



**London**  
Stock Exchange

# Service & Technical Description

New Trading Service for  
ETFs - Euroclear Bank Settlement

Version 1.5

11 April 2016



**London**  
Stock Exchange Group



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<b>Version Control</b>	
16 September 2013	First version
01 October 2013	Version 1.1 incorporating amendments on market data services in sections 2 and 4.4.
25 October 2013	Version 1.2 updated timetable in section 1.4
04 November 2013	Version 1.3 updated timetable in section 1.4
11 July 2016	Updated segments and sectors

# 1. Introduction

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London Stock Exchange is one of the leading global markets for ETFs with a range of products offering access to many underlying asset classes and international markets. As liquidity on our market deepens and as the investor base expands, demand continues to grow for an even wider range of products. To serve this demand, London Stock Exchange intends to work with ETF issuers to establish secondary market trading arrangements for a broader range of products and to develop a new Trading Service for ETFs offering Euroclear Bank settlement. This new *Trading Service for ETFs - Euroclear Bank settlement* will complement London Stock Exchange's existing ETF Trading Service which offers settlement through the domestic settlement venue, CREST (Euroclear UK & Ireland). The aim of the new *Trading Service for ETFs – Euroclear Bank settlement* is to offer London Stock Exchange members access to an even wider range of ETFs and to offer greater choice in terms of settlement venue and currency. This is intended to open up trading to an even wider range of market participants, to deepen the investor base and to provide greater trading opportunities for exchange members.

## 1.1. Purpose

The purpose of this document is to provide participants with an understanding of how it is intended that ETFs will be traded on London Stock Exchange in the new *Trading Service for ETFs – Euroclear Bank settlement*. A new trading service will be created on London Stock Exchange's Millennium Exchange trading platform to support a wider range of settlement options for ETFs in London.

A new trading segment will be made available within the new *Trading Service for ETFs – Euroclear Bank settlement* and the **Millennium Exchange Business Parameters** document will be updated accordingly.

## 1.2. Readership

This Service & Technical Description provides an overview of the functional work required to support the market structure for the new trading service. It provides specific details of the clearing and settlement arrangements required to trade ETFs in the new segments. This document is particularly relevant to trading, compliance and technical staff within London Stock Exchange's member firms and the software providers that service them.

## 1.3. Overview of the new *Trading Service for ETFs – Euroclear Bank settlement*

The new *Trading Service for ETFs – Euroclear Bank settlement* is a dedicated Millennium Exchange electronic order book provided by London Stock Exchange to its members to allow trading in a wider range of ETFs during standard London trading hours, on the standard London trading calendar. The new service will also offer settlement in venues other than the UK domestic settlement system, Euroclear UK & Ireland (CREST) and in a wider range of trading and settlement currencies. Standard London order types will be available.

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The market will be cleared for on-book, electronic transactions, providing pre and post trade anonymity as well as counterparty risk protection.

The new *Trading Service for ETFs – Euroclear Bank settlement* will comprise a segment and two sectors supporting a range of different product types and broadly offering the following:

- In the initial launch phase, the capacity for settlement in the international settlement venue Euroclear Bank rather than the domestic settlement venue Euroclear UK & Ireland (CREST); and
- In a subsequent launch, the ability for ETFs to be traded and settled in other currencies such as Hong Kong dollar and Chinese renminbi, in addition to the standard currencies (GBP, GBX, EUR and USD) currently offered on our market

#### 1.4. Delivery time-line

Indicative timetable	
20 September 2013	New Trading Service for ETFs – Euroclear Bank settlement to made available for testing on the Customer Development Service
19 November 2013	Launch of the new Trading Service for ETFs – Euroclear Bank settlement
2014	Launch of second phase to include other trading currencies (RMB and HKD)
2015	Launch of CHF trading currency

Once the new trading service and dedicated segment are live, ETF issuers will be able to request admission of ETFs to trading in this segment.

#### 1.5. Other relevant documentation & resources

- ***Rules of the London Stock Exchange***

The full current Rules of the London Stock Exchange in force can be found at:

[www.londonstockexchange.com/traders-and-brokers/rules-regulations/rules-regulations.htm](http://www.londonstockexchange.com/traders-and-brokers/rules-regulations/rules-regulations.htm)

Changes to the Rules of the London Stock Exchange and other key regulatory announcements are made by Stock Exchange Notice.

