

# ORDER EXECUTION POLICY

## 1. Document Changes

S/N	Name	Change Summary	Date
1	First release – v1.0	First release	16/10/2024
2			
3			

## 2. Document Reviewers

S/N	Role	Name
1	Head of Compliance	Angeliki Georgiou
2	Executive Director	Sergey Tsipko
3	Executive Director	Michale Capone

## 3. Next Scheduled Review

S/N	Role	Frequency	Date
1	Head of Compliance and AML Department	On an annual basis	16/10/2025

## 4. Document Approvers

S/N	
1	Board of Directors

## 5. Document Release Versions

Version	Version Summary	Approval	Date
V1.0	First Release	Approved	16/10/2024

## Table of Contents

1.	Introduction .....	4
2.	Scope of Best Execution.....	5
3.	Best Execution Criteria.....	6
4.	Best Execution Factors .....	7
4.1	Price of the Financial Instruments and cost – Highest importance.....	8
4.2	Speed and likelihood of execution – High importance.....	9
4.3	Size of orders – Medium Importance .....	9
4.4	Execution Factors to particular Financial Instruments .....	9
4.5	Any other relevant factors .....	12
5.	Refusal to execute orders .....	12
6.	The Quality of Execution .....	12
7.	Execution Venues.....	13
8.	Specific instructions .....	15
9.	Evidence of best execution .....	15
10.	Consent .....	16
11.	Monitoring .....	16
12.	Definition .....	17
13.	APPENDIX 1 Applicable Asset Classes .....	18
14.	APPENDIX 2 Execution Venues .....	19

## 1. Introduction

This document constitutes the Order Execution Policy (hereafter the “Policy”) of Xtellus Europe Ltd. Xtellus Europe Limited (hereinafter, “the Company” and/or “XTELLUS Europe” and/or “XE”) is an Investment Firm regulated by the Cyprus Securities and Exchange Commission (hereinafter called “CySEC”) with License number 446/24, having its principal place of business at 26 Spyrou Kyprianou, 4040, Limassol, Cyprus and is registered with the Registrar of Companies in Nicosia under the number HE 447781.

The Company is operating under Directive 2014/65/EU of the European Parliament and of the Council (the “Markets in Financial Instruments Directive 2014/65/EU” or “MiFID II”) and under Regulation (EU)600/2014 of the European Parliament and the Council on markets in financial instruments and amending Regulation (EU)648/2012 (the “MiFIR”), which was implemented in Cyprus by the Investment Services and Activities and Regulated Markets Law of 2017 (Law 87(I)/2017), as the same may be modified from time to time (herein after “the Law”), the Laws for the Prevention of Money Laundering and Terrorist Financing, Market Abuse and Insider Dealing, as well as other legislation applicable in the Republic of Cyprus.

The Policy addresses how the Company complies with the order handling and best execution requirements contained in Articles 27 and 28, and in Articles 64 and 65 of EU Delegated [Regulation 2017/565](#).

This Order Execution Policy applies only to clients that Xtellus Europe Ltd has onboarded and categorised as Professional Clients, as confirmed in writing to the client, and only applies dealings in Financial Instruments, as defined in MiFID II.

When executing, receiving and transmitting orders, the Company is required to take sufficient steps to obtain the best possible results for its clients, while considering the characteristics of the client, the nature of the order and the factors influencing execution.

The objective of this Policy is to ensure that clients of the Company receive fair and equal treatment by identify and preventing conflicts of interest, to achieve the best possible terms of execution on a consistent basis for the client. Upon acceptance of a client order for securities listed on regulated markets, as well as traded outside of a regulated market, the Company will endeavour to execute that order in accordance with the following policy, unless otherwise instructed by the client in respect to order execution.

This Policy is part of the Company’s Terms of Business, hence when signing the Terms of Business of the Company, relevant consent is giving to the relevant procedures contained here within.

When specific order handling instructions are giving by any Company’s existing client, these instructions may limit the Company’s ability to achieve the most favourable terms, as the Company is obliged to execute the order according to the specific given instruction.

The Company can and will demonstrate to clients in a reasonable time frame, upon clients' request, a proof that client orders were executed in accordance with the procedures described below within this Policy.

The Company may trade in complex products, which carry a high degree of risk. These products are not suitable for everyone. The client shall not trade with the Company unless he/she understands the nature of the transaction he/she is entering into and the extent of his/her potential loss from a trade. The client must satisfy himself/herself, that the product is suitable for him/her in the light of his/her circumstances, financial resources and investment objectives. If the client is in any doubt, he/she shall seek independent advice. The client will trade entirely at his/her own risk.

