

***Execution Quality Summary Statement (EQSS)***

**& RTS 28**

***(Regulatory Technical Standards to Identify Venues and Quality of Execution)***

(April 2024)

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## **1. Introduction**

APME FX Trading Europe Ltd (hereinafter the “Company”) is an Investment Firm with registration number HE 347019. The Company is authorised and licensed by the Cyprus Securities and Exchange Commission (hereinafter the “CySEC”), with license number 335/2017.

This Execution Quality Summary Statement (hereinafter the “Statement”) of the Company, has been created in accordance with the Investment Services and Activities and Regulated Markets Law 87(I)2017, which transposes the Directive 2014/65/EU on markets in financial instruments (“MIFID II”). Pursuant to which, the Company is required to inform its Retail and Professional clients (hereinafter the “Clients”), about all the sufficient steps taken to acquire the best possible result for its Clients (“Best Execution”).

The Company’s Best Execution obligations are applicable to all financial instruments offered to retail clients & if applicable to professional clients. The company holds all due process in place whether in normal or abnormal market conditions and reassures through internal procedures and processes that all steps are taken to ensure best possible results for its clients.

For further information please review the [‘Best Interest and Order Execution Policy’](#).

## **2. Scope of Best Execution**

Best Execution is an essential element of the MiFID II framework and the Company shall take all the sufficient steps to obtain the best possible result for its clients in circumstances:

- a) The Company in the due process of receiving and transmitting an order for execution as per the pre-set arrangements & trading conditions with the client.
- b) The Client, in respect of that order, is within the scope of best execution; and
- c) The Company is acting on the client’s behalf for the purposes of best execution.

## **3. Services Provided.**

The Company is licensed to provide the following Investment Services and where applicable within these services follow the Best Execution Principles:

- d) Reception and Transmission of orders in relation to one or more financial instruments
- e) Execution of Orders on Behalf of Clients
- f) Portfolio Management
- g) Provision of Investment Advice

#### **4. Brokerage Model and Attributes Associated to Services**

To comprehend the commitment towards our clients, below are key definitions to further clarify the Company's current business model and the characteristics of the products and services on offer. This Business model is designed to be in the clients' best interest and understanding these terms will allow for an enhanced appreciation where 'Best Execution' principles are applied within this brokerage model and authorized services.

##### *Straight Through Processing (STP)*

Used by financial companies to speed up the transaction process. This is performed by allowing information that has been electronically entered to be transferred from one party to another in the settlement process without manually re-entering the same pieces of information repeatedly over the entire sequence of events. The goal of STP is simple – reducing the time it takes to process a transaction will increase the likelihood that a contract or an agreement i.e. trade is settled on time, with consideration of price and cost to be in the best interest of the client.

##### *Over the Counter (OTC)*

Trading is completed directly between two parties, without the supervision of an exchange. In OTC market, the contracts are bilateral and like exchange traded contracts, it covers all major asset classes and derivatives.

##### *Contract for Difference (CFD)*

Typically described as "buyer" and "seller", stipulating that the seller will pay to the buyer the difference between the current value of an asset and its value at contract time (if the difference is negative, then the buyer pays instead to the seller). In effect, CFDs are financial derivatives that allow traders to take advantage of prices moving up (long positions) or prices moving down (short positions) on underlying financial instruments. They are often used to speculate on those markets. For example, when applied to equities, such a contract is an equity derivative that allows traders to speculate on price movements, without the need for ownership of the underlying equity.

##### *Online Trading Platform*

The online trading platform is software program that can be used to place orders for financial products. Electronic trading platforms typically stream live market prices on which users can trade and may provide additional trading tools, such as charting packages. For further information on 'Trading Platforms' see the respective section on the Company's website.

## 5. Best Execution Arrangements

The Company has taken into consideration the provisions of the Laws and Regulations in respect to the best possible result and has re-evaluated its procedures and enhanced the IT infrastructure to assure that it is compliant and resilient with its practice of 'Best Execution' principles. All sufficient steps have been taken to obtain the best possible results while executing clients' orders in this regard.