- ***Introducing and Operating ETFs (UK)***

Details of the current arrangements and requirements for listing and admitting ETFs to the existing London Stock Exchange ETF market are available at:

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[www.londonstockexchange.com/specialist-issuers/etps/introducingandoperatingetfsuk2008.pdf](http://www.londonstockexchange.com/specialist-issuers/etps/introducingandoperatingetfsuk2008.pdf)

- **Stock Exchange Notices**

To sign up to e-mail notification of future Stock Exchange Notices and view the library of previous ones please see:

[www.londonstockexchange.com/traders-and-brokers/rules-regulations/change-and-updates/stock-exchange-notices/2013/home-2013.htm](http://www.londonstockexchange.com/traders-and-brokers/rules-regulations/change-and-updates/stock-exchange-notices/2013/home-2013.htm)

- **Trading Services webpage**

For more details of the London Stock Exchange's Trading Services, including the latest versions of:

- **MIT 201 Guide to the Trading System**  
(high level technical overview of Millennium Exchange)
- **Millennium Exchange Business Parameters document**  
(specific configuration of each Trading Service)

[www.londonstockexchange.com/tradingservices](http://www.londonstockexchange.com/tradingservices)

- **Trading Service for ETFs – Euroclear Bank settlement**

Dedicated section of the website:

[www.londonstockexchange.com/ETFs/Trading](http://www.londonstockexchange.com/ETFs/Trading)

- **Full Technical Specifications**

The full series of Millennium Exchange technical specifications can be found at:

[www.londonstockexchange.com/products-and-services/millennium-exchange/technicalinformation/technicalinformation.htm](http://www.londonstockexchange.com/products-and-services/millennium-exchange/technicalinformation/technicalinformation.htm)

- **Service Announcements**

Live Service changes and other trading and product news are notified by Service Announcements. To sign up to e-mail notification of future Service Announcements and view the library of previous ones please see:

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[www.londonstockexchange.com/products-and-services/technical-library/service-announcements/2013/home-2013.htm](http://www.londonstockexchange.com/products-and-services/technical-library/service-announcements/2013/home-2013.htm)

- **Live Service Portal**

The current system status of the London Stock Exchange's services is displayed on its Live Service Portal. This is the mechanism for the London Stock Exchange communicating any market intervention actions it takes as result of a service interruption. Participants can also register to receive both SMS text and e-mail notification of status changes of the portal which can be found at:

<http://liveservice.londonstockexchange.com/en/>

- **Trading database tools**

To help you keep your trading database synchronised on a real time basis, you may wish to subscribe to either the Datasync Email Service or the Datasync Daily Tradable Instrument Report (DTI). To find out more please see:

[www.londonstockexchange.com/products-and-services/reference-data/datasync/datasync.htm](http://www.londonstockexchange.com/products-and-services/reference-data/datasync/datasync.htm)

Tel: +44 (0)20 7797 1220, STX: 31220  
e-mail: [datalect@lseq.com](mailto:datalect@lseq.com)

#### 1.6. Enquiries

- **Technical enquiries**

Please contact your Technical Account Manager if you have any Technical or Functional questions about the Millennium Exchange Trading services outlined in this document:

Telephone: +44 (0)20 7797 3939  
e-mail: [londontam@lseq.com](mailto:londontam@lseq.com)

- **Trading Services enquiries**

Enquiries in connection with London Stock Exchange's business operation of the *Trading Service for ETFs – Euroclear Bank settlement* may be directed to:

Telephone: +44 (0)20 7797 3921  
e-mail: [etfs@lseq.com](mailto:etfs@lseq.com)



