





Members are required under Regulation 12.6 of Part 2 of the LME Rulebook to have appropriate systems and controls to avoid and/or appropriately manage conflicts of interest between themselves and their Clients (and thus ensure that sensitive client information is kept secured and is withheld from and/or is not used by individuals employed in parts of a Member's business that would create a potential conflict of interest). However, the LME acknowledges that Clients may nonetheless have legitimate competition concerns about sharing with a Member information pertaining to their client which is deemed commercially sensitive.

9. As such, provided that a Member can adequately demonstrate that (a) it has made every effort to comply with the requirements in Regulation 25 of Part 3 of the LME Rulebook to provide end-client information in accordance with the guidance contained in the Decision Notice, and (b) notwithstanding that effort, a Client is unwilling to provide the relevant information because of competition concerns arising from the commercially sensitive nature of the information then, the LME will not, for the time being, prioritise the enforcement of Regulation 25 of Part 3 of the LME Rulebook to the extent that any Member's non-compliance is solely due to the foregoing. Whether a Member has made "every effort" to comply will depend on the facts and circumstances applicable to that Member.
10. Furthermore, provided the conditions in paragraph 9 are satisfied, the LME does not, for the time being, expect Members to off-board Clients solely for the failure to provide such information.
11. For the avoidance of doubt, notwithstanding paragraph 9 and 10, when the LME has concerns in relation to a position, it may use its powers to request further information in relation to the end client and/or make directions (under Regulation 12.1 of Part 2 and Regulation 29.1 of Part 3 of the LME Rulebook).

#### **Future Developments**

12. The LME does not currently have a mechanism for non-Members to report CPR directly to the LME and/or provide directly to the LME supplementary information on end client positions (in particular on the identity of the end client). The LME understands from recent Member feedback that non-Members may prefer to provide this information directly to the LME rather than through Members for competition reasons. The LME is therefore minded to explore a mechanism to facilitate non-Member reporting directly to it thereby assisting Member compliance with the Rules. The LME intends to engage with market participants about this proposal in Q3 2026 and currently anticipates such a mechanism will enable data enrichment by Clients directly to the LME.
13. This supplementary guidance is temporary and subject to change, but the LME currently expects this guidance to remain in effect until such a mechanism can be implemented.
14. For the avoidance of doubt, this guidance only applies to the LME's Rules. This guidance does not apply to the FCA's CPR requirements under MAR10.

#### **Questions**

15. Should market participants have any questions in relation to this Notice, please contact [market.surveillance@lme.com](mailto:market.surveillance@lme.com).

**Joe Morrison**

**Head of Market Surveillance**

cc: Board directors  
User Committee  
Special Committee