The company considers all execution factors when assessing the quality of execution in normal and volatile market conditions.

### Execution Factors:

- a **Price:** ensure market validated prices for all Symbols on offer through the various platforms to be consistent. The Brokerage Department is continually monitoring prices to assure accuracy and the frequency of updates via reputable price feeds.
- b **Costs payable by the client as a result of the execution;** all costs pertaining to trading with the Company are clearly displayed and easily viewed on the websites & platforms. If any changes occur, sufficient notification is given to our clients via any approved publishing arrangement (APA). For more information, please view the Company's website. The ensuing cost to the company for execution of orders plays no role in the quality of the execution of client orders with selected the trading venues/liquidity providers.
- c **Speed of execution;** When prices are updating frequently and the volatility of the instrument is normal, then the speed of execution will resonate through timely execution at the requested entry or exit level. Several systems are in place to monitor and view all trades requested for execution through internal systems and maintain a close working relationship with Liquidity Providers (LP) to ensure our clients 'Best Execution'. In volatile market conditions the trades are executed with the same principles.
- d **Size of the transaction;** to provide 'Best Execution' Minimum and Maximum Lot sizes are allocated to each instrument or class of instruments on offer so in normal market conditions those trades are near guaranteed to be filled, as they comply within the trading conditions and agreements with Liquidity Providers/Execution Venues.
- e **Likelihood of execution and settlement;** because of the strict trading parameters in place and the use of latest technology, trades are near guaranteed to be executed when they fall within the trading hours & conditions.
- f **Other criteria:** If the markets are extremely volatile or instruments are illiquid, they may be suspended from trading or removed all together from the list of available instruments in the interest of 'Best Execution'. Lastly, Futures CFDs are normally expired about one (1)

week before the exchange traded asset is terminated to assure liquidity and to continue at best service to the client.

The Company obtains its prices from a third-party external reference sources such as its Liquidity Providers (LP) and has set up a quality control reporting schedule to evaluate the core elements of the Best Execution factors. Also, a contingency plan is available if one or more price providers fails to deliver live prices to the trading platform due to a technical lapse. In extreme situations where prices are not available directly from the exchange then the underlying assets will also be affected.

## **6. Types of Orders**

There are two (2) methods of execution which are offered to clients via a reputed trading platform, which allow for a high likelihood of trades to be executed within the 'Best Execution' criteria consistently based on Execution factors already listed.

- a) **Market Execution:** which means entering or exiting the market at the current market price in either a 'BUY' or 'SELL', also known as aggressive order.
- b) **Pending Order:** which is placing an entry or exit order which can either be a 'BUY STOP/LIMIT' or 'SELL STOP/LIMIT' at a predetermined price level, also known as passive order.

## **7. Clients Categorization**

Clients who as per the 'Client Categorisation Policy' were classified as Retail Clients and Professional Clients are falling under the scope of the aforesaid Regulations, while Eligible Counterparties do not as per the abovementioned policy.

## **8. Execution Venues**

- a) Execution Venues

The current execution venues are well suited for our business model, have provided a top tier service and have fulfilled the criteria that has been set forth to evaluate such liquidity providers/execution venues. The list of execution venues can be found in the 'Best Interest and Order Execution Policy'. If any change(s) occur, the Company will remain vigilant and inform its clients.

- b) Inducements related Execution Venues

The company has standard Liquidity Providers agreements in place with all execution venues used to execute client orders which are legally binding contracts which among other content, includes all due processes in compliance and safeguarding of client's interest. Furthermore, the Company has

specific arrangements in respect to the payments received and paid to the Liquidity Providers (LP) according to this agreement.

**9. Conflicts and Best Execution**

The Company has a Conflicts of Interest Committee in place to ensure that all procedures and policies are followed as well as to examine the identified conflicts of interest. Furthermore, the members of this committee are responsible to communicate through a top-down approach how to manage all potential and existing ‘Conflicts of Interest’ that may arise. For any ‘Conflicts of Interest’ that are not manageable, the Company shall inform its clients periodically and at least annually for the said ‘Conflicts of Interest’.

