



## ICE Benchmark Administration

### Licensing and Distribution FAQs – LBMA Gold Price

Version 1.0 (July 2015)

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#### **1. GENERAL FAQs**

##### **What is changing?**

On 1 October 2015, ICE Benchmark Administration (ICE) will be introducing new licensing arrangements for the use of the LBMA Gold Price information and trademarks.

##### **Do I need an LBMA Gold Price licence?**

A licence is required by any party that: is involved in the use of the LBMA Gold Price as a data input or reference rate for valuation, transactional, or benchmarking purposes; offers exchange traded products (ETPs) where the LBMA Gold Price serves as, or part of, the reference; redistributes the LBMA Gold Price to third parties; and/or offers contracts for trading or clearing that reference the LBMA Gold Price.

##### **Which licence do I require?**

A Usage Licence is required for any party that:

- Uses the LBMA Gold Price in valuation and/or pricing activities, including (but not limited to):
  - Collateral calculations
  - Interest rate fixings
  - Portfolio valuations
  - Contract pricing
  - Asset valuations
  - Loan servicing
  - Pricing curves
  - Discounting curves
  - Valuation of holdings or inventories
- Uses the LBMA Gold Price as a reference rate in transactions and/or the marketing or sale of financial products including (but not limited to):
  - Deposit-gathering
  - Commercial lending
  - Securities offerings
  - Rate or foreign exchange trading
  - Loan syndications and originations
  - Structured finance offerings
  - Annuity products
  - Commercial contracts

but excluding exchange traded products (ETPs) such as ETFs that are covered by an ETP Issuer Licence

- Uses the LBMA Gold Price on a real-time basis to value transactions and/or as input data for enterprise applications or systems.

A Redistribution Licence is required for any party that redistributes the LBMA Gold Price to third parties, either real-time or delayed.

A Trading/Clearing Licence is required for any party that offers trading/clearing of financial contracts, for example futures or options, for which the LBMA Gold Price is the underlying reference.

An ETP Issuer Licence is required for the issuance of exchange traded products (ETPs), such as an exchange traded fund (ETF), where the LBMA Gold Price AM or LBMA Gold Price PM serves as, or part of, the underlying reference.

### **Will I need more than one licence if I am engaged in multiple applications or uses of the LBMA Gold Price?**

Clients may require more than one type of licence. However ICE will only invoice the licence fee for the licence with the highest fee, and will waive the fee(s) for the licence(s) with lower fee(s).

### **How can I sign up for a licence?**

An on-line wizard is available to help you apply for the appropriate licence:

<http://iba.theice.com/licenses>

### **How can I access the LBMA Gold Price information?**

LBMA Gold Price data can be accessed from one of the following sources:

- Authorised market data vendors. A list of licensed real-time redistributors can be found on our website: [www.theice.com/iba/licensing](http://www.theice.com/iba/licensing). Data is available in either real-time or 30 minutes delayed.
- WebICE. Customers can request view only access to WebICE. This allows customers who aren't direct participants to view the auction in real-time.
- Public websites. A number of publically available websites provide the LBMA Gold Price. From 1 October 2015 data on publically available websites will be delayed by 30 minutes.
- Direct from ICE's secure MFT service. Only available to data vendors and redistributors. Please contact the ICE Benchmark Administration licensing team to discuss accessing the MFT service.

### **How can I get set up to access the LBMA Gold Price through WebICE?**

Customers that already have access to WebICE should submit a request through their WebICE administrator. Customers that do not already have access to WebICE should contact [data@theice.com](mailto:data@theice.com) to put the applicable WebICE agreement in place.

### **I receive the LBMA Gold Price information from a third party, how does this impact me?**

Clients who receive live, real-time LBMA Gold Price information from a market data vendor/redistributor may be required to pay end user fees, in addition to any applicable Usage Licence fees. These fees will be collected by your market data vendor and remitted to ICE. ICE Benchmark Administration recommends a fee of \$25 per user per month. Clients should check with their market data vendor as to the applicable fee. End user fees will not apply to data delayed by a minimum of 30 minutes, though other direct licencing fees might apply.

