



EDR Financial LTD

Execution Quality Summary 2019

Execution Quality Summary Statement for 2019

RTS28 REPORT

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1. ABOUT

EDR Financial Ltd («**the Company**» or «**EDR**») is a Cyprus Investment Firm with registration number HE336081 formed under the Laws of the Republic of Cyprus and regulated by the Cyprus Securities and Exchange Commission («**CySEC**») under license number 268/15 and with its Head office address 11 Grigori Afxentiou street, Imperio Centro building, Office 301, 4003, Limassol, Cyprus.

2. OBJECTIVE

This Execution Quality Summary Statement (EQSS) (hereinafter, the “Statement”) of the Company, is issued pursuant to and in compliance with the Investment Services and Activities and Regulated Markets Law 87(I)2017, implementing the Markets in Financial Instruments Directive 2014/65/EU of the European Parliament (“MIFID II”).

Through this statement the Company, informs its Retail and Professional clients (hereinafter the “Clients”), about how and where the company has executed clients’ orders during the year 2019 (hereinafter the “Year Under Review”), providing a summary of the analysis and conclusions the company drew from its detailed monitoring of the quality of execution obtained on the execution venue where it executed all clients’ orders. Hence, it allows potential investors to evaluate the quality of the Company’s execution practices. The statement will be available on company’s website for a minimum period of two (2) years post its publication.

The purpose of this Document is to ensure the Company’s compliance with the Commission’s Delegated Regulation (EU) 2017/576 (‘RTS 28’) as well as the relevant provisions of the Questions and Answers Document(s) of the European Securities and Markets Authority (‘ESMA’) issued on (i) 31 March 2017 with reference ESMA35-36-794 and (ii) 18 February 2020 with reference ESMA35-43-349 with respect to the provision of CFDs and other speculative products to retail investors and on MiFID II and MiFIR investor protection and intermediaries topics.

The present document needs to be read in conjunction with the Company’s [Order Execution Policy](#) and the [Conflict of Interest Policy](#). It shall remain effective until a more recent version is created. The Company reserves the right to amend or supplement this Document at any time.

3. Scope

The aim of this document is to provide an outline of how the clients' orders are executed and the aspects that might affect the order execution conduct. Via this material, clients will be allowed to evaluate the efficiency of the monitoring carried out by the Company with regards to the execution provisions of all client orders where the company owes the client best execution under the Markets in Financial Instruments Directive 2014/65/EU ("MiFID II").

The Company, during the year under review offered only the asset class of Contracts For Differences (CFDs) to Retail and Professional Clients.

The Company revises and amends this document on an annual basis. The information contained herein, should also be based on the data of the prior years.

4. INFORMATION REQUIRED TO BE DISCLOSED UNDER REGULATORY TECHNICAL STANDARD 28 (RTS) OF MIFID II

a) An explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution.

The Company takes utmost care to ensure fastest possible order execution and has successfully achieved this goal until now. Several Qualitative and Quantitative factors were taken into consideration while selecting the execution venue, such as:

- Cost of execution,
- Price,
- Liquidity available for related financial instruments,
- Speed of execution,
- Reliability of the venue,
- Continuity of trading,
- Creditworthiness of the venue,
- Such other factors as we consider relevant.

The Company determines the relative importance of the above Best Execution Factors by using its commercial judgment and experience in the light of the information available on the market and taking into account:

- The characteristics of the Client order.
- The characteristics of financial instruments that are the subject of that order.

- The characteristics of the execution venue to which that order is directed.
- The Characteristics of the client, including its categorization as retail or professional.

b) A description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders.

The Company does not maintain any close links or common ownership structures with its execution venue. However, the Company has in place sufficient safeguards against any potential conflict of interest. For example: The Company's employees do not relate their remuneration with clients' performance. For a detailed description please see the Company's [Conflict of Interest Policy](#).

The Company has an [Order Execution Policy](#) in place which sets out our procedures in delivering Best Execution to our clients.

In addition, we disclose our Spreads and charges on our trading platform and Trading Conditions.

Furthermore, we do not offer any form of investment advice and our disclaimers make this fact explicitly clear.

c) An explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client.

- **Speed of Execution:** The Company places a significant importance when executing Client's orders and strives to offer high speed of execution, within the limitations of technology and communications links, at all times. Speed of Execution can be affected by factors which may include poor internet connection, or any other link to the Company's servers and platforms which may affect execution of the Client's orders. For example, the Client's order might be delayed to be received by the Company's platform and thus it may affect the price of execution. It is clarified that the Company receives and transmits a Client Order for execution to a third party (another Execution Venue), execution will also depend on factors related to the aforesaid third party.