## 2. Summary of new Trading Service for ETFs - Euroclear Bank Settlement

Universe	ETFs settled via Euroclear Bank
Trading System	The trading service will initially be formed of 1 new segment on London Stock Exchange's Millennium Exchange trading system.
Trading Access	Subject to supporting appropriate clearing and settlement arrangements, open to all London Stock Exchange member firms and their customers (including DMA and Sponsored Access)
Market Data Services	Level 2-ITCH channel D Group Ticker Plant channel D
Market Hours - London time	Opening auction 07:50 - 08:00* Continuous Trading 08:00* - 16:30 Closing Auction 16:30 – 16:35* Closing Price Crossing session at London Stock Exchange closing auction price for approximately 5 minutes following end of closing auction Off book trade reporting 07:15 - 17:15  * subject to price monitoring extensions and a random period of up to 30 seconds
Trading Calendar	ETFs will trade on all London Stock Exchange business days. For the days when the new <i>Trading Service for ETFs – Euroclear Bank settlement</i> will not be available for trading please see:  <a href="http://www.londonstockexchange.com/businessdays">www.londonstockexchange.com/businessdays</a>
Trading Currencies	GBP, GBX, EUR, USD, RMB, HKD and CHF
London Stock Exchange Rules	The trading service for ETFs - Euroclear Bank settlement is governed by the Rules of the London Stock Exchange. This includes but is not limited to the new trading service being defined as an <b>order book</b> , which means that paragraphs 2000 to 2150 apply to on-book trading. Likewise, off order book trading is

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	governed by paragraphs 3000 to 3062
Order Types	All standard order types supported; including the ability for registered market makers to use executable quotes
Trade Types	All standard London order book and non-MiFID off- book trade types
Clearing	All order book trades will clear through LCH.Clearnet Group. Member firms must have confirmed clearing arrangements with LCH.Clearnet to access the order book service
Settlement	All order book trades will settle in Euroclear Bank on a T+2 basis. Member firms must have confirmed settlement arrangements in place with Euroclear Bank to trade securities on book on the new Trading Service for ETFs.
Settlement Calendar	ETFs within the new trading service will have a dedicated settlement calendar.
Minimum Order Size	1 share
Lot Size	1 share
Exchange Market Size	Minimum market maker obligation size and driver for Iceberg minimum peak will to be determined at instrument level
Tick Regime	As per London Stock Exchange standard ETF market
Order Book Price Protection	As per London Stock Exchange standard ETF market
Larger Order Threshold	The minimum consideration size required for the submission of Hidden Orders is detailed in the <b><i>Millennium Exchange Parameters document</i></b> .
Delayed off book trade regime	The securities delay regime for ETFs is detailed in the <b><i>Millennium Exchange Parameters document</i></b> .
Regulatory Status	Securities on the new <i>Trading Service for ETFs – Euroclear Bank settlement</i> will be Regulated Market segments.
Datasync	Confirmation of new instruments and changes to existing instruments will be provided on London Stock Exchange's subscription reference data service.
Stock Situation Notices	N/A

## 3. Trading

### 3.1. Millennium Exchange Business Parameters Document

The **Millennium Exchange Business Parameters document** contains full details of the specific configuration of each Trading Service in force at that time and as such will always reflect the latest position. Therefore where the Millennium Exchange Business Parameters document differs from any information contained in this document, the **Millennium Exchange Business Parameters document** prevails. Information contained in this guide is planned for the launch of the new *Trading service for ETFs – Euroclear Bank settlement* as at the date of publication of this document.

### 3.2. Structure of the New Trading Service

The new *Trading service for ETFs – Euroclear Bank settlement* will consist of the following trading segments:

Trading Service	Segment Code	Segment Description
Trading Service for ETFs – Euroclear Bank settlement	EUET/EUE2	ETFs – Euroclear Bank settlement

Each trading segment is in turn divided into trading sectors which are used for administrative purposes to allow easy identification of the market maker maximum spread in force and whether there is minimum order size in place.

Segment Code	Segment Description	Sector Code	Sector Description	Market Maker Maximum Spread
EUET	Exchange Traded Fund Euroclear Bank settlement	UET1	Euroclear (UCITS)	- Max Spread 5%
EUET	Exchange Traded Fund Euroclear	UET2	Euroclear (non-UCITS)	- Max Spread 5%

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	Bank settlement			
EUET	Exchange Traded Fund Euroclear Bank settlement	UEA1	Euroclear (UCITS) Active ETF	- Max Spread 5%
EUET	Exchange Traded Fund Euroclear Bank settlement	UEA2	Euroclear (UCITS) Active ETF EU Listed	- Max Spread 5%
EUET	Exchange Traded Fund Euroclear Bank settlement	UET3	Euroclear (UCITS) EU Listed	- Max Spread 5%
EUET	Exchange Traded Fund Euroclear Bank settlement	UET4	Euroclear (non-UCITS) EU Listed	- Max Spread 5%
EUET	Exchange Traded Fund Euroclear Bank settlement	UET5	Euroclear (UCITS)	- Max Spread 3%
EUET	Exchange Traded Fund Euroclear Bank settlement	UET6	Euroclear (non-UCITS)	- Max Spread 3%
EUET	Exchange Traded Fund Euroclear Bank settlement	UET7	Euroclear (UCITS) EU Listed	- Max Spread 3%
EUET	Exchange Traded Fund Euroclear Bank settlement	UET8	Euroclear (non-UCITS) EU Listed	- Max Spread 3%

