



Guidance Notes for Cobalt Brands

LME Brand Listing Requirements

1 Brand Listing Requirements

- 1.1 Cobalt producers wishing to apply for LME brand registration will only be considered if they satisfy the following criteria (the “Core Listing Requirements”):
 - (a) The producer has been in business for a minimum of 12 months.
 - (b) The production plant has been in production for a minimum of 12 months.
- 1.2 The producer is required to choose a Brand Lister or Category 1-4 Member to process their brand application (see Rulebook Part 7, Rule 1) on their behalf. Thereafter, all correspondence will be via the selected Brand Lister or selected Member.
- 1.3 Production from more than one production plant must be separately listed. Each production plant must have a different brand name.
- 1.4 Producers will be required to comply with the LME’s Policy on Responsible Sourcing of LME-Listed Brands.
- 1.5 The application is two stages, and all documentation must be submitted in English.
- 1.6 The LME and LME Clear (“LMEC”) reserve the right to discuss without restriction, any information provided with any regulatory body; any third party provider of KYC, screening or other monitoring services; or any other persons or organisations, as the LME/LMEC may in their absolute discretion decide, and to make such other enquiries as they think fit (including using the information provided by the producer in such enquiries).
- 1.7 Payment of the brand listing fee is required at Stage One of the application process. The fee is US\$65,000 plus UK VAT and is non-refundable¹.

¹ Value Added Tax (“VAT”): under current UK legislation, the LME understands that Brand Listers and LME Members established in the UK submitting applications for their own production operations or for third party producers must pay UK VAT to the LME at the ruling rate at the time of application, regardless of domicile of the producer. Brand Listers and LME Members not established in the UK who submit applications do not have to pay UK VAT to the LME regardless of the location of the producer and production operations. This information is for guidance only and relevant parties should always seek their own advice. The LME will have no liability for reliance on the above.



2 Stage One

- 2.1 The producer is to supply the following information in a letter on its headed paper addressed to the LME (the "Application Letter"²):
- (a) The name of the Brand Lister or LME Member process its application.
 - (b) The full name and address of the producer of the brand to be listed by the LME.
 - (c) Brief details of the history of the producer.
 - (d) Details of the ownership of the producer.
 - (e) The address of the production plant.
 - (f) The name of the brand subject of the application.
 - (g) The first date of production of the plant.
 - (h) The first date of production from which the producer guarantees the brand as meeting its individual chemical specification.
 - (i) The design capacity (mt).
 - (j) The current annualised use of capacity (mt).
 - (k) The monthly production figures for the most recent 12 months.
 - (l) The shape(s) to be listed: cut cathodes, broken cathodes, rounds, briquettes, coarse grain powder³.
- 2.2 The following information and documentation (the "Additional Listing Requirements") is to be provided by attachment to the Application Letter:
- (a) The following financial information:
 - (i) The latest three consecutive profitable externally audited financial statements of the producer, where available;
 - (ii) In the event the producer cannot provide three consecutive profitable externally audited financial statements, the parent company of the producer must provide three consecutive profitable externally audited financial statements and a signed Letter of Support⁴ regarding the financial position of the producer⁵.
 - (iii) Confirmation there has been no restructuring of the producer over the last three years and there is no ongoing restructuring; and

² The Application Letter must be signed and dated. The signatory should state their position within the producer company.

³ Coarse grain powder must be <0.01% of respirable size fraction.

⁴ In accordance with the draft appended to these Guidance Notes – Appendix A.

⁵ The LME reserves the right to require a signed Letter of Support from the parent company of a producer in such circumstances regarding the financial position of the producer as it, in its absolute discretion, considers appropriate.

- (iv) Evidence that the capital net worth of the producer⁶ is a minimum of US\$ 2 million.
- (b) A copy of the incorporation certificate of the producer.
- (c) Details of the product as follows:
- (i) Photographs of the product(s) to be listed.
 - (ii) Photographs the drums, clearly showing all markings and/or symbols. The photographs must show:
 - The brand name, production batch reference and the net and gross weights of the drums.
 - The product packaged for transportation including any pallet used.
 - (iii) Provide a sample label with the application if used. Labels used must be durable and plasticised.
 - (iv) Provide a sample of the tamperproof numbered seal.
- (d) A Letter of Undertaking dated and signed on behalf of the producer⁷.
- (e) An outline of the production process including a process flow diagram.
- (f) A production site plan/diagram.
- (g) A paper detailing the sampling and analytical process, including stating the detection levels that are used for evaluating impurities and advising if any of the sampling and analytical work is outsourced.
- (h) Chemical analysis data for the most recent three months.
- (i) The established values of each of the following elements: C, Cd, Cu, Fe, Mn, Ni, Pb, S and Zn must be included in the analysis data provided and should not exceed the following maximums: C - 0.02%, Cd - 0.005%, Cu - 0.03%, Fe - 0.3%, Mn - 0.05%, Ni - 0.33%, Pb - 0.01%, S - 0.010% and Zn - 0.01%. In the case of coarse grain powder, the maximum for C is - 0.1% and S is - 0.04%.

