

London Stock Exchange Derivatives Market

TARIFF SCHEDULE

25 February 2019

Version 6.5

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1. Revision History

Date	Version	Sections updated	Notes
23 September 2011	1.0	All	First published to website
23 September 2011	1.1	2.6	Updated with link to connectivity charges
31 October 2011	2.1	4	New IOB derivatives charging updated
1 December 2011	2.2	3 and 6.1	FTSE 100 futures and options caps increased until 2 July 2012
1 February 2012	2.3	5	Norwegian fees updated
2 July 2012	2.4	6	FTSE 100 futures and options caps increased until 2 January 2013
19 November 2012	2.5	4 and 5	Change in formulation (no change in fees)
2 January 2013	2.6	6	Change to FTSE 100 futures and options caps
1 April 2013	3.0	All	Include Market Making fees
10 June 2013	3.1	5	UK Single Stock options
24 June 2013	3.2	4	OBOSX Index Futures
01 July 2013	3.3	3 and 5	IOB DR pricing change; FTSE 100 futures pricing change
01 September 2013	3.4	4	End of volume discount for OBX Index futures
01 October 2013	3.5	3 and 4	Reduction of standard fee on IOB DR Options. Change of Norwegian fees
07 October 2013	3.6	5	Introduction of FTSE UK Large Cap Super Liquid futures; change of FTSE100 futures pricing
17 February 2014	3.7	4	Change of PMM expiry fees on Norwegian derivatives
20 October 2014	3.8	3	Introduction of IOB DR dividend neutral stock futures
01 July 2015	3.9	4	Reduction of standard fee on Norwegian single stock futures, introduction of caps on Norwegian single stock futures and options
01 September 2015	4.0	3	New pricing for IOB DR Individual Options and Futures based on a fee per contract basis; harmonisation of fees and caps across Order book and block trading/ trade reporting. General formatting updates.
14 September 2015	4.1	6 (new)	Introduction of BIST 30 index futures and options
19 October 2015	4.2	3	Introduction of UK Stock Options on Order book and new UK Stock futures based on a fee per contract basis.

Date	Version	Sections updated	Notes
29 February 2016	4.3	2	Additions to Section 2.5
31 May 2016	4.4	5	Addition of FTSE 100 index weekly options
26 Sep 2016	4.5	7	Addition of Interest Rate Derivatives
1 Feb 2017	4.6	7	Amended Three Month Euribor Futures fees
3 Apr 2017	4.7	5 and 6	Review of standard trading fees for non Market-Maker accounts
8 May 2017	4.8	7	Removed reference to past fee holiday
9 June 2017	4.9	7	Added contribution to connectivity costs footnote
18 July 2017 8 August 2017	4.10	7, 5 & 6	Added information about Volume Discount for Principal Trader Firms. Formatting and layout updates.
2 October 2017	4.2	5	Removal of fees for FTSE UK Large Cap Super Liquid index derivatives
31 October 2017	5.1	7	Updated threshold information of Volume discount for principal trades
2 January 2018	5.2	2	Added section 2.7
19 February 2018	5.3	7	Added CurveGlobal [®] SONIA fee structure
5 April 2018	5.4	7	Updated CurveGlobal [®] 3M SONIA fee holiday information
3 May 2018	5.5	2, 7	Added Jump Ball programme information
19 June 2018	5.6	7	Volume Discount for Principal Traders
1 August 2018	5.7	3	Trade fee cap for IOB DR derivatives Notice
13 September 2018	5.8	3	Trade fee cap for IOB DR derivatives
1 October 2018	5.9	7	DMMs replaced by DLPs
21 December 2018	6.0	-	Removed references to UKSSO and FTSE 100 derivatives
1 January 2019	6.1	6	Updated CurveGlobal [®] 3M SONIA fees
3 January 2019	6.2	6	Reduction of BNT & Block Trade Fees for Principal Traders
28 January 2019	6.3	-	Removed references to BIST30 derivatives, FTSE RIOB futures and options, IOB dividend futures
7 February 2019	6.4	5	Improved readability of CurveGlobal [®] fee tables
25 February 2019	6.5	2	Removed Jump Ball programme information

2. Introduction

2.1. Payment mechanics

Fees are paid to the Designated Clearing House by the Clearing Member for the product in question. This happens at the time specified in the relevant statement issued to the Member by the Designated Clearing House.

