Execution Quality Summary Statement
for the year 2018
on execution arrangements for CFDs
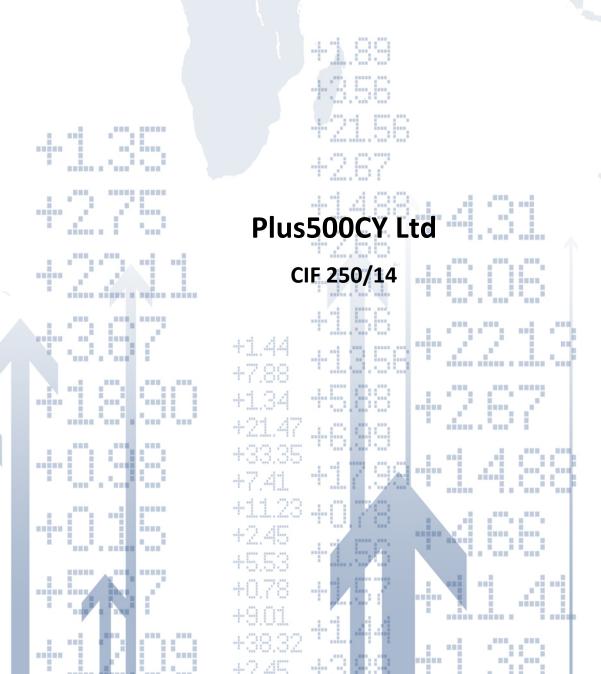
Plus500CY Ltd

CIF 250/14

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Purpose

The Execution Quality Summary Statement (hereinafter, the "EQSS" or the "Statement") is a statement that Plus500CY Ltd (hereinafter, the "Company"), an Investment Firm authorised and regulated by the Cyprus Securities and Exchange Commission with Licence Number 250/14, 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 of all client orders during the year 2018, 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 when offering services related to Execution of Client Orders in relation to the Asset Class of CFDs.

The EQSS along with the accompanying tables will remain on the Company's website for two years at least post its publication.

The Company considers that when it *Receives a Client Order and Transmits* it for *Execution* it is simultaneously offering RTO and Execution services in tandem. The Company does not consider that there is any possibility based on its business whereby it will offer clients RTO services only without Execution.

1. Relative Importance of Execution Factors during the Year Under Review

The Company when executing Clients' Orders is required under the relevant regulatory framework to assign a relative importance on the following execution factors:

(a) Price;
(b) Cost;
(c) Speed of Execution;
(d) Likelihood of execution;
(e) Likelihood of settlement;
(f) Size of order;
(g) Market Impact;
(h) Nature of order.

For details on how each factor is assessed ex ante when executing clients' orders please refer to the Company's Summary Order Execution Policy. 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. Elective Professional Clients
     For these clients during the Year Under Review the Company placed 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 acts and has always been acting as the Execution Venue for Client's trades.

3. Conflicts of Interest

The Company lists (non-exhaustive) the possible conflicts of interest it is facing (inclusive of conflicts of interest in relation to the execution venues it uses) as well as the relative mitigation measures in its Summary Conflicts of Interest Policy.

The Company as an execution venue acts as the Client's counterparty. In this respect the Company has established robust mechanisms for mitigating all conflicts of interest, please refer to the Summary Conflicts of Interest Policy for more details.

4. 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 dimensions:

(a) <u>Evaluating</u> the Company's execution facility 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 and price high jumps evaluation;
- Slippage frequency and value.

(b) <u>Price Fairness</u> by comparing prices provided by independent market data providers with the prices quoted by the Company. For this purpose the Company has subscribed to independent price aggregators.

5. Reviews of Execution Monitoring - Control Functions

The Company's brokerage department receives automated reports on a daily, weekly and monthly basis for performing the appropriate monitoring described above (please refer to Section 4) and if actions are required liaison takes place with the Company's senior management for next steps.

The Company's control functions (Compliance and Internal Audit) scrutinise 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.

The Company, under the applicable rules, is obliged to present the top five execution venues/transmission venues report on an annual basis in a machine readable format (separately for retail and professional clients). Please click here to download the report for the year under review in .xlsx file.