

## SUMMARY ORDER EXECUTION POLICY EQUITI GLOBAL MARKETS LTD

Effective: October 2022

This document provides a summary of our Order Execution Policy (“**Order Execution Policy**”) which applies to Equiti Global Markets Ltd (“**Equiti**”, “**we**”, “**our**” or “**us**”) and **its execution-only dealing services** in relation to FX and CFDs **on a non-advised basis** (defined as Services, CFDs, FX and Financial Instruments, in our Terms and Conditions of Business) on behalf of Professional Clients and Eligible Counterparties. This document forms part of our Terms and Conditions of Business. Capitalised terms not defined in this document have the same meaning as ascribed to such terms in the Terms and Conditions of Business.

### 1. What are the Cyprus Securities and Exchange Commission’s (the “CySEC”) best execution requirements?

Best execution is the requirement for investment firms, such as Equiti carrying on investment business to obtain the best possible result for their clients when executing client orders or passing them to other firms for execution.

The CySEC’s rules on best execution are set out in the Investment Services and Activities and Regulated Markets Law (L. 87(I)/2017), as amended (the “applicable legislation”). These rules are derived from the MiFID II Directive (2014/65/EU) and Commission Delegated Regulation (EU) 2017/565.

In addition, there are two sets of regulatory technical standards (RTS 27 and RTS 28) that are relevant to the CySEC’s best execution requirements, and we are required, as a result, to report and publish on our website or by other means:

- *RTS 27 reports* – on *quarterly* basis the data relevant to the quality of execution of transactions by execution venues; and
- *RTS 28 reports* – on *annual basis* information on the identity of top five execution venues and on the quality of execution.

### 2. What are the best execution obligations for execution only services?

Equiti must when it executes orders to:

- Comply with the overarching requirement to take all sufficient steps to obtain the best possible result for their

clients on consistent basis.

- Consider various execution factors and execution criteria.
- Act honestly, fairly, and professionally in the best interest of its clients.
- Follow client’s specific instructions (this will by itself satisfy our best execution obligations).
- Establish and maintain execution arrangements and execution policies.
- Provide disclosures on its execution policies to clients.
- Obtain clients’ prior consent to use the execution policies.
- Provide information to its clients on where their order was executed.
- Monitor the effectiveness of its execution arrangements and policies.
- Conduct reviews of its execution arrangements and policies.
- Be capable of demonstrating to its clients that they have executed orders in accordance with the execution policies.
- Publish information annually on the top five (5) execution venues for the execution of client orders in the preceding year (accessible on our website as RTS 28 Report).

### 3. Which clients the best execution obligation applies to?

Equiti deals with eligible counterparties, (per se and elective) and professional clients as such terms are defined in the applicable legislation.

**Eligible counterparties.** The best execution obligation does not apply in respect of eligible counterparties.

**Professional clients.** When dealing with professional clients Equiti will owe best execution obligations where the client is legitimately relying on Equiti to execute the transaction.

Equiti will apply the following considerations to help determine if clients do generally place legitimate reliance on Equiti within the legal framework referred above:

- which party has initiated the transaction i.e., where you initiate the transaction, it is less likely that you are placing legitimate reliance on us;
- whether there is a market convention to “shop around” i.e., where market practice for a particular asset class or product suggests that you will have access to various providers who may provide quotes and you have the ability to shop around, it is less likely that you will be placing legitimate reliance on us;
- the relative levels of transparency within a market i.e., where pricing information is transparent and it is reasonable to consider that you will have access to such information, it is less likely that you will be placing legitimate reliance on us; and
- the information provided by Equiti and any agreement reached i.e., where any agreements or arrangements with you (including the provisions within this Order Execution Policy) do not indicate or suggest that an understanding has been reached that you will place any legitimate reliance on us, or we have agreed to provide you with best execution.

Note that our commitment to provide you with best execution does not mean that we owe you any fiduciary responsibilities over and above the specific regulatory obligations placed upon us or as may be otherwise contracted between us.

### 3. Agreement to the Order Execution Policy and its Amendments

As this document forms part of our Terms and Conditions of Business with each client, regardless of the client categorization, by agreeing to the Terms of Business, you are also providing consent to the terms of our Order Execution Policy, as summarized in this document, as such may be amended or supplemented from time to time.

### 4. Order Handling and Trading Details for Execution only Services

The Terms and Conditions of Business provide details on how we handle orders with you. The ‘Product Details’ section on our website and within our trading platforms set out full details of the trading conditions for types of CFDs and products available through trading account(s).

### 5. Delivering Best Execution

Equiti will be trading in an agency capacity unless agreed otherwise.

When executing orders on your behalf, Equiti will take all sufficient steps to obtain the best possible result. We take into account the execution factors (as listed below), execution criteria and determine their relative importance by using our commercial judgment and experience in light of available market information.

### 6. Execution Factors and their relative importance

Equiti is required to take into consideration several execution factors when it comes to the execution of an order:

1. Price formation;
2. Costs paid by customers;
3. Speed
4. Likelihood of execution and settlement;
4. Size; and
5. Nature of the trade order; or
6. Any other relevant consideration.