2.2. Incentives¹ and temporary adjustments

Details of any fee incentive programs or temporary adjustments to any fees shall be notified to Members by way of a market notice and corresponding update to this document in the **Current incentive offers** section.

2.3. Clearing fees

- Norwegian and IOB trading fees include the clearing fee.
- For CurveGlobal products, a separate clearing fee is applied to the trading fees.

2.4. Minimum sizes for Block trades and Trade reports

- These are detailed for all products in Appendix B of the “London Stock Exchange Derivatives (LSEDM) Market - Trading Service Description” at www.lseg.com/derivatives/document-library

2.5. Key points for using this document

- All fees are charged to both counterparties.
- Equity derivatives settlement fees are no longer charged by London Stock Exchange Derivatives Market. LCH will pass through, at cost, all settlement related fees for IOB derivatives. Further information on ECL settlement fees can be found on the LCH website.
- For Interest Rate Derivatives, in accordance with Rule 4.8.2 and Rule 5.7.1, trade cancellation fees are applied as follows:
 - If a trade cancellation is registered on trade date no trade cancellation fee is incurred nor any trade fee.
 - If a trade cancellation is registered after the trade date a cancellation fee equal to the trade fee of the specific product is incurred in addition to relevant trade fee levied for the original trade.
- For connectivity charges including Real-Time Drop Copy services, please refer to the Connectivity Charges document available at the LSEDM Document Library [at www.lseg.com/derivatives/document-library](http://www.lseg.com/derivatives/document-library). The Connectivity Charges Document forms part of this document.

2.6. Current incentive offers

- For equity derivatives:
 - Please refer to the Market Making Obligations document for any special scheme concerning Market Makers available at: www.lseg.com/derivatives/document-library
- For CurveGlobal products:
 - LSEDM is offering a Principal Trading Scheme (please refer to Section 7 for more details).
 - In addition, a Designated Market Maker Scheme is operating via a tender process.

¹ Members may inquire with LSEDM Sales as to any other incentives that may be available.

2.7. Objective Criteria for the Establishment of Fees and Fee Structures

- Pursuant to Commission Delegated Regulation (EU) 2017/573 Article 4, LSEDM can confirm that this tariff applies to all Members equally for the same service being offered. Where differences in fee structures do exist, these are based on the following objective criteria:
 - Participants objectively qualify for certain services or fee discounts;
 - Certain thresholds related to volumes, trades or cumulative fees are met.

3. IOB derivatives Fee Schedule

3.1. All non-Market Maker accounts

Fee Type	Individual DR options	Individual DR futures
Order book Trade fee	USD 0.15 per contract	USD 0.15 per contract
Block trade / trade reporting fee		
Trade fee cap	USD 1,275 per trade	USD 1,275 per trade
Assignment / Exercise / Expiration fee	USD 0.15 per contract	USD 0.15 per contract
Assignment / Exercise / Expiration fee cap	USD 400 per exercise	USD 400 per exercise
Clearing fee	Combined with trade / exercise / expiration fee	

3.2. Market Makers accounts

Fee Type	Individual DR options	Individual DR futures
Order book Trade fee	USD 0.05 per contract	USD 0.05 per contract
Block trade/ trade reporting fee		
Trade fee cap	USD 250 per trade	USD 250 per trade
Assignment/ Exercise / Expiration fee	USD 0.15 per contract	USD 0.15 per contract
Assignment/ Exercise/ Expiration fee cap	USD 400	USD 400
Clearing fee	Combined with trade/ exercise/ expiration fee	