### **How can I access historical LBMA Gold Price values?**

Historical LBMA Gold Price data is available on the ICE Benchmark Administration website, with historical rates going back to January 1, 1968. Historical LBMA Gold Price data is also available from some market data vendors. There are no licensing requirements or fees for retrieving this historical data. <https://www.theice.com/marketdata/reports/178>.

### **I previously had a licence with the Gold Fixing Company, how do these changes impact me?**

All previously existing licences with the Gold Fixing Company terminated at close of business of March 19, 2015 and customers will need to re-license with IBA.

### **What name should be used for the benchmark in documentation?**

The official registered name of the benchmark is “LBMA Gold Price”.

Documentation that specifically refers to the LBMA Gold Price published at 10:30am London time should be updated to refer to “LBMA Gold Price AM”.

Documentation that specifically refers to the LBMA Gold Price published at 3:00pm London time should be updated to refer to “LBMA Gold Price PM”.

ISDA have made amendments to their definitions as follows:

- “GOLD–LBMA PRICE-AM” means that the price for a Pricing Date will be that day’s morning London Gold price per troy ounce of Gold for delivery in London through a member of the LBMA authorized to effect such delivery, stated in U.S. Dollars, as calculated and administered by independent service provider(s), pursuant to an agreement with the LBMA, and published by the LBMA on its website at [www.lbma.org.uk](http://www.lbma.org.uk) that displays prices effective on that Pricing Date.
- “GOLD–LBMA PRICE-PM” means that the price for a Pricing Date will be that day’s afternoon London Gold price per troy ounce of Gold for delivery in London through a member of the LBMA authorized to effect such delivery, stated in U.S. Dollars, as calculated and administered by independent service provider(s), pursuant to an agreement with the LBMA, and published by the LBMA on its website at [www.lbma.org.uk](http://www.lbma.org.uk) that displays prices effective on that Pricing Date.

### **Who should I contact in case I have further questions about LBMA Gold Price licensing or technical access to rates?**

Please feel free to contact the ICE Benchmark Administration licensing team as follows:

Telephone: +44 (0) 20 3540 7200 (UK) or +1 (347) 252 6465 (US)

Email: [iba-licensing@theice.com](mailto:iba-licensing@theice.com)

## **2. FAQs for Usage Licences**

### **Does my usage of the LBMA Gold Price require me to obtain a Usage Licence?**

A Usage Licence is required for any party that:

- Uses the LBMA Gold Price in valuation and/or pricing activities, including (but not limited to):
  - Collateral calculations
  - Interest rate fixings
  - Portfolio valuations
  - Contract pricing
  - Asset valuations
  - Loan servicing
  - Pricing curves
  - Discounting curves
  - Valuation of holdings or inventories
- Uses the LBMA Gold Price as a reference rate in transactions and/or the marketing or sale of financial products including (but not limited to):
  - Deposit-gathering
  - Commercial lending
  - Securities offerings
  - Rate or foreign exchange trading
  - Loan syndications and originations
  - Structured finance offerings
  - Annuity products
  - Commercial contractsbut excluding exchange traded products (ETPs) such as ETFs that are covered by an ETP Issuer Licence
- Uses the LBMA Gold Price on a real-time basis to value transactions and/or as input data for enterprise applications or systems.

### **Will I need to purchase multiple licenses if I engage in various uses or applications of the LBMA Gold Price?**

A single Usage Licence will cover all uses of the LBMA Gold Price listed above within an organisation, including all group affiliates and/or holding companies.

### **What legal agreement will I be required to sign?**

The client is required to sign the Master Licence Agreement. This is available on our website: [www.theice.com/iba](http://www.theice.com/iba). Schedule J contains specific terms concerning the Usage Licence for the LBMA Gold Price.