These values are for guidance only. The maximum levels of each element reported in the chemical analysis data will be assessed against the individual specification of the brand.

- (i) Individual chemical specification for the brand.
- (j) Letters of support for the brand from a minimum of two customers from its existing industry supply contracts.
- (k) A copy of ISO 9001 certificate, or, alternative, that of ISO/TS 16949.

⁶ The capital net worth of the producer shall be determined on the basis of the permanent capital plus additional capital disallowables. In particular, permanent capital shall be issued and fully paid ordinary shares, issued and fully paid preference shares, share premium and other reserves not available for distribution. A deficit in reserves available for distribution will be deducted when calculating permanent capital. Additional capital shall be considered other equity reserves (distributable or otherwise) and profit and loss reserves. Further, disallowable items are considered intangible fixed assets such as goodwill, development costs etc., investments in subsidiaries and/or other group companies.

⁷ In accordance with the draft appended to these Guidance Notes – Appendix B.

(l) Fulfilment of the LME's Policy on Responsible Sourcing of LME-Listed Brands⁸:

(i) Evidence of compliance with one of the four LME tracks:

- Track A – Recognised Alignment-Assessed Standard;
- Track B – Audited LME RFA;
- Track C – Published LME RFA;
- Track D – Secondary Materials.

(ii) A copy of ISO 14001 certificate or equivalent.

(iii) A copy of ISO 45001 certificate or equivalent.

(m) Fulfilment of the electronic Certificate of Analysis ("eCoA") requirements⁹.

(i) Connect to LMEpassport to create enhanced eCoA records for all LME eligible metal.

(ii) Provide a sample Certificate of Analysis which must be in English/dual language and include the date, name and address of the producer, brand name, production cast reference and associated chemical analysis¹⁰.

2.3 It is the producer's responsibility to ensure that the information in their application complies with Part 6 of the LME Rulebook – Special Contract Rules for Cobalt and to ensure that no testing takes place (Stage Two) until approval to do so is provided by the LME.

⁸ For a more detailed understanding of the responsible sourcing requirements for brand listing, please see the LME's Policy on Responsible Sourcing of LME-Listed Brands and the dedicated webpage: [Responsible sourcing | London Metal Exchange](#).

⁹ For a more detailed understanding of the eCoA requirements, please see Appendix C to these Guidance Notes.

¹⁰ Certificates of Analysis should demonstrate compliance with the brand's individual chemical specification by showing actual analysed content of the metal.

3 Stage Two

- 3.1 On receipt of all information and documentation detailed in Stage One, the LME will request such additional information and documentation as required.
- 3.2 The LME reserves the right to require sampling and analysis of the brand by an LME Listed Sampler and Assayer (“LSA”).
- 3.3 Subject to the application meeting Stage One of the brand listing requirements, the application is circulated to the LME cobalt committee for approval to list the brand and the 28-day application to list notice is issued, followed by internal executive approval and the issuance of the listing notice.
- 3.4 The LME reserves the right to audit a producer’s plant at any time prior to or post the listing of a brand for verification of any aspect of the process at the cost of the producer.
- 3.5 From time to time, the LME will request that producers of a listed brand(s) re-affirm the undertakings originally given at the time of listing. Failure to comply with the undertakings or supply evidence of continuing compliance with the brand listing requirements and Part 6 and Part 7 of the LME Rulebook may result in the suspension or delisting of the brand(s). If the producer fails to notify the LME promptly of any change in the information supplied with the original application, or if any such changes, are in the LME’s view material, then the LME may suspend or delist the brand(s).
- 3.6 The listing of a brand is also subject to the provisions of Rules 3 to 7 of Part 7 of the LME Rulebook.

4 Appendix A – Draft Letter of Undertaking

This letter must be issued by the producer on headed paper, signed and dated, and show the signatory's position.