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EUET	Exchange Traded Fund Euroclear Bank settlement	UET9	Euroclear (UCITS)	- Max Spread 1.5%
EUET	Exchange Traded Fund Euroclear Bank settlement	UETX	Euroclear (non-UCITS)	- Max Spread 1.5%
EUET	Exchange Traded Fund Euroclear Bank settlement	UETY	Euroclear (UCITS) EU Listed	- Max Spread 1.5%
EUET	Exchange Traded Fund Euroclear Bank settlement	UETZ	Euroclear (non-UCITS) EU Listed	- Max Spread 1.5%
EUE2	Exchange Traded Fund Euroclear Bank settlement (Multi-Currency)	UE2A	Euroclear (UCITS)	- Max Spread 5%
EUE2	Exchange Traded Fund Euroclear Bank settlement (Multi-Currency)	UE2B	Euroclear (non-UCITS)	
EUE2	Exchange Traded Fund Euroclear Bank settlement (Multi-Currency)	UE2C	Euroclear (UCITS)	- Max Spread 5%
EUE2	Exchange	UE2D	Euroclear	- Max Spread 5%

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	Traded Fund Euroclear Bank settlement (Multi- Currency)		(non-UCITS)	
EUE2	Exchange Traded Fund Euroclear Bank settlement (Multi- Currency)	UE2E	Euroclear (UCITS)	- Max Spread 3%
EUE2	Exchange Traded Fund Euroclear Bank settlement (Multi- Currency)	UE2F	Euroclear (non-UCITS)	- Max Spread 3%
EUE2	Exchange Traded Fund Euroclear Bank settlement (Multi- Currency)	UE2G	Euroclear (UCITS)	- Max Spread 3%
EUE2	Exchange Traded Fund Euroclear Bank settlement (Multi- Currency)	UE2H	Euroclear (non-UCITS)	- Max Spread 3%
EUE2	Exchange Traded Fund Euroclear Bank settlement (Multi- Currency)	UE2I	Euroclear (UCITS)	- Max Spread 1.5%
EUE2	Exchange	UE2J	Euroclear	- Max Spread

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	Traded Fund Euroclear Bank settlement (Multi- Currency)		(non-UCITS)	1.5%
EUE2	Exchange Traded Fund Euroclear Bank settlement (Multi- Currency)	UE2K	Euroclear (UCITS)	- Max Spread 1.5%
EUE2	Exchange Traded Fund Euroclear Bank settlement (Multi- Currency)	UE2L	Euroclear (non-UCITS)	- Max Spread 1.5%

### 3.3. Trading Cycle

The following scheduled trading cycle will operate for securities on trading the new segments. The new *Trading Service for ETFs – Euroclear Bank settlement* will follow the trading cycle of other SETS securities, including standard ETFs.

All London time	Standard Day		Final trading day before Christmas. Final Trading day of calendar year	
	Start	End	Early Close Day Start	Early Close Day End
Session				
Start Of Trading	07:00:00	07:50:00	07:00:00	07:50:00
Opening Auction Call	07:50:00	08:00:00	07:50:00	08:00:00

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Continuous Trading 1	08:00:00	16:30:00	08:00:00	12:30:00
Closing Auction Call	16:30:00	16:35:00	12:30:00	12:35:00
Closing Price Publication Session	16:35:00	16:35:01	12:35:00	12:35:01
Post Close	16:35:01	17:15:00	12:35:01	13:15:00

### ***Unscheduled Trading Sessions***

The following unscheduled trading sessions may also arise; see section 11 of ***MIT 201 Guide to the Trading System*** for more detail on the Service Interruption Protocol:

- Opening auction call – follows a price monitoring interruption to continuous trading
- Resume (auction call) - precedes resumption of continuous trading where unscheduled interruption to trading was for reason other than the invocation of price monitoring
- Halt
- Suspend
- Pause
- Halt & Close

### **3.4. Calendar**

Details of the trading calendar for the new Trading Service for ETFs – Euroclear Bank settlement will be made available at:

[www.londonstockexchange.com/businessdays](http://www.londonstockexchange.com/businessdays)

### **3.5. Opening Prices**

The opening prices for ETFs within trading segment EUET will be set by the earlier of the opening uncrossing trade (UT) or where no opening UT, the first Order Book trade of the day (AT) on the new trading service.



