



EDR Financial LTD

Execution Venues 2018

INFORMATION ON THE TOP 5 EXECUTION VENUES & QUALITY OF EXECUTION

RTS28 REPORT

2018

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1. ABOUT

EDR Financial Ltd («**the Company**» or «**EDR**») is a Cyprus Investment Firm incorporated and registered under the laws of the Republic of Cyprus. It is licensed and regulated by the Cyprus Securities and Exchange Commission («**CySEC**»), under license number 268/15.

2. OBJECTIVE

2.1 The purpose of this document is to publish information of the top five execution venues in terms of trading volumes where EDR executed client orders during the year 2018, in order for the public to be able to evaluate the quality of EDR's execution practices. Information is provided herein, regarding the quality of execution, and more specifically of the factors that could influence the order execution procedure, as well as any strategies, data or tools used to obtain, assess and monitor the quality of execution.

2.2 The present document needs to be read in conjunction with the Company's [Order Execution Policy](#) and the [Conflict of Interest Policy](#). The document shall remain in force until replaced by its updated version. The new version shall indicate the date of creation of the document in the top right of the present. The Company reserves the right to amend or supplement this Document when and as deemed appropriate.

3. APPLICABLE LAWS

This document is issued by virtue of and to ensure compliance with:

- i) The Commission Delegated Regulation (EU) 2017/576 («**RTS28**») 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;
- ii) The Section 9 of the Questions and Answers Document of the European Securities and Markets Authority («**ESMA**») relating to the provision of CFDs and other speculative products to retail investors under MiFID;

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- iii) The Section 1 of the Questions and Answers Document of the European Securities and Markets Authority («ESMA») on MiFID II and MiFIR investor protection and intermediaries topics;
- iv) The Law of the Republic of Cyprus L. 87(I)/2017, Law which provides for the provision of investment services, the exercise of investment activities, the operation of regulated markets and other related matters which transposed **MiFID II** into Cyprus legislation and;
- v) The Law of the Republic of Cyprus L. 144(I)/2007, Law which provides for the provision of investment services, the exercise of investment activities, the operation of regulated markets and other related matters, which transposed **MiFID** into Cyprus legislation, to the extent that it is still applicable.

4. TOP 5 EXECUTION VENUES FOR 2018

4.1 Quality of execution

Under the applicable laws and regulations, the Company is obliged to publish the top five execution venues for the year under review, in terms of trading volumes for all client executed orders per class of financial instrument. Information that was derived from the relevant records maintained by the Company, are included in the tables below. More particularly, «**Table 1**» provides information that is specific to Retail clients, and «**Table 2**» provides information relevant to Professional clients. On the other hand, «**Table 3**», which is not currently applicable to the Company, normally publishes orders in Securities Financing Transactions (STFs). The information is provided by approximation.

Table 1						
Retail Clients						
Class of Instrument			CFD			
Notification if <1 average trade per business day in the previous year			No			
No#	Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a % total in that class	Proportion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of directed orders

¹ Passive Order: is an order entered into the order book that provided liquidity.

² Aggressive Order: is an order entered into the order book that took liquidity.

³ Directed Order: is an order where a specific execution venue was specified by the client prior to the execution of the order.

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1.	Invast Financial Services Pty Ltd	39.25%	35.47%	N/A	100%	N/A
2.	Divisa UK Limited	28.01%	28.15%	N/A	100%	N/A
3.	ADS SECURITIES LLC	10.72%	13.47%	N/A	100%	N/A
4.	SUCDEN FINANCIAL LIMITED	18.03%	18.75%	N/A	100%	N/A
5.	Advanced Markets Ltd	3.55%	3.79%	N/A	100%	N/A

Table 2						
Professional Clients						
Class of Instrument				CFD		
Notification if <1 average trade per business day in the previous year				No		
No#	Top 5 execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a % total in that class	Proportion of orders executed as % of total in that class	% of passive orders	% of aggressive orders	% of directed orders
1.	Invast Financial Services Pty Ltd	28.48%	32.74%	N/A	100%	N/A
2.	Divisa UK Limited	18.40%	18.51%	N/A	100%	N/A
3.	ADS SECURITIES LLC	27.33%	25.20%	N/A	100%	N/A
4.	SUCDEN FINANCIAL LIMITED	19.62%	17.59%	N/A	100%	N/A
5.	Advanced Markets Ltd	5.99%	5.80%	N/A	100%	N/A

Table 3			
Client Orders executed in STFs			
Class of Instrument		CFD	
Notification if <1 average trade per business day in the previous year		N/A	
No#	Top 5 venues ranked in terms of volume	Proportion of volume executed as a % of total in that class	Proportion of orders executed as a % of total in that class
1.	N/A	N/A	N/A

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2.	N/A	N/A	N/A
3.	N/A	N/A	N/A
4.	N/A	N/A	N/A
5.	N/A	N/A	N/A

4.2 Execution model

The Company is offering investment services in relation to Contracts for Difference («CFDs»), to both Retail and Professional Clients, pursuant to the requirements of its license. All orders executed during the year under review, constituted «aggressive» orders. During the year under review, the Company acted as an agent, as it is functioning on a Straight-Through-Processing (STP) model and executed all of its client's orders through the above mentioned Liquidity Providers/Execution Venues.

