



**RTS28 & Execution Quality Summary Statement  
(EQSS) For the Year 2019**

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## Execution Quality Summary Statement on Execution Arrangements for the year 2019 Summary

The Execution Quality Summary Statement (hereinafter the EQSS or the Statement) is a statement that Leverate Financial Services Ltd (hereinafter, the “Company”), an Investment Firm authorised and regulated by the Cyprus Securities and Exchange Commission with Licence Number 160/11, is required to disclose to its clients under Regulation EU 2017/576 of 8 June 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to regulatory technical standards for the annual publication by investment firms of information on the identity of execution venues and on the quality of execution.

The EQSS is a summary of the analysis and conclusions the Company drew from its detailed monitoring of the quality of execution obtained on the execution venues where it executed all client orders during the year 2019, covering a full year cycle (hereinafter, the “Year Under Review”).

The Company urges its clients and/or potential clients to read the Statement carefully as it contains information on how the Company executes orders to various execution venues in relation to the Asset Class of CFDs.

The EQSS along with the accompanied tables will remain on the Company’s website for two years at least post its publication. This document is solely for your own use and cannot be published elsewhere without the written consent of the Company.

## 1. Relative importance of the execution factors during the Year under review

The Company when executing clients’ orders is required under the relevant regulatory framework to assign relative importance of the following execution factors:

- a. Price;
- b. Cost;
- c. Speed of Execution;
- d. Likelihood of execution;
- e. Size of Order; and
- f. Market impact

For details on how each factor is assessed ex ante when executing clients’ orders kindly refer to the Company’s Best Interest and Order Execution Policy for retail and Professional Clients. During the Year Under Review the Company offered services to the following categories of clients:

- i. Retail Clients For these clients, the Company by virtue of the applicable regulatory framework is required to provide best execution in accordance with total consideration whereby total consideration represents the price of the Financial Instrument and the costs related to execution, which include all expenses incurred by the client which directly related to the execution of the Order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order, as applicable.
- ii. Professional Clients (including per-se Professional and elective Professionals) The Company has in place the appropriate execution arrangements to offer services to Professional

Clients. The Company places emphasis on price and execution costs aligning its execution arrangements for these clients as those applicable to Retail Clients (see point i. above).

## 2. Execution Venues During the year under review

The Company act as principal and as an agent on the client's behalf and, therefore, the Company is an execution venue of the client's orders in financial instruments provided by the Company. The Company operates on a hybrid model.

## 3. Change of Execution Venues during the year under review

During the year 2019, the Company did not terminate the business relationship with any Execution Venues, the Company has been given the authorisation to act as a market maker (operate an execution venue). The Company, for the execution of orders collaborates with entities established and regulated in the EEA or duly authorised and regulated entities domiciled in a third country for which there is an equivalence decision for the purposes of Article 107(4) or Regulation (EU) No 575/2013.

## 4. Conflicts of Interest

The Company lists (non-exhaustive) the possible conflicts of interest it is facing or prevent or manage conflicts of interest, which may arise during the course of its business activities (inclusive of conflicts of interest in relation to the execution venues it uses) as well as the relative mitigation measures in its Conflicts of Interest Summary Policy.

## 5. Payments or non-monetary benefits (made or received) to/by Execution Venues

During the Year Under Review the Company's arrangements with its liquidity providers stipulated that the Company does not receive any monies or non-monetary benefits from the liquidity providers for the execution of Clients orders. The Company pays its liquidity providers a fee based on trading volume that does not create a conflict of interest.

The Company generates its revenues from commissions paid by its Clients upon initiating a trading order. The Company's costs and charges are listed on the Company's website.

## 6. Tools and Data used during the Year Under Review.

The Company during the Year Under Review deployed a number of methodologies and tools in order to monitor, and where applicable adjust, its execution parameters in order to ensure consistency with its overarching obligation to offer the best possible result for its clients' orders. In broad terms the Company monitors on an ongoing basis its execution arrangements by selecting appropriate samples of orders executed and evaluates the samples in accordance to the following monitoring functions:

- (a) Evaluating the Company's execution venues in accordance to the following:
  - Pricing Frequency (price updates in real time);
  - Speed of execution;
  - Frequency and duration of price freezing;
  - Depth of liquidity;
  - Pricing transparency;
  - Slippage frequency etc.
  
- (b) Price Fairness by comparing independent prices relayed by independent market data providers with the prices quoted by its execution venues. For this purpose the Company has subscribed to independent price aggregators.
  
- (c) Technological prowess of Company systems (responsiveness of interface, lag, integration with the IT systems of the execution venues etc.)
  
- (d) The Company uses in-house tools to monitor the overall slippage as well as the slippage per type of order, on a regular basis, to ensure that it is symmetric (i.e. balance between positive and negative slippages) and fair.
  
- (e) The company is monitoring in real-time the latency of the price of an individual financial instrument.

## 7. Reviews of Execution Monitoring - Control Functions

The Company's brokerage department produces reports on a monthly basis with the evaluation process described above (please refer to Section 6) and if actions are required liaise with the Company's senior management for next steps.

The Company's control functions (Compliance and Internal Audit) inspect the monitoring procedure conducted by the brokerage department and the actions taken by the Company's senior management. The Company's control functions present their findings to the Company's Board of Directors at least annually, for further scrutiny and actions.

## 8. Execution Venues Report

The information presented below refers to the top five execution venues in terms of trading volumes used by the Company for executing the orders of Retail and Professional Clients. The information refers to the Asset Class of CFDs for the year 2019.

<b>Information on the top five (5) executive venues during 2019 for Retail Clients</b>					
Class of Instrument	Contracts For Difference (CFDs)				
Notification if <1 average trade per business day in the previous year	No				
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 a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of Directed orders
Uptrend Limited	99.51%	99.58%	100%	0%	0%
Gain Capital	0.26%	0.10%	100%	0%	0%
SwissQuote	0.16%	0.15%	100%	0%	0%
Leverate Financial Services Ltd	0.05%	0.15%	100%	0%	0%
Alpha	0.02%	0.02%	100%	0%	0%

<b>Information on the top five (5) executive venues during 2019 for Professional Clients</b>					
Class of Instrument	Contracts For Difference (CFDs)				
Notification if <1 average trade per business day in the previous year	No				
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 a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of Directed orders
Uptrend Limited	94.67%	90.86%	100.00%	0.00%	0.00%
Gain Capital	2.30%	3.89%	100.00%	0.00%	0.00%
SwissQuote	2.03%	3.65%	100.00%	0.00%	0.00%
Alpha	0.99%	1.57%	100.00%	0.00%	0.00%
Leverate Financial Services Ltd	0.01%	0.03%	100.00%	0.00%	0.00%