London Metal Exchange
10 Finsbury Square
London
EC2A 1AJ
UK

Attention – Sustainability and Physical Market Operations

(INSERT DATE)

In consideration of the LME maintaining our Cobalt brand (*insert brand name*) in its list of brands deliverable in fulfilment of its Cobalt contract:

1. We (*insert producer name*) undertake that the quality of our cobalt brand (*insert brand name*) produced at (*insert name and address of production plant*), will meet with the requirements of the LME contract for Cobalt and conform to the chemical specification of the brand as established at the time of application.
2. We also undertake that any complaints we may receive with regard to the quality will be investigated without any restriction on the period within which such a claim be made.
3. We undertake that we will not attempt to restrict (*insert brand name*) brand from being delivered against the LME Contract.
4. We further undertake that any change in ownership, financial status, production practice or any other material circumstance will be advised to the LME without delay and to comply with Rules 3 to 7 inclusive of Part 7 of the LME Rulebook, any amendments thereto and any Notices issued by the LME.
5. This letter of undertaking is governed by English law. The courts of England shall have non-exclusive jurisdiction to settle any disputes in relation to this letter of undertaking.

Yours sincerely

Signature.....

Name.....

Company name.....

Position in company.....

5 Appendix B – Draft Parent Company’s Letter of Support

This letter must be issued by the producer’s parent company on headed paper, signed and dated, and show the signatory’s position.

London Metal Exchange
Physical Operations Department
10 Finsbury Square
London
EC2A 1AJ
UK

Attention – Sustainability and Physical Market Operations

(INSERT DATE)

In consideration of *(insert applicant producer’s name)*’s application for the listing of *(insert brand name)* by the LME, in its list of brands deliverable in fulfilment of the LME’s Cobalt contract, we, *(insert parent company’s name)*, undertake that *(applicant producer’s name)* is of good financial standing.

We acknowledge that as *(insert applicant producer’s name)* has not produced *(insert brand name)* for a period of three years, *(insert applicant producer’s name)* is currently unable to satisfy the financial criteria in full for LME brand registration. As *(insert parent company’s name)* is the *(insert description of the corporate relationship i.e. majority shareholder)* of *(insert applicant producer’s name)*, we can confirm that we support *(insert applicant producer’s name)*’s application and that we will provide financial support to *(insert applicant producer’s name)* where such support may be required in order to ensure that *(insert applicant producer’s name)* remains of good financial standing.

We further undertake that *(insert applicant producer’s name)* will inform the LME without delay of any change in its ownership, financial status, production practice or any other material circumstances that may affect the good financial standing or reputation of *(insert applicant producer’s name)* and/or *(insert brand name)*.

This letter of support shall be governed by English law. The courts of England shall have non-exclusive jurisdiction to settle any disputes in relation to this letter of support.

Yours sincerely

Signature.....

Name.....

Company Name.....

Position in company.....

6 Appendix C – eCoA Requirements

6.1 What is LMEpassport?

LMEpassport is the LME’s central digital depository for Certificates of Analysis (CoAs”). It replaces traditional paper CoAs or PDF records with electronic CoAs (“eCoAs”), mitigating the risk of physical document loss or damage during global transit. The use of LMEpassport become a mandatory requirement for all producers of LME-listed primary aluminium brands in October 2024 and for all producers of LME-listed aluminium alloy, lead, zinc, nickel, tin and cobalt brands in October 2025.

6.2 What does this mean for producers?

For metal of LME-listed cobalt brands to be placed on warrant, they must be accompanied by an eCoA. Therefore, producers must connect to LMEpassport and upload eCoAs for all LME-eligible material. This requirement applies to all production of an LME-listed brand whether it is intended for delivery into an LME warehouse.

6.3 How to connect?

(a) There are two ways a producer can connect to LMEpassport for the purpose for creating and managing eCoAs (enhanced records).

- (i) Application Programming Interface (“API”) connection – recommended for its efficiency, scalability and automation;
- (ii) Excel workbook upload – a manual alternative for data entry.

(b) Producers are strongly encouraged to adopt API connection to streamline the eCoA process.

(c) Onboarding and establishing a connection to LMEpassport typically requires 2-3 months. To avoid any delays to the application process, producers should initiate the connection process as early as possible in the brand application process.

6.4 For additional information on LMEpassport please refer to the dedicated webpage: [LMEpassport | London Metal Exchange](#).