5. GENERAL INFORMATION ON EXECUTION VENUES

No#	Name of Execution Venue	LEI number	Regulatory Environment	Contractual Commencement date with the Company	Commencement date with the Company in practice	End date of the business relationship with the Company
1.	Invast Financial Services Pty Ltd	549300OREYLNWD2E9Y62	ASIC	June, 2016	June, 2016	N/A
2.	Divisa UK Limited	2138002W128DFCAN6Q90	FCA	August, 2017	October, 2017	March, 2019
3.	ADS SECURITIES LLC	213800R89K6EBE7N6G20	UAE/FCA	July, 2018	July, 2018	January, 2019
4.	SUCDEN FINANCIAL LIMITED	213800W2XOTEIWVRS823	FCA	July, 2017	January, 2018	N/A
5.	Advanced Markets Ltd	549300BXTDE4E4IRS06	ASIC	July, 2018	September, 2018	April, 2019

6. STATEMENT OF AGREEMENT TERMINATION

The Company had a contractual agreements with Divisa UK Limited, ADS Securities LLC and Advanced Markets LTD. During the year under review, the agreements were terminated as a result of an internal decision that was concluded on the basis of obtaining more competitive prices and speed of execution.

7. BEST EXECUTION SUMMARY ANALYSIS

Best Execution is defined as:

- a. The obligation of the Company to take all sufficient steps to act in the best interest of its Clients when receiving and transmitting orders for execution ;
- b. The obligation of the Company to maintain and adhere to the [Order Execution Policy](#), as amended from time to time;
- c. The obligation of the Company to adhere to the applicable Laws.

MiFID II requires Investment firms to take, on a consistent and ongoing basis, all sufficient steps to obtain, when executing orders, the best possible result for their clients. To obtain the best possible result, the Company, takes several factors into account, such as price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order.

The Company ranks those factors according to their importance to: High, Medium, or as requiring individual examination on a case per case basis. The Company does not rely on the procedures followed by its Execution Venues.

8. LIST OF FACTORS IN RELATION TO IMPORTANCE (NON-EXHAUSTIVE LIST)

Factors	Interpretation	Importance
Price of CFD	The price at which the order is executed. Please refer to section 21(a), «Price of the financial Instrument» of the Order Execution Policy.	High
Costs	Charges that may occur when executing an order. For opening a position, a client may be required to pay commission or financing fees. Please refer to section 21(b). «Costs» of the Order Execution Policy.	High

Speed of Execution	The Company strives to offer high speed of execution within the limitations of technology and communication links. However, under certain trading conditions it may be impossible to execute orders at the Client's requested price. In this case, the Company has the right to execute the order at the first available price, due to rapid price fluctuations, if the prices rise or fall in one trading session to such an extent that, under the rules of the relevant exchange, trading is suspended or restricted, or because of the opening of trading sessions. Please refer to Section 21(c) «Speed of Execution» of the Order Execution Policy.	High
Likelihood of Execution and Settlement	The Company acts as an agent (it is not the execution venue), which means, it receives direct liquidity from the markets for CFDs. Therefore, the Company may not be able to execute the order at the best available price or may not be executed at all. Please see the Company's Order Execution Policy.	Medium
Slippage	The Company frequently monitors and assesses executed orders for slippage.	High

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Size and nature of Order	The minimum size of an order may be different for each type of client account. An unusual order may be executed differently than a standard order.	High
Market Impact	Some factors, including the execution of a client's order, may impact the market.	Medium
Execution venue characteristics	The Company takes the venue's «Last look vs. no last look» execution into account, as well as the availability of tradable assets. «Last look» is when the venue may decide to not fill a trade at the last minute, and decide to therefore reject it, if the price becomes unfavorable. «No last look» is when the venue will fill a trade regardless if price is unfavorable or not.	Medium
Other factors relevant to execution of orders	Circumstantial.	Examined on a case-by-case basis

The Company cannot guarantee that it will offer the absolute best prices available on the market at the time of the opening or closing of a CFD, as compared with the prices that may be found with other brokers at the same time and for the same products/services.

9. CONFLICTS OF INTEREST

The Company understands that it is not humanly possible to entirely eliminate all conflicts of interest. Therefore, to minimize the effects of any possible conflicts of interest, the Company has in place and adheres to adequate procedures that it has established. In the event that those arrangements are not sufficient to avoid or mitigate such a conflict, the Company shall disclose such conflict to the Client, before

undertaking further business with him. The list of possible conflicts of interest that may arise cannot be defined in a fully exhaustive list.

10. SPECIAL ARRANGEMENTS WITH EXECUTION VENUES

The Company maintains business arrangements with most of the execution venues relevant to credit and occasional discounts from time to time which are connected to volume.

11. USE OF DATA OR TOOLS

11.1 The Company uses automated electronic tools and systems, which provide for receiving the best bid/offer price at the time of execution («aggregation»). An aggregator that facilitates aggregation, seeks from several execution venues the most favorable bid/offer prices and combines them to provide a superior price to its clients.

11.2 The Company monitors and assesses the prices offered to clients against other reputable feed providers, on a periodic sampling basis. More specifically, execution times, slippage, spread, are continuously controlled on a sample basis, as is a frequent statistical analysis of non-executed orders. The volume executed in Liquidity providers is checked against the remaining Liquidity Providers.

12. CONSOLIDATED TAPE PROVIDER

The Consolidated Tape Provider («CTP»), is a recently established MiFID II requirement. CTPs will collect post-trade information published by trading venues and approved publication arrangements (APAs) and will consolidate them into a continuous live data stream and make the data available to the public, both for equity and non-equity products.

The Company has not used such an arrangement for the year under review.