



**London**  
Stock Exchange

# Trading Services

(On-Exchange and OTC)

PRICE LIST ♦ WITH EFFECT FROM 1 OCTOBER 2011



# Order book business

## All order and quote charges

Order management charge		Order entry
Non-persistent orders <sup>1</sup>		1p
All other orders		Free
Order management surcharge <sup>2</sup>		Each order event
High usage surcharge		5p
High usage surcharge for qualifying order events in Exchange Traded Funds (ETFs) or Exchange Traded Products (ETPs) <sup>2</sup>		1.25p
Quote management charge (per side)		Quote entry
EQS securities		0.5p
Securitised Derivatives <sup>3</sup>	First 4.2 million quotes	0.28p
	Subsequent quotes	0.75p
All other securities		Free

## Exchange charge<sup>4</sup>

Standard Value Traded Scheme <sup>5</sup>		Charge
First £2.5bn of orders executed		0.45bp*
Next £2.5bn of orders executed		0.40bp*
Next £5bn of orders executed		0.30bp*
All subsequent value of orders executed		0.20bp*
Liquidity Provider Scheme for FTSE 350 securities <sup>6.1</sup>		
Value of orders passively executed that qualify for the scheme		Free
Monthly fee for inclusion of each non-member firm as a Nominated Client		£2,500
Value of all Nominated Client orders executed that do not qualify for the scheme		0.45bp*
Aggressive executions qualifying under Liquidity Taker Scheme Packages <sup>6.2</sup>		
<b>Package 1</b> - Monthly fee		£50,000
Value of orders executed		0.15bp**
<b>Package 2</b> - Monthly fee		£5,000
Value of orders executed		0.28bp*
Private Client Broker Order Book Trading Scheme <sup>6.3</sup>		
Value of orders executed in first 6 months from joining scheme		Free
Value of orders executed thereafter		0.10bp*
Smaller Company Registered Market Maker <sup>6.4</sup>		
Value of orders executed		0.20bp*
Securities admitted to the Order book for Retail Bonds <sup>7</sup>		
Order execution		90p***
Hidden & non-displayed portion of Icebergs <sup>8</sup>		Additional Charge
Premium on the value executed of orders that are either hidden or the persistent non-displayed portion of an Iceberg		0.25bp

\* Subject to a minimum charge of 10p per order executed. When an order executes on multiple days, the minimum charge applies on each day it executes.

\*\* Subject to a minimum charge of 5p per order executed. When an order executes on multiple days, the minimum charge applies on each day it executes.

\*\*\* Where an order executes on multiple days, the 90p charge applies on each day it executes.

## Other on Exchange business <sup>9</sup>

### Exchange charge

<u>Securities admitted to the Order book for Retail Bonds <sup>10</sup></u>	<u>Minimum charge</u>	<u>Charge per £1,000</u>	<u>Maximum charge</u>
Gilt-edged securities with a maturity date of up to five years	90p	3p	£2.50
Gilt-edged securities with a maturity date of more than five years	90p	3p	£6.00
Corporate bonds with a maturity date of up to one year	90p	3p	£2.50
Corporate bonds with a maturity of more than one year	90p	3p	£6.00
<u>Other gilt-edged securities <sup>10</sup></u>			
Securities with a maturity date of up to five years	5p	3p	£2.50
Securities with a maturity date of more than five years	5p	3p	£6.00
<u>Other fixed interest securities <sup>10</sup></u>			
Securities with a maturity date of up to one year	5p	3p	£2.50
Securities with a maturity of more than one year	5p	3p	£6.00
<u>All other reported trades are charged to the reporting party only</u>			
	<u>First £5,000 consideration</u>	<u>Each further £1,000</u>	<u>Maximum charge</u>
International Order Book (IOB) securities	8p	6.5p	£2.75
		<u>Charge per trade report</u>	<u>Maximum charge per month</u>
Trades reported by Registered Market Makers <sup>11</sup>		Free	Free
Reported trades in all other securities not detailed above		3p	<sup>12</sup> £800