4. Norwegian derivatives Fee Schedule

4.1. All non-Market Maker accounts

Fee Type	Stock options	Stock futures	OBX index options	OBX index futures	OBOSX index futures
Order book Trade fee	0.75% of the premium (max NOK 20 per contract)	0.04% of the future value	0.75% of the premium (max NOK 2.50 per contract)	NOK 2.50 per contract	NOK 1.50 per contract
Block trade/ trade reporting fee					
Trade fee cap	NOK 15,000 per transaction	NOK 15,000 per transaction			
Clearing fee	Combined with trade fee				
Assignment/ Exercise / Expiration fee	0.08% of exercise amount	0.04% of settlement amount	NOK 2.50 per contract	NOK 2.50 per contract	NOK 1.50 per contract

4.2. Primary Market Maker fees

Fee Type	Stock options	Stock futures	OBX index options	OBX index futures	OBOSX index futures
Order book Trade fee	% of non-Market Maker fees; see below for further information				NOK 0.75 per contract
Block trade/ trade reporting fee					
Trade fee cap	NOK 15,000 per transaction	NOK 15,000 per transaction			
Clearing fee	Combined with trade fee				
Assignment/ Exercise / Expiration fee	75% discount on non-Market Maker expiry fees for each product respectively				

4.3. Primary Market Maker discounts

Primary Market Makers are incentivised to quote a maximum number of underlying: the more names quoted, the higher the discount on trading and clearing fees.

For example, if a PMM quotes OBX index options and futures but no Norwegian single stock options, it will only benefit of a 55% discount on its OBX index derivatives trading. However, if the PMM quotes the OBX index options and futures as well as 3 single stock options & futures, it will benefit from a further 15% discount on its OBX derivatives trading, adding up to a total of 70% discount (55%+15%), plus a 60% discount of stock option fees.

The same rationale applies to discounts on single stock options trading.

MM Obligations Qualifying for Discount	Eligible Discount in:	
	<i>OBX Options and Futures</i>	<i>Stock Options</i>
OBX	55%	30%
1. Tier - total of 3 designated stocks	15%	30%
2. Tier - total of 6 designated stocks	15%	15%
3. Tier - total of 9 designated stocks	-	10%
4. Tier - total of 12 designated stocks	-	5%
5. Tier - total of 15 designated stocks	-	2.5%
Max discount in OBX Options and Futures: MM in OBX and at least two tiers (6 stocks)	85%	
Max discount in Stock Options: MM in OBX and at least five tiers (15 stocks)		92.5%
	Stock Forwards/ Futures	
Max discount in Forwards/ Futures: MM in OBX and two (2) tiers or more (6 stocks or more)	80%	
MM that does not meet max discount criteria	70%	

4.4. Qualified Liquidity Provider discounts

Qualified Liquidity Providers on the OBX index futures are entitled to paying reduced fees if they have respected their obligations over each period. Fees are a decreasing function of the volume traded, as detailed in the table below.

OBX index futures		
	Contracts traded per month	Fee
Trade and clearing fee	0 – 5,000	NOK 2.0 per contract
	5,001 – 15,000	NOK 1.5 per contract
	15,001 – 25,000	NOK 1.0 per contract
	>> 25,001	NOK 0.5 per contract
Expiration fee	NOK 2.50 per contract	

Example: If the Liquidity Provider fulfils the obligations in the Liquidity Provider Scheme and trades 5,500 contracts in that period, 5,000 contracts will be charged at NOK 2.0 per contract and 500 will be charged at NOK 1.5 per contract