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#### 3.6. Closing Prices

The new trading segment in *Trading Service for ETFs – Euroclear Bank settlement* closing prices will be set by the closing UT or where no UT by the mid of best bid-offer before start of the closing auction. If there is not a complete bid and offer the last AT that day will be used and if there is no order book trading that day the previous close will be used.

Where a closing auction takes place a Closing Price Crossing Session will be invoked allowing up to 5 minutes of electronic trading on the new trading service at that day's closing price.

#### 3.7. Order Types

The table overleaf summarises the orders and quote types supported on the new *Trading Service for ETFs – Euroclear Bank settlement*. More information on Time in Force applicable to each can be found in **MIT 201 Guide to the Trading System**.

Order Type	Description	Available on new Trading Service for ETFs
Limit Order	A Limit Order is an anonymous priced order that is fully displayed when persistent in an order book and may execute at prices equal to or better than its limit price. Limit Orders never have price priority over market orders	Yes
Market Order	A Market Order is un-priced, and therefore not price forming, but has price priority over all priced orders. Market Orders cannot persist on the order book during continuous trading but can during an auction. Any that remain unexecuted following the completion of the auction will be automatically deleted.	Yes
Stop Limit Orders	A Stop Limit Order is a Limit Order that will remain unelected (will not be entered into order book) until the stop price is reached. Once elected, a Stop Limit Order will be treated as a regular Limit Order.	Yes
Stop Orders	A Stop Order is a Market Order that will remain unelected (will not be entered into order book) until the stop price is reached. Once elected, it will be treated similar to a regular Market Order.	Yes
Iceberg Orders	An Iceberg Order publicly displays only a portion of its total volume that is available for execution. The maximum displayed amount, known as the peak size, and the total size of the order can be specified by the participant	Yes

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	provided it is above the minimum size of 0.4* EMS.	
Mid Price Pegged Orders	Non-displayed order which must exceed in size the relevant MIN RESERVE ORDER VALUE trading parameter on entry. Its limit updates to the mid of the security's visible best bid/offer	Yes
Named Orders	A Named Order is a non-anonymous limit order.	No
Executable Quotes	Only for use by participants that are registered in individual instruments as a market maker. Fully visible, electronically executable, named, dual sided quotes that must meet prescribed size and spread requirements on entry.	Yes
Firm Quotes	Only for use in quote book securities.	No

### 3.8. Price Format Schedule

The new ETF segment will have dynamic price monitoring thresholds as described below:

Range	Price Format Description	Price Format Value
<b>TM_36: GBX</b>		
Less than 10	Twentieths	0.05
10 - 499.9	Tenths	0.1
500 - 999.75	Quarters	0.25
1000 - 2499.5	Half	0.5
2500 or more	Whole	1
<b>TM_37: GBP / USD / EUR</b>		
Less than 0.1	One two-thousandth	0.0005
0.1 – 4.999	One thousandth	0.001
5 – 9.9975	One four hundredth	0.0025
10 - 24.995	One two-hundredth	0.005
25 or more	One hundredth	0.01

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TM_41: CNY / HKD / CHF				
Less than 10		One hundredth		0.01
10 - 49.98		One fiftieth		0.02
50 - 99.95		One twentieth		0.05
100 or more		One tenth		0.1

#### 3.9. Price Monitoring (circuit breakers)

The way the London Stock Exchange's price monitoring protection works is set out in section 7 of **MIT 201 Guide to the Trading System**. A full list of parameters can be found in the **Millennium Exchange Business Parameters** document.

#### 3.10. Market Maker Registration

The obligations of market makers in order driven securities are set out in paragraphs 4100 - 4110.5 of the Rules of the London Stock Exchange, where registered market makers use Executable Quotes (EQ) to display their quotes.