## Market Maker registration charges

### per security

<u>Category of securities</u>	<u>Charge</u>	<u>Maximum number of charges <sup>13</sup></u>
Securities in FTSE100 Index (segments SET0 & SET1)	£20	62
Securities in FTSE250 Index (segment STMM)	£20	80
Securities in FTSE SmallCap Index (segment SSMM)	£15	66
Securities on SETSqx (excluding AIM securities)	£15	180
AIM securities	£15	280
EQS securities	£10	42
Securities admitted to the Order book for Retail Bonds	Free	---
All other securities <sup>14</sup>	£20	---

## OTC trade reporting

Available to member and non-member firms in all EU Regulated Market securities

	<u>Charge per trade report</u>	<u>Maximum trade report charge per month</u>	<u>Annual service charge fee</u>
Member firm	3p	<sup>12</sup> £800	---
Non-member firm	3p	£800	£1,000

# Notes

## Order book business

### Order and quote charges

#### 1 Non-persistent orders

An order with a Time in Force that prevents it residing on the order book is considered to be a non-persistent order:

- IOC - Immediate or Cancel
- FOK - Fill or Kill

#### 2 Order management surcharge

The order management surcharge applies, in addition to any applicable order management charge, to each order event (order entry, order modification and order deletion) in excess of the applicable figure in the table below. All automatically executed trades (fills on the Exchange trading system) during continuous trading and auctions are counted. The surcharge is assessed separately for each member firm in each segment on a daily basis, with the exception of ETFs (segments ETF5, ETF2 and ETFU) and ETPs (segments ETC5, ETC2 and ETCU) which are assessed for each member firm in each product group (i.e. ETFs or ETPs) on a daily basis.

Security	Number of order events per electronic trade permitted before order management surcharge payable
FTSE 100 and FTSE 250 Index securities	500
Exchange Traded Funds and Exchange Traded Products	200
All other securities	No order management surcharge

Modifications arising from the entry of enhanced quotes in FTSE 100 Index securities are included when assessing the order management surcharge.

To qualify for the reduced high usage surcharge available for ETFs and ETPs, order book trading by the member firm must exceed £750 million by value or 10% of the order book value traded in aggregate across ETFs and ETPs over the billing period.

#### 3 Quote management charge

An alternative charging model for Securitised Derivatives is available on application and is charged at £10,000 per 100 messages per second per month.

### Exchange charge

#### 4 The charge for each order executed in part or in full, without reference to the number of executions incurred. Where an order executes over multiple days a charge will apply on each day it executes.

#### 5 Standard Value Traded Scheme

The charge for each order executed is by reference to the cumulative value traded on the order book by the member firm in the current billing period. Each order execution will be charged in accordance with the banded structure set out in this document, subject to the minimum execution charge. This tariff shall not apply to the following types of trading (although this trading still contributes towards cumulative value traded for purposes of the Standard Value Traded Scheme):

- Passive executions of Proprietary Flow (as defined in note 6.1) that qualifies under the Liquidity Provider Scheme
- aggressive flow that qualifies under the High Volume Liquidity Takers Scheme under note 6.2
- orders executed by a registered market maker in a Smaller Company under note 6.3

This tariff does not apply nor will volume generated count towards cumulative value traded for:

- all Nominated Client (as defined in note 6.1) flow
- securities admitted to the Order book for Retail Bonds

#### 6.1 Passive executions qualifying under Liquidity Provider Scheme for FTSE 350 securities

Member firms may apply for up to 2 trader groups or 2 groups of UserIDs or 2 TraderIDs (as appropriate) to be included within the scheme for use in relation to flow solely generated from the firm's own capital with no related client orders ("Proprietary Flow"). Any flow generated by the Nominated Client shall not be taken into account in determining the Proprietary Flow.

Member firms may also apply for a trader group or UserIDs (as appropriate) to be included within the scheme for use in relation to flow solely generated from an end-user client which is not a member firm ("Nominated Client") as identified in the relevant declaration. A separate trader group or UserIDs must be designated in a separate declaration for each Nominated Client. Where a Nominated Client is no longer to be included in the scheme, the Exchange must be notified before the start of a month otherwise the member firm will be charged the monthly fee for that month. Fees relating to Nominated Clients are payable by the member firm.