5. Interest rate derivatives Fee Schedule

5.1. Standard Fees

Fee Type	Short Term Interest Rate Futures			Medium / Long Term Interest Rate Futures			
	Three month Euribor®	Three month Sterling	Three month SONIA	Schatz	Bobl	Bund	Long Gilt
Trade fee	EUR 0.17 per contract	GBP 0.13 per contract	GBP 0.11 per contract	EUR 0.09 per contract	EUR 0.09 per contract	EUR 0.09 per contract	GBP 0.10 per contract
BNT* fee (including Block Trade)	EUR 0.17 per contract	GBP 0.13 per contract	GBP 0.11 per contract	EUR 0.09 per contract	EUR 0.09 per contract	EUR 0.09 per contract	GBP 0.10 per contract
Clearing fee – LCH	EUR 0.07 per contract	GBP 0.07 per contract	GBP 0.07 per contract	EUR 0.07 per contract	EUR 0.07 per contract	EUR 0.07 per contract	GBP 0.07 per contract
Physical Delivery				EUR 3.00 per delivery transaction	EUR 3.00 per delivery transaction	EUR 3.00 per delivery transaction	GBP 2.75 per delivery transaction
Settlement	EUR 0.07 per lot	GBP 0.07 per lot	GBP 0.07 per lot				

* Please refer to [LSEDM Bilaterally Negotiated Trade Guidance](#) for definitions and further details

5.2. Principal Trading Scheme

Principal Traders² benefit from reduced fees and Volume Discount³, as follows:

Fee Type	Short Term Interest Rate Futures			Medium / Long Term Interest Rate Futures			
	Three month Euribor®	Three month Sterling	Three month SONIA	Schatz	Bobl	Bund	Long Gilt
Trade fee	EUR 0.085 per contract	GBP 0.076 per contract	GBP 0.055 per contract	EUR 0.045 per contract	EUR 0.045 per contract	EUR 0.045 per contract	GBP 0.05 per contract
BNT fee (including Block Trade)	EUR 0.085 per contract	GBP 0.076 per contract	GBP 0.055 per contract	EUR 0.045 per contract	EUR 0.045 per contract	EUR 0.045 per contract	GBP 0.05 per contract
LCH Clearing fee	EUR 0.035 per contract	GBP 0.035 per contract	GBP 0.035 per contract	EUR 0.035 per contract	EUR 0.035 per contract	EUR 0.035 per contract	GBP 0.035 per contract
Physical Delivery				EUR 3.00 per delivery transaction	EUR 3.00 per delivery transaction	EUR 3.00 per delivery transaction	GBP 2.75 per delivery transaction
Settlement	EUR 0.07 per lot	GBP 0.07 per lot	GBP 0.07 per lot				

² A Principal Trader is defined as either: (1) a firm that trades exclusively against its own proprietary capital; or (2) a firm that facilitates trading for an individual that exclusively trades on a discretionary basis for his own account. For the purposes of (2), a Principal Trader may apply on behalf of multiple individuals. A Principal Trader must be a Member or a client of a Member with Direct Market Access (DMA) that is subscribing to the PT Scheme through a Member. A limited contribution to costs of connecting new Principal Traders may be available. Please contact LSEDM for further details.

³ Principal Trader will incur *zero Trade Fee* for each lot exceeding an aggregate traded volume threshold of 5,000 lots in all qualified products in each calendar month (e.g: 125,000 lots traded in a calendar month, 120,000 are charged zero Trade Fee). In addition, *zero LCH Clearing Fee* will be incurred for each lot exceeding traded volume threshold of 100,000 lots (subject to regulatory approval). Volume Discount will be available until 30 June 2019.

5.3. Designated Liquidity Provider

Fee Type	Short Term Interest Rate Futures			Medium / Long Term Interest Rate Futures			
	Three month Euribor	Three month Sterling	Three month SONIA	Schatz	Bobl	Bund	Long Gilt
Trade fee							
BNT fee (including Block Trade)	0	0	0	0	0	0	0
LCH Clearing fee	0	0	0	0	0	0	0
Physical Delivery				EUR 3.00 per delivery transaction	EUR 3.00 per delivery transaction	EUR 3.00 per delivery transaction	GBP 2.75 per delivery transaction
Settlement	EUR 0.07 per lot	GBP 0.07 per lot	GBP 0.07 per lot				

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