The form for market maker registration / deregistration for individual securities is called the **Registration Information Form** and is available at the following link:

[www.londonstockexchange.com/traders-and-brokers/rules-regulations/formsagreements/registration-information-form.xls](http://www.londonstockexchange.com/traders-and-brokers/rules-regulations/formsagreements/registration-information-form.xls)

#### 3.11. Trade Types

The table below shows the trade types that will be available on the new EUET segment for ETFs. The trade type indicator generated automatically as a result of an order book execution varies according to the type of trading session in which the execution occurred.

Trade Type	Description
AT	Automatic Trade – order book trade resulting from continuous trading period
UT	Uncrossing Trade – order book trade resulting from an auction match.

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PT	Closing Price Crossing Session trade – order book trade resulting from the session that takes place after the closing auction has generated the day's closing UT. Executions can only take place at day's closing price for more details see MIT901 – Guide to Millennium Exchange Functional Release Q2 2012.
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Off-book trading of ETFs by London Stock Exchange member firms is governed by paragraph 3000.3 of the Rules.

The full range of trade types are contained in the ***Millennium Exchange Business Parameters*** document.

As per the FIX standard, all times on FIX trading messages must be specified in UTC on all interfaces.

#### 3.12. Symbology

ETFs are identified on trading messages using a unique InstrumentID.<sup>1</sup> The InstrumentID remains constant for the lifetime of that line of the security.

ISIN changes always represent the creation of a new line of the security and as such will lead to a new InstrumentID.

London Stock Exchange provides InstrumentIDs via the Reference Data Service.

Full details of the interface are specified in ***MIT401 – Guide to Reference Data Services***.

#### 3.13. Market Supervision

The market will be monitored and regulated in the same way as all other London Stock Exchange Markets. Market Supervision can be contacted on:

+44 (0) 20 7797 3666

(STX 33666) – option 2

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<sup>1</sup> Specified in Tag 48 – SecurityID on FIX messages

## 4. How to gain access to trade on the Trading Service for ETFs – Euroclear Bank settlement

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### 4.1. Non-members of London Stock Exchange

Non-members will be able to access the *Trading Service for ETFs - Euroclear Bank settlement* through London Stock Exchange member firms. Both Direct Market Access and Sponsored Access are available through participating member firms.

### 4.2. Member Firm Access

Need in place the following:

- direct or indirect trading connection with Millennium Exchange;
- clearing arrangements in place with LCH Clearnet; and
- completed London Stock Exchange Static Data Form for ETFs – Euroclear Bank settlement

#### 4.2.1. Joining Instructions

To confirm clearing and settlement arrangements with London Stock Exchange, it is necessary for all firms to complete a new Static Data Form. This is independent from any previous information a member firm may have provided for their SETS and International Order Book arrangements. It will encompass all data needed by London Stock Exchange and LCH Clearnet Limited to set up customers for trading on the *Trading Service for ETFs – Euroclear Bank settlement*.

The ETFs – Euroclear Bank settlement Static Data Form can be found at:

<http://www.lseg.com/areas-expertise/our-markets/markets-membership/london-stock-exchange-become-member>

London Stock Exchange's Client Implementation team will be processing member firm's clearing and settlement static data. This should be e-mailed to:

[membership@lseg.com](mailto:membership@lseg.com)

The team can also be reached for telephone enquiries on: +44 (0)20 7797 3232

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#### 4.2.2. Off Book trading

All member firms will be able to submit off book trade reports in securities on trading segment EUET. It is a requirement that members have arrangements in place to settle any such trades. Unless agreed by both counterparties otherwise the default place of settlement for **on Exchange** off-book trades in EUET will be Euroclear Bank.

#### 4.3. Market Access

The member firms will be able to access the *Trading Service for ETFs – Euroclear Bank settlement* via existing trader group IDs by requesting the additional market source to be added to the IDs in question.

Member firms will be able to access the *Trading Service for ETFs – Euroclear Bank settlement* via the existing Technical Connections. If a new Technical Connection is required, contact the Technical Account Management team.

If a member firm wishes to become a registered market maker in a security within the *ETFs - Euroclear Bank settlement* service, the member firm will have to follow the existing procedure and submit the Registration Information Form and specify which ID in which the member would like to make markets.