### **Will the licence cover other entities in my company group?**

The licence can cover any subsidiary, holding company or subsidiary of such holding company. Clients are required to provide to ICE Benchmark Administration a full list of entities that are to be covered by the licence, and to refresh this list on an annual basis.

### **How much does this Usage Licence cost?**

For financial institutions there is an annual licence fee of \$20,000. For non-financial institutions there is an annual licence fee of \$5,000. For central banks the annual licence fee is \$10,000.

### **What do you mean by Financial and Non-Financial Institutions?**

Fees for the Usage Licence vary according to whether an entity is considered to be a 'financial' or 'non-financial' institution. For the purposes of the licensing of the LBMA Gold Price, a financial institution means an undertaking, the principal activity of which is to acquire holdings or to carry out one or more of the following activities:

- Lending including, inter alia: consumer credit, mortgage credit, factoring, with or without recourse, financing of commercial transactions (including forfeiting)
- Financial leasing
- Money transmission services
- Issuing and administering means of payment (e.g. credit cards, travellers' cheques and bankers' drafts)
- Guarantees and commitments
- Trading for own account or for account of customers in:
  - money market instruments (cheques, bills, certificates of deposit, etc.);
  - foreign exchange;
  - financial futures and options;
  - exchange and interest rate instruments; or
  - transferable securities.
- Participation in securities issues and the provision of services related to such issues
- Advice to undertakings on capital structure, industrial strategy and related questions and advice as well as services relating to mergers and the purchase of undertakings
- Money broking
- Portfolio management and advice
- Safekeeping and administration of securities
- Issuing electronic money.

This definition is based on UK law (paragraph 5(c) of Schedule 3 to the Financial Services and Markets Act 2000 and article 4 of the Banking Consolidation Directive) and is used solely for the purposes of defining Usage Licence fee levels. For the avoidance of doubt, ICE is not seeking to categorise users as financial or non-financial institutions for any purpose other than defining these fee levels.

### **Do I still need to pay end user fees if I have a Usage Licence in place?**

If you receive real-time data from a third party redistributor or through WebICE for viewing purposes, or for non-display activities not covered by the Usage Licence criteria, then end user fees will apply.

### **Can I publish the LBMA Gold Price to my clients?**

Usage Licence holders are permitted to provide the LBMA Gold Price information to clients only in the ordinary course of business of providing pricing/valuation services or referencing the LBMA Gold Price in transactions and financial products. Providing a specific LBMA Gold Price in a valuation report or communicating to a contract counterparty are examples of limited distribution of rates that would be acceptable under the Usage Licence. Displaying the LBMA Gold Price daily on a trading screen, website or any other market data service would require a separate Redistribution Licence.

### **3. FAQs for Redistributors/Vendors**

#### **What licence do I require to redistribute the LBMA Gold Price to my clients?**

For redistribution of the LBMA Gold Price information clients are required to sign the ICE Data Vendor Agreement.

#### **How much does this redistribution licence cost?**

There is an annual fee of \$20,000 for real-time rates and \$5,000 for 30 minutes delayed rates. For clients paying the real-time redistribution fee of \$20,000, any Usage Licence fees will be waived (where appropriate and at ICE's discretion). The redistribution licence fees are not cumulative. A client paying the \$20,000 real-time data redistribution fee will be able to offer 30 minutes delayed data at no additional cost.

#### **Will the licence cover other entities in my company group?**

The redistribution licence will allow distribution to third parties by any subsidiary, holding company or subsidiary of such holding company. Clients are required to provide to ICE Data a full list of entities that will be redistributing the LBMA Gold Price data externally.

#### **Will there be end user fees?**

For real-time data, redistributors/vendors must remit to ICE end user fees of \$25 per user per month for each user with access to the LBMA Gold Price information. End user fees will not apply to data delayed by a minimum of 30 minutes.

