



**TOP 5 EXECUTION VENUES
REGULATORY TECHNICAL STANDARD**

28

YEAR ENDED 31st DECEMBER 2018

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Relative importance of Execution Factors

As per the relevant regulatory framework the Company is required to assign relative importance to execution factors such as:

- Price
- Cost
- Speed
- Likelihood of execution

For assessing the quality of order execution delivered to its clients the Company has a number of processes and reports in place that runs daily.

Price

Price carries the highest significance for the Company when assessing best execution, and monitoring is performed continuously with pre-set alerts informing the Brokerage department of any disruptions, spikes and delays. Similarly, at random times during the day prices are compared against the Company's Data Providers and competitors ensuring that Company's clients receive the best, as possible, price updates. Subject to the issue at hand the Company may switch to the backup provider or contact its IT team and/or provider's IT team to resolve the issue and allow smooth trading experience.

Cost

The Company aims to maintain low trading costs for its clients and emphasizes on business relationships that provide both a cost-effective solution and the best service in price updates. For this reason, in 2018 the Company switched from Leverage Financial Services and proceeded to onboard Interactive Brokers alongside the existing relationship with AXI Corp UK as its Liquidity Provider.

The Company is clear and transparent regarding the spreads offered, commissions and swap fees and payments. For this reason, the Company does not markup any of the spreads received and opted to charge a fixed commission on a per volume traded basis.

Speed

As markets can move in milliseconds the Company aims to execute all client orders with the highest possible urgency by optimising and fully automating executions. The Company process 100% of its clients' trades without any manual intervention.

Likelihood of execution

The Company acts as principal and not as agent on the Client's behalf and, therefore, the Company is the sole execution venue when executing client orders on CFDs on both FX and Commodities. The prices provided are derived from pricing obtained from its Liquidity Providers. Therefore, the chance of not executing a client's trade is close to zero. A trade can be executed/ rejected if one of the below applies:

- Client has insufficient capital to trade

- The underlying market is facing a disruption
- LP related technical issues
- System malfunction.

Nonetheless, as per paragraph 15 of the Order Execution Policy the clients can contact the Company via phone to place, modify or close an order.

With real-time monitoring of all its systems, the Company aims to ensure the uninterrupted trading experience of its system to Clients.

Monitoring Quality of Execution

The Company conducts a daily audit of all executed orders at T+1 by analyzing the difference between the requested and execution times, as well as the difference between the requested price and execution price. By the end of 2019 the Company plans on automating a live price and spread comparison between its Data Providers and the Market along with an execution analysis report that will help distill and identify any potential inconsistencies from its Order Execution Policy.

All irregularities identified in the daily checks were investigated and corrected, to ensure that each client received the best price that the Company was able to execute at the time of the trade. The result of each check was recorded by the dealing desk, detailing anomalies where spotted or 'zero anomaly' when no action was required. These records were in turn monitored by Compliance, who ensured the integrity of order execution.

Conflicts of Interest

The Company is the sole Execution Venue for the execution of the client's orders. When a client trades to take a position in a financial instrument with the Company, then that position may only be closed with the Company.

Conflicts of interest are unavoidable in financial institutions such as Rynat Trading Ltd ("Rynat") with whom have a diverse range of activities and trade as Principal with their clients. Rynat always seeks to manage conflicts of interest fairly.

The Company's approach on managing conflicts of interest is set out in the Conflict of Interest Policy.

Close links and Arrangements

Rynat Trading Limited does not have any close links and common ownerships with any execution venues used to execute orders. There are not any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received.

Changes to Execution Venues

On 30th of June 2018 the Company terminated its agreement with Leverage Financial Services and moved away from the STP model to the Hybrid model after being granted the extension of license by the CySEC during the second quarter of 2018 to include the investment services of Dealing on Own Account, Portfolio Management and Investment Advice and the ancillary service of Investment research and financial analysis or other forms. The Company then proceeded to onboard Interactive Brokers as a second liquidity provider alongside the existing relationship with AXI Corp UK.

When does Best Execution not apply?

The Company strives to provide best execution for both its retail as well as professional clients.

Best execution does not apply:

- a. Where we receive specific client instructions to trade at specific terms. Such instructions may prevent the Company from taking the steps that it has designed and implemented in its Execution related Policies to obtain the best possible result for the execution of those orders in respect of the elements covered by those instructions.
- b. To clients who are classified as Eligible Counterparties in accordance with the Company's Client Categorization Policy.
- c. Where other Laws and regulations may prevail

Table 1 – Retail Clients					
Class of Instrument	(j) Contracts for difference				
Notification if <1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Rynat Trading Limited (213800TN6ZVXH4NC968)	84.85%	84.85%	0%	0%	0%
Leverate Financial Services Limited (549300LIT450323BK688)	15.15%	15.15%	0%	0%	0%

Table 2 – Professional Clients					
Class of Instrument	(j) Contracts for difference				
Notification if <1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Rynat Trading Limited (213800TN6ZVXH4NC968)	100%	100%	0%	0%	0%
Leverate Financial Services Limited (549300LIT450323BK688)	0%	0%	0%	0%	0%

Table 3		
Class of Instrument	(j) Contracts for difference	
Notification if <1 average trade per business day in the previous year	N	
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume executed as a percentage of total in that class	Proportion of orders executed as percentage of total in that class
Rynat Trading Limited (213800TN6ZVXH4NC968)	99.68%	99.68%
Leverate Financial Services Limited (549300LIT450323BK688)	0.32%	0.32%