#### 4.4. Market Data

ETF data will be broadcast on the Existing Market Data groups. These are Level 2-ITCH channel D (Structured Products) and Group Ticker Plant channel D (Structured Products).

Technical details for this service are available at:

Level 2-ITCH:

[www.londonstockexchange.com/products-and-services/technical-library/millennium-exchange-technical-specifications/millennium-exchange-technical-specifications.htm](http://www.londonstockexchange.com/products-and-services/technical-library/millennium-exchange-technical-specifications/millennium-exchange-technical-specifications.htm)

Group Ticker Plant:

[www.londonstockexchange.com/products-and-services/millennium-exchange/documentation/documentation.htm](http://www.londonstockexchange.com/products-and-services/millennium-exchange/documentation/documentation.htm)

#### 4.5. Customer Testing

Customers should note that the new ETF service will be available on the CDS environment from 20 September.

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Customers are required to re-certify their software if they make a code change to support this service. Details of the conformance obligations and customer testing service are available here:

[www.londonstockexchange.com/products-and-services/millennium-exchange/millennium-exchange-migration/mit501.pdf](http://www.londonstockexchange.com/products-and-services/millennium-exchange/millennium-exchange-migration/mit501.pdf)

Customers wishing to participate in the end to end testing must also arrange to be connected to the LSE CDS environment on the day of the test. Access to this service is provided on a Test Bookable basis or via the Continuous Access service. Customers using the Test bookable service should note that they must provide us with advance notice and must have arranged for a technical connection to this service to be in place before the test date.

Although Conformance testing is only required if code changes are made, all users are strongly advised to test the changes on the CDS environment before accessing the live service.

#### 4.6. Reference Data

Participant and Instrument Reference data will be available from 20 September for CDS and 29 October for Production. Access to this reference data is via the standard SFTP Reference data service. IP address details are provided below:

The Production service can be accessed at the following location:

SFTP 194.169.8.40 58101

[FTP 194.169.8.41](ftp://194.169.8.41) 21

The CDS service can be accessed at the following location:

SFTP 194.169.8.155 51101

[FTP 194.169.8.155](ftp://194.169.8.155) 21

## 5. Clearing and Settlement

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#### 5.1. Clearing and Settlement Data

London Stock Exchange's Client Implementation team will be processing firms clearing and settlement static data. This should be e-mailed to: [clientimplementation@lseq.com](mailto:clientimplementation@lseq.com)

The team can be reached for telephone enquiries on: +44 (0)20 7797 3232

Clearing and settlement will be facilitated through LCH.Clearnet's EquityClear service. Whereby all functions such as margining, reporting and settlement will be processed in through the member accounts.

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## Service and Technical Description

### 25 October 2013

For information relating to clearing and settlement please contact:

[ian.mackenzie@lchclearnet.com](mailto:ian.mackenzie@lchclearnet.com) or Tel: + 44 (0) 20 7426 7265

#### 5.2. Testing

Optional testing will commence from 20 September 2013. Those firms wishing to test the *Trading Service for ETFs – Euroclear Bank settlement* should ensure the following is in place prior to testing:

- 1) Trading firm has a clearing relationship with an LCH.Clearnet Ltd clearing member
- 2) London Stock Exchange and LCH.Clearnet Ltd have been notified of the member's intention to test
- 3) Test static data will be required, within a static data form
- 4) Three days have been allowed for data to be loaded into the relevant trading and clearing systems

The testing session will take the form of:

- 1) Input by the trading firm of minimal test trades onto the London Stock Exchange test platform
- 2) Sending of test trades to LCH.Clearnet Ltd
- 3) Production by LCH.Clearnet Ltd of gross and net trade files at end of day
- 4) Retrieval by clearing members of the test files, or if necessary request for test files to be sent directly
- 5) Note: LCH.Clearnet Ltd will not send test settlement instructions to Euroclear Bank. The end of day (EOD) files will contain sufficient settlement information for Clearing Member to reconcile for settlement purposes





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London Stock Exchange  
10 Paternoster Square  
London EC4M 7LS  
Telephone: +44 (0)20 7797 1000

[www.londonstockexchange.com](http://www.londonstockexchange.com)

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## London Stock Exchange

10 Paternoster Square, London EC4M 7LS  
T: +44 (0)20 7797 1000



**London**  
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