The relative importance of the execution factors varies, and the following criteria are taken into account:

- The characteristics of the clients (including the client’s categorisation);
- The characteristics of the client order (including, the size and nature of the order);
- The characteristics of the Financial Instruments that are the subject of that order; and
- The characteristics of the execution venues to which that order can be directed.

The significance and the order of priority we assign to the execution factors when executing orders at or below the displayed market size is as follows:

Execution Factor	Relative Importance
Price	1
Costs of execution	2
Likelihood of execution	3
Speed	3
Size	4
Nature of the trade order	5
Other consideration	6

#### 6.1. Price Formation

For any given Financial Instrument, Equiti will quote Spread, the difference between the lower (BID price to sell (go short))

and higher (ASK price to buy (go long)) figures of a quoted two-way price for a Financial Instrument.

The price feed quoted is provided by the aggregated pool of LPs (consisting of various banks and non-bank LPs) to provide competitive pricing, tighter spreads and/or greater liquidity. The LPs in the pool are regularly reviewed against Equiti's internal execution criteria and removed and replaced as and when failing to comply with the set parameters.

Our ASK and BID prices as displayed may differ from the prices quoted by other providers, as they will factor in our commission, spread, market volatility or other financing costs and charges, as applicable. Our costs and charges may be different to other providers costs and charges or their assessment of market volatility.

We are not able to give warranty, expressed or implied, that the BID and ASK prices displayed on our trading systems always represent the best prevailing market prices for investors.

## 6.2. Costs

The Spread includes our cost and charges for the Services provided to the client.

Our Spreads are published on our website and may differ depending on the Financial Instrument.

We apply a variable spread, which means that the Spread varies during the day due to the market volatility or liquidity. Equiti has the right to alter the Spreads in order to reflect the market conditions and other political or economic events. Our displayed Spreads price will often be different to the underlying as it may also include charges such as, pre-transaction mark-ups, post-transaction commissions, or rolling overnight financing charges and charges for managing cash adjustments on your account.

The current fees and charges, including any method of calculating costs, charges, including any commission, are made available to you on our Website, through the Platforms or on request if you contact one of our employees at [brokeragesupport@equiti.com](mailto:brokeragesupport@equiti.com).

## 6.3. Speed and Likelihood of Execution

The speed of execution may depend on which data center the client is trading on, the type of Order and the underlying Liquidity Providers' trading parameters. Fast execution is crucial to ensure that Orders are executed precisely. Latency which is any delay between the time of request and a response regarding an Order may result in delays and consequently lead to Orders being executed at the next available price. In such

case, the price may be either in favor or against the client depending on the price at that time.

As regards the likelihood of execution, we review our pool of Liquidity Providers periodically for the Best Execution Committee's criteria and if any Liquidity Provider falls out of the Committees' agreed tolerance level criteria (with the particular emphasis on speed and rejection rate) we will remove such Liquidity Provider from the pool, until further notice.

## 6.4. Transaction size

Equiti quotes prices for a minimum and maximum trade size. If your trade size Order is larger the quoted prices may differ as it may be more sensitive to the market conditions, available liquidity and our risk management procedures. Equiti reserves the right to decline large order sizes that would result in exposing Equiti or client to significant risk.

## 6.5. Nature of the Trade Order

Prices for electronic orders are shown on the Platforms. Prices for worked orders are generally based on the average price Equiti received when executing the Order on a third-party execution venue and in that case may be subject to any applicable third-party costs, in addition to our standard Charges, regardless of the client classification.

## 6.6. Other Considerations

In addition to the above execution factors and the relevance we assigned to each when executing Orders, many other factors, such as providing price quotes for Financial Instruments outside of normal market hours, will be relevant to the price, as they may be less liquid and more volatile.

## 7. Execution Venue

For the purposes of MiFID II, a "venue" includes an exchange, a multilateral trading facility and a broker. Unless we agree otherwise, Equiti will act as an agent on the Client's behalf. The Company will not execute the client order(s) as a principal to principal against the Client (i.e., the Company is not the execution venue for the execution of the Client's orders). Therefore, the Company will transmit the client order(s) or will arrange for their execution with the third-party liquidity provider(s) it is collaborating with.

In this respect, Equiti's execution venue is Equiti Capital UK Limited, which is authorised and regulated by the Financial Conduct Authority (firm reference no. 528328), which retrieves direct liquidity and price feeds from multiple liquidity providers.

## What factors are taken into account in determining the execution venues?

Factors that we consider in selecting the entities with which your orders are placed or to which we transmit your orders for execution in respect of a particular Financial Instrument include:

- general prices available;
- depth of liquidity;
- relative volatility in the market;
- speed of execution;
- cost of execution;
- creditworthiness of the Liquidity Provider;
- the venue's trading strategies; and
- quality and cost of settlement.

## 8. Specific Instructions

Clients may ask Equiti to execute their Orders in accordance with specific instructions, either generally or on a case-by-case basis. We will aim to execute the Order as per such specific instruction. Such specific Orders may result in higher costs, and Equiti will first notify the client of its revised Charges before accepting the Order(s).

As stated above, where Equiti follows a specific instruction, we will be regarded as fulfilling our best execution requirement.