The company does not have ownership of any execution venues that are used to execute client orders. Below is a relevant extract from the [‘Conflict of Interest Policy’](#) regarding ‘Best Execution’.

Possible Conflict	Procedures and measures
The Company or a relevant person has an interest in the outcome of a service provided to the Client or of a transaction carried out on behalf of the Client, which is distinct from the Client’s interest in that outcome;	<p>The Company has pre-cautionary measures in order to prevent such conflict of Interest. The Employees are warned during the training that they are not allowed to act dishonest and not on the best interest of the Client.</p> <p>The Company has in Place a disciplinary policy, in the event that this conflict occurs, to be mitigated and managed. Moreover, the disciplinary policy prevents the employees from not acting on the best interest of the client.</p>
Maximizing of the trading volumes in order to increase receivable brokerage commission, which may directly conflict with the Client's interest, if that interest is in minimizing the volume of trades they perform.	The Company has in place Best Execution. Arrangements Policy and put all its efforts in order to prevent such event. The employees are not allowed to always provide such information/instruction to the Clients.
Receive commissions and/or other inducements from its Liquidity provider for the transmission of Client Orders.	The Company is in process of minimizing all of its Inducements paid or received. However, the Company has certain procedures in order to act on the best interest of its Clients.

### ***10. Our Commitment***

The Company's Best Execution mandate is an ongoing process that is echoed down through the Board of Directors and management to all pertinent employees to stay diligent and informed of best industry practices and how they apply to the Company's business model. Additionally, to fully comprehend that safeguarding 'Best Execution' standards is of great importance without exception and must continually deliver fair results to our clients.

### ***11. Amendments***

The Company reserves the right to review and/or amend its Best Interest and Order Execution Policy as well as this Statement. If the Company makes a material change of its Policy and/or this Statement, its client will be informed, and an updated version of the said policy and Statement will be available on the Company's website.

**RTS 28**

Regulatory technical standards for the annual publication by investment firms of information on the *identity of execution venues and on the quality of execution*

Client Classification			Retail Clients		
Class of Instrument			CFDs - Forex, Commodities, Indices, Shares		
Notification if <1 trade per business day in the previous year			N		
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume (lots) traded as a percentage of total in that class	Proportion of orders (number of trades) executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Black Pearl Securities LTD FCA (United Kingdom) LEI:213800FDA9H1T5HTLC19	81.39%	80.85%	N/A	100%	N/A
BCM Begin Capital Markets CY LTD (Cyprus) LEI:549300V4TXOFWGRO1Y13	18.61%	19.15%	N/A	100%	N/A

Client Classification			Retail Clients		
Class of Instrument			Equities		
Notification if <1 trade per business day in the previous year			N		
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume (lots) traded as a percentage of total in that class	Proportion of orders (number of trades) executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
EXCLUSIVE CHANGE CAPITAL LTD (Cyprus) LEI:213800MGGHDGAGH7L581	100%	100%	N/A	100%	N/A

Client Classification			Professional Clients		
Class of Instrument			CFDs - Forex, Commodities, Indices, Shares		
Notification if <1 trade per business day in the previous year			N		
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume (lots) traded as a percentage of total in that class	Proportion of orders (number of trades) executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
BCM BEGIN CAPITAL MARKETS CY LIMITED (Cyprus) LEI:549300V4TXOFWGRO1Y13	100%	100%	N/A	100%	N/A

**Report Notes:**

- ECB exchange rates used as of the last trading day of 2023
- All calculations in 'EUR'
- RTS 28 report reflects all trades as of 1.1.2023 to 31.12.2023 & open orders as of the last trading day of 2023
- Nominal Value was used to generate proportion by percentage for Class of Instrument
- Company business model is a Straight Through Processing (STP) Broker

**Key Definitions under RTS 28:**

- passive order means an order entered onto the order book that provided liquidity,
- aggressive order means an order entered onto the order book that took liquidity,
- directed order means an order where a specific execution venue was specified by the client prior to the execution of the order,
- "Retail Client" is a client who is not a Professional Client by default and is afforded with the highest level of protection.