

Membership Benefits for Hong Kong Membership Firms



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Direct Access to Europe's most liquid markets

- Over 3,300 CCP-cleared products across asset classes eligible for Hong Kong members, including equity, DRs, ETFs and derivatives.
- Independent and neutral access with fully transparent costs
- Most direct means of trading on the LSE's trading systems with the lowest latency
- Financial incentives on market making, trading and data costs.

International recognition & investor communities

- A diverse network of over 350 firms from over twenty countries, including banks, agency brokers, market makers, corporate finance specialists and proprietary traders

Potential Relief from Stamp Duty Reserve Tax

- Members can apply for intermediary recognition for SDRT relief when trading UK securities
- Members can benefit from SDRT relief when undertaking stock lending and borrowing in UK securities

Providing ancillary services

- Members can provide Sponsored Access and Direct Market Access trading to their clients
- Membership supports firms offering broking and advisory services to companies whose securities are traded on LSE markets



Elements for Consideration

The LSE's Rules ensure our markets are efficient and well-regulated - all LSE members are bound by the Rules and must ensure compliance with these.

Members can choose from a range of options to connect to the LSE's cash and derivatives trading systems and either use in-house or accredited third party solutions for trading – members can typically leverage the same infrastructure to trade on Turquoise



Membership is available to corporations licensed by the Securities and Futures Commission (SFC) under the Part V of the SFO. For unlicensed firms, membership will be approved case by case.

Members must have arrangements to clear their order book trades with one of the LSE's central counterparties, either as a direct CCP member or via a general clearing member. Members can also use third party providers to settle their trades. Hong Kong Members will only be able to trade CCP cleared securities admitted to trade on the LSE markets.

Firms can self-declare their intermediary status to benefit from Stamp Duty relief when trading UK and Irish equities on the LSE and nominate settlement accounts for stock lending relief

What can an LSE Hong Kong member firm trade directly



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For LSE products trading on the MIT and on SOLA platform:

London Stock Exchange plc has not inquired as to whether the securities listed or admitted to trading on LSE plc have been registered with or authorized by the Securities and Futures Commission or any regulatory authority in Hong Kong, and Hong Kong member firms should conduct their own independent due diligence in this regard. As per Part IV, section 103, of the Hong Kong Securities & Futures Ordinance (Cap.571) (“SFO”), products that fall within the definition of “structured products” under the SFO are not intended for investors that are not ‘professional investors’ in Hong Kong, as defined in the SFO and subsidiary legislation thereunder. Hong Kong member firms must perform their own, independent due diligence on any security they intend to trade to ensure their compliance with applicable Hong Kong law, in particular, if they are acting for a non-professional investors.

MIT platform:

- A product list which is dedicated to Hong Kong member firms and includes CCP cleared products only, will be updated on www.lseg.com/China daily.
- The product list includes securities identified by the LSE plc that may be structured products under Hong Kong law. Hong Kong member firms, acting for a non-professional investor, are advised to exercise greater care in respect of the nature of these securities and their obligations under applicable Hong Kong law. Such securities identified by the LSE plc may not be a definitive list of structured products, and the LSE plc takes no responsibility for, and accepts no liability in respect of, the identification or failure to identify structured products under Hong Kong law or the trading activity of any Hong Kong member firm.

SOLA platform:

- UK and Russian products
- Norwegian products are NOT currently available for Hong Kong member firms.



Contact

Membership Team

Email: membership@lseg.com

Telephone: +44 (0) 20 7797 1900

Business Development, Equities & Derivatives

Email: sliu@lseg.com

Telephone: +44 (0) 20 7797 4312

Technology Business Development Team

Email: connectivity@lseg.com

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London Stock Exchange plc, 10 Paternoster Square, London EC4M7LS