#### **Will end user fees apply to all of my clients?**

End user fees will apply be payable in respect of all end users who receive real-time LBMA Gold Price data.

#### **Are there any additional agreements that my clients need to sign?**

If a client participates in the following activities, it will need to obtain a Usage Licence:

- Uses the LBMA Gold Price in valuation and/or pricing activities, including (but not limited to):
  - Collateral calculations
  - Interest rate fixings
  - Portfolio valuations
  - Contract pricing
  - Asset valuations
  - Loan servicing
  - Pricing curves
  - Discounting curves
  - Valuation of holdings or inventories
- Uses the LBMA Gold Price as a reference rate in transactions and/or the marketing or sale of financial products including (but not limited to):
  - Deposit-gathering
  - Commercial lending
  - Securities offerings
  - Rate or foreign exchange trading
  - Loan syndications and originations
  - Structured finance offerings
  - Annuity products
  - Commercial contractsbut excluding exchange traded products (ETPs) such as ETFs that are covered by an ETP Issuer Licence
- Uses the LBMA Gold Price on a real-time basis to value transactions and/or as input data for enterprise applications or systems.

#### **Do I need to ensure my clients have entered into a Usage Licence before providing them with LBMA Gold Price data?**

No. We do however require redistributors to ensure that subscribers to the LBMA Gold Price data are informed of the activities that require a Usage Licence. In certain circumstances we may ask the redistributor to cease supplying real-time LBMA Gold Price data to a client, for example in a licence

dispute. Additionally redistributors are required to report to ICE all end users who are receiving real-time LBMA Gold Price data.

**Are there any restrictions on providing historical LBMA Gold Price information to my clients?**

There are no restrictions on providing historical data to clients.

**Can I publish the LBMA Gold Price on a public website?**

Live LBMA Gold Price information cannot be displayed on a public website, instead users must be set up with a username/password and end user fees will apply to each user who has access to the information. Delayed LBMA Gold Price information (30 minutes after initial publication) can be displayed on a public website without password control or reporting. Any client displaying 30 minutes delayed rates on a website will be required to enter into a public display agreement with ICE. The fees for displaying delayed LBMA Gold Price data on a public website are waived.

**Can I use the LBMA Gold Price in editorial stories?**

Any use of the LBMA Gold Price information in editorial stories that a client could reasonably use a substitute to subscribing to real-time LBMA Gold Price prices is not allowed. The following are examples of editorial use that would not be permitted:

- A twice-daily news story which includes the current LBMA Gold Price, published before the 30 minutes delay period
- Alerts/headlines providing LBMA Gold Price to subscribers

Reference to the LBMA Gold Price in the context of a written story is allowed. For example, "today's LBMA Gold Price increased \$2 to \$1234".

**What is the derived data policy?**

If, in ICE's sole discretion, it is possible for any person to readily obtain or discern the original LBMA Gold Price information from the derived data (whether by reverse engineering, calculation, translation or otherwise), or where the derived data is used as a substitute for subscribing to the LBMA Gold Price information, then this derived data is subject to end user fees.

**What is the non-display policy?**

There is no specific non-display policy. A non-display device (or application) that is consuming the LBMA Gold Price information is counted as a single reportable user.

**I already have a contract with ICE Data to distribute ICE Futures Europe, ICE Futures US, ICE Futures Canada, ICE Endex or ICE LIBOR market data, how does this affect me?**

Vendors who have entered into the ICE Data Quote Vendor Agreement prior to January 2014 will be required to enter into a new agreement. Vendors who have entered into an agreement after this date will be able to update Schedule 1 of their existing agreement. ICE Data will be able to confirm the current version of your agreement and assist with any updates, they can be reached on [qv\\_commercial@theice.com](mailto:qv_commercial@theice.com) or +44 20 7065 7778.

**How do I report usage?**

All reports must be submitted to ICE Data LLP via VARS (Vendor Automated Reporting System), on or before the 20<sup>th</sup> day of each calendar month following the month to which the report pertains. Full reporting guidelines are provided in Schedule 6 of the ICE Data Vendor Agreement.