- **Likelihood of Execution:** As it is explained in the Execution Venue section of the Order Execution Policy, the Company acts as an agent whereby the Principal shall be the Execution Venue for the execution of the Client's orders for the financial instrument of Forex and CFDs. In addition, the Company, reserves the right to decline an order of any type or to offer the Client a new price for an instant order. In this case, Client can either accept or refuse the new price. When the Company transmits orders for execution to another third party, the likelihood of execution depends on the availability of prices by such other third party. In addition, the Company is entitled, at any time and at its discretion, without giving any notice or explanation to the Client, to decline or refuse to transmit or arrange for the execution of any order or Request or Instruction of the Client in circumstances explained in the [Client Agreement](#).

- **Likelihood of settlement:** The Company shall proceed to a settlement of all transactions upon execution of such transactions. The Company strives to provide its Clients with the fastest execution in the best available prices. Nonetheless, the volatility in the market may affect the price, speed and volume available. Therefore, trading during volatile conditions where important news and data releases are made is incredibly risky and therefore the best execution criteria might not apply. Therefore, the execution pricing will always be provided at the first available price.

- **Size of order:** The actual minimum size of an order may be different for each type of Client Account. It is also noted that the Company does not execute any trades above normal market size. Every market has an absolute minimum and maximum permitted trade size. The minimum size of trade can be found on the Company's trading platform; and the maximum size of trade is dependent not only on normal market size and market conditions, but also internal risk management factors and is, at all times, at the discretion of the Company. The Company will not make a 'partial fill' of any trade.

- **Market Impact:** Some factors may affect rapidly the price of the underlying instruments from which the Company's quoted price is derived and may also affect

d) Explanation of the factors that led to a change in the list of execution venues listed in company's execution policy, if such a change occurred;

Execution venues are continually assessed and the company may at its discretion remove or add from the authorized broker list depending on results of its execution and broker reviews as well as trading requirements. In view of this, the list of execution venues has been updated in the past year – ADS SECURITIES LLC, Invast Financial Services Pty Ltd, Advanced Markets (UK) Ltd have been removed from the company's execution venues list. During the assessment, the company considered the following factors such as a price, cost of executing, liquidity available for the instruments being traded, the speed of execution, reliability, likelihood of execution and settlement, continuity of trading, creditworthiness of the venue and quality of any related clearing and settlement facilities.

e) Explanation of how our order execution differs according to client categorisation, where we treat categories of clients differently and where it may affect our order execution arrangements;

The clients of the company are categorised as Retail or Professional. The order execution arrangement does not differ with client categorisation.

f). Explanation of whether other criteria precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;

When the Company executes an order on behalf of a Retail Client, the best possible result is determined in terms of the total consideration, representing the price of the Instrument and the costs related to execution, which shall include all expenses incurred by the Client which are 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.

g). An explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Delegated Regulation (EU) 2017/575;

During the year, EDR Financial LTD has regularly monitored the quality of execution obtained from the execution venues used to place client orders for execution. The company is satisfied that it has adhered to the requirements set out in its Execution Policy. Each transaction is monitored and reviewed on a real time basis by the company's dealing department to ensure that they are executed on the best terms available.

5. GENERAL INFORMATION ABOUT EXECUTION VENUES

No.	Name of Execution Venue	LEI number	Country of establishment	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	549300OREYL NWD2E9Y62	ASIC	June, 2016	June, 2016	N/A
2.	Swissquote Bank SA	H6IQ3SWWW BLDBI06ZX04	FINMA	November, 2018	December, 2018	N/A
3.	ADS SECURITIES - LLC	213800R89K6E BE7N6G20	UAE	July, 2018	July, 2018	January, 2019
4.	CFH Clearing LTD	549300FSY1BK NGVUOR59	FCA	March, 2019	April, 2019	N/A
5.	Advanced Markets (UK) Ltd	213800UT1ZP Z6LLN8N31	FCA	March, 2019	April, 2019	N/A
6.	ISPRIME Limited	549300F62BR RDZKCUZ58	FCA	March, 2019	May, 2019	N/A

6. 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.

7. USE OF DATA OR TOOLS

7.1 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.

7.2 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.

8. CONSOLIDATED TAPE PROVIDER

Not applicable.