Member firms may apply for inclusion of themselves and/or Nominated Clients in the scheme up to and including 29 February 2012. The scheme will apply up to and including 31 March 2012. To qualify under the scheme for a calendar month, passive continuous trading execution by value must exceed 75% of all continuous execution by value in FTSE 350 securities sent through a trader group or group of UserIDs (as appropriate). There is no minimum execution fee chargeable for qualifying passive executions. Note 8 still applies. Details of relevant declarations, along with how to apply can be found at <http://www.londonstockexchange.com/prices>

#### 6.2 Aggressive executions qualifying under Liquidity Taker Scheme Packages

This scheme applies to all qualifying aggressive, continuous trading executions in equity and IOB securities (excluding ETFs, ETPs, Securitised Derivatives and the Order Book for Retail Bonds) ("Qualifying Securities"). To enter or exit the

scheme, or to change Package, in any month to 31 March 2012, a member firm must notify LSE with an email to [clients@londonstockexchange.com](mailto:clients@londonstockexchange.com) to be received by LSE by 3pm on the last business day of the prior month to the first month for which the member firm's selection will apply. If no package is selected, member firms will be charged based on the Standard Value Traded Scheme. Whilst Hidden orders are excluded from the scheme, any part of an Iceberg order that executes immediately on entry to the order book will be included in this scheme.

#### 6.3 Private Client Broker (PCB) Order Book Trading Scheme

Any member firm wishing to benefit from this scheme must nominate one Trader Group to be dedicated to this scheme. Any orders submitted within this Trader Group must be Private Investor Orders (as defined in the "Private Client Broker (PCB) Order Book Trading Scheme - Qualification" document). 6 months free trading commences separately for each member firm from the date of inclusion of each Trader Group within the scheme. Note 8 still applies. Details of full terms and conditions, along with how to apply can be found at <http://www.londonstockexchange.com/prices>

#### 6.4 Execution by a Smaller Company Registered Market Maker

Executions by Registered Market Makers in any security in which the market maker is registered qualify for this tariff. Smaller companies are defined as follows:

- FTSE SmallCap Index securities
- AIM securities
- SETSqx securities
- SET3 securities
- Exchange Traded Funds
- Exchange Traded Products (ETCs & ETNs)
- Securitised Derivatives

#### 7 Order book for Retail Bonds

This fixed charge applies to each order executed in securities admitted to the Order book for Retail Bonds.

As an introductory offer this charge will not apply to orders executed by market makers in any Order book for Retail Bonds security in which the market maker is registered.

#### 8 Hidden & non-displayed portion of Icebergs

Where hidden or iceberg order functionality is available, a premium is payable on the execution of Hidden Limit, Mid-price Pegged and the persistent, non-displayed part of an Iceberg order. The premium is not payable on iceberg executions where:

- the execution is of a visible peak; or
- any part that executes immediately on entry to the order book.

#### 9 Other on Exchange business

Includes all business reported to the Exchange for which there is not a trade report automatically generated by the trading system.

#### 10 Gilt-edged and fixed interest securities

Trades in gilt-edged securities between a Gilt-Edge Market Maker and:

- a gilt inter dealer broker are charged at 50% and 25% respectively of the published tariff;
- a member firm that is neither a market maker nor a gilt inter dealer broker are charged to the non-reporting party.

#### 11 Trades reported by Registered Market Makers in any security in which the market maker displays quotes on the trading system qualify for this tariff.

#### 12 This is a single monthly charge and is applied across both eligible on-Exchange trade reports and OTC trade reports.

### Market Maker Registration charges

#### 13 The charge per security is payable per security up to the number of registrations within each category shown here. Subsequent registrations in that category of securities are free.

#### 14 Includes any other security in which market makers may be registered to display quotes on the trading system.

### General information

All charges are payable monthly in arrears. All charges are quoted in UK sterling and exclude VAT. London Stock Exchange plc relies on the data submitted to it to calculate charges. Trades submitted in error may incur a charge. Any invoice queries including, without limitation, any request by a customer for repayment of overpaid charges must be made within three months of the end of the month to which the relevant invoice relates. The customer shall not be entitled to query an invoice and/or claim repayment of any overpaid charges after this period.

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