**How can I access the LBMA Gold Price?**

See section 5 of this document.

**4. FAQs for Trading/Clearing Venue Licences**

**Do I require a Trading/Clearing Venue Licence?**

A Trading/Clearing Venue Licence is required for any party that operates a trading/clearing venue, for example a futures exchange, offering financial contracts for which the LBMA Gold Price is the underlying reference, for example cash-settled gold futures and options.

**What legal agreement will I be required to sign?**

The trading/clearing venue operator is required to sign the Master Licence Agreement and Schedule L which contains specific terms concerning the Trading/Clearing Venue Licence. This will be provided to clients on request.

**How much does this Trading/Clearing Venue Licence cost?**

Please contact ICE Benchmark Administration for further details about the Trading/Clearing licence, including pricing.

**5. FAQs for ETP Issuer Licences****Do I require a ETP Issuer Licence?**

An ETP Issuer Licence is required by any party that offers exchange traded products (ETPs), such as an exchange traded fund (ETF), where the LBMA Gold Price AM or LBMA Gold Price PM serves as, or part of, the underlying reference.

**What legal agreement will I be required to sign?**

The ETP issuer is required to sign the Master Licence Agreement and Schedule M which contains specific terms concerning the ETP Issuer Licence. This will be provided to clients on request.

**How much does this ETP Issuer Licence cost?**

Please contact ICE Benchmark Administration for further details about the ETP Issuer Licence, including pricing.

**6. Technical Access FAQs**

LBMA Gold Price data can be accessed from one of the following sources:

- Authorised market data vendors. A list of licensed real-time redistributors can be found on our website: [www.theice.com/iba/licensing](http://www.theice.com/iba/licensing). Data is available in either real-time or 30 minutes delayed.
- WebICE. Customers can request view only access to WebICE. This allows customers who aren't direct participants to view the auction in real-time.
- Public websites. A number of publically available websites provide the LBMA Gold Price. From 1 October 2015 data on publically available websites will be delayed by 30 minutes.
- Direct from ICE's secure MFT service. Only available to data vendors and redistributors. Please contact the ICE Benchmark Administration licensing team to discuss accessing the MFT service.

**What format is the MFT service data provided in?**

LBMA Gold Price information retrieved from the MFT service will be presented in files formatted in FIXML. Sample files are available on our website: [www.theice.com/iba](http://www.theice.com/iba).

**How can I easily read the contents of the FIXML files?**

Clients may find it easier to view the contents of the FIXML file using Microsoft Excel to tabulate the data into headed columns. To do this, save the file to your computer, then drag and drop the file onto an open Microsoft Excel window and select 'As an XML table' when presented with the 'Open XML' dialogue box (you may need to click 'OK' again if asked whether to create a schema based on the XML source data).

**What is MFT and how do I get set up?**

MFT (Managed File Transfer) is similar to FTP (File Transfer Protocol) but with an added layer of security. Authentication for the MFT server is SSH key based. Clients are required to generate an SSH key pair and supply ICE Benchmark Administration with the public key while retaining their private key. Clients are also requested to provide us with an IP address to add to a 'White List'. Only registered client source IP addresses will be able to access MFT. Contact [iba-licensing@theice.com](mailto:iba-licensing@theice.com) for further information.

**How do I set up SSH keys?**

SSH keys can be created using an SSH Client, for example, OpenSSH, Cygwin, PuTTY or Commercial SSH. The ICE Benchmark Administration licensing team can help you through this process: [iba-licensing@theice.com](mailto:iba-licensing@theice.com).

**When is the LBMA Gold Price published?**

The LBMA Gold Price is published at the end of the twice daily auctions that start at the following times:

LBMA Gold Price AM	10:30 LDN
LBMA Gold Price PM	15:00 LDN

(LDN: London time)

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