submit the monthly reporting to the LME.



- **What happens to the waiver as we approach the end of the waiver period?**
Waiver arrangement will be communicated to all Licensees ahead of the annual renewal.