## 2. Scope of Best Execution

This Policy is issued pursuant to, and in compliance with MiFID II and the Cyprus Investment Services and Regulated Markets Law 87(I)/2017 both of which apply to the Company.

This policy provides an overview of **how the Company executes orders on behalf of clients**, the factors which can affect the timing of execution and the way in which market volatility plays a part in handling orders, when buying or selling a Financial Instrument. This Policy aims to set out how the Company intends to meet its best execution obligations bearing in mind the nature of its business and of its clients in relation to the execution of orders.

The Order Execution Policy applies to those clients categorized under the Company's "Client Categorization Policy" as Professionals, under Second Appendix of the Law, since the Company does not serve Retail Clients, as those define as per the Law. Excluded from this Policy are any existing client categorised as an Eligible Counterparty.

This Policy applies when the Company executes clients' orders, provided that the following criteria are satisfied:

- The client has not been categorised as "Eligible Counterparty" for the related service/ transaction.
- The client is dealing in Financial Instruments covered by Company's license.
- Specific instructions given by the client do not prevent the Company from providing to the client this Policy.
- The Company did not provide the client with direct market access through an electronic interface, which links only to a particular execution venue.

This Order Execution Policy applies to the Clients, when executing transactions for the Financial Instruments provided by the Company, as specified in **Annex 1** of this policy. The Company executes each order the client places with the Company through other licensed and regulated brokers.

This Policy applies to the **Execution Venues listed in Annex 2** of this Policy. The list of execution venues presented in Annex 2 of this Policy reflects the objective capabilities of the Company *to obtain the best possible results for the client on a consistent basis*.

Where the client's interests are concerned, the Company may execute the specific client order on a venue not listed in Annex 2 of this Policy, or reasonably use the services of another broker. In such cases, the Company, taking into consideration Article 66(3)(b) of the Delegated Regulation (EU) 565/2017, shall notify its clients immediately and prior to any such an amendment. Thereafter, the Company will amend Annex 2 of this Policy respectively, in case of change of the execution venues.

### 3. Best Execution Criteria

The Company shall take sufficient steps to obtain, when executing or receiving and transmitting orders, *the best possible result for its clients* considering **price, costs, speed, likelihood of execution and settlement, size, nature** or any other consideration relevant to the execution of the client's order(s). Nevertheless, whenever there is a specific instruction from the client, the Company shall execute the order following the specific instruction.

For determining the importance of the above factors, the Company, when executing or receiving and transmitting client orders, shall consider the following criteria:

- **The characteristics of the client, including the categorisation of the client.**
- **The characteristics of the client order.**
  - *(Size, market order or limit order, time-horizon for execution, currency of settlement, etc.).*
- **The characteristics of Financial Instruments that are the subject of that order.**
  - *(Markets existing for such securities, restrictions to circulation, methods, and currency of clearing and settlement, etc.).*
- **The characteristics of the execution venues to which that order can be directed.**
  - *(Regulated market (exchange)/MTF, jurisdiction, trading restrictions, quote-driven or order-driven, clearing and custody rules, liquidity, direct access or through intermediary, etc.).*

As mentioned above, where the Company executes or receives and transmits an order on behalf of a Client, **the best possible result shall be determined in terms of the total consideration, representing the price of the Financial Instrument and the costs related to execution and/or reception and transmission**, 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 any other third parties involved in the execution of the order.

For the purposes of delivering best execution, where there is more than one competing execution venue to execute or receive and transmit an order for a Financial Instrument, in order to assess and compare the results for the client, which would be achieved by executing the order on each of the execution venues listed in Annex 2, which is capable of executing that order, **the**

**Company's own costs and commissions (if applicable) for executing the order on each of the eligible execution venues, shall also be taken into account** in that assessment.

The Company shall not structure or charge their commissions in such a way as to discriminate unfairly between execution venues and shall act on the client's best interest.

In addition, the Company will determine the relative importance of the Execution Factors described below in Section 4, by using its commercial judgment and experience in the light of the information available on the market while using the Execution Criteria described above.

The Company will in a timely manner notify its clients of abnormal market conditions adversely affecting the execution of the respective orders and any changes in the fundamental operation of the markets and/or venues that have the potential to impact the execution of client orders.

#### **4. Best Execution Factors**

In general, all client orders will be executed *in accordance with the time of their receipt*. The Company will carry out comparable orders sequentially and promptly, unless the characteristics of the Order or prevailing market conditions make this impracticable, or the interests of the client require otherwise. Client orders may not be treated by the Company as otherwise comparable, if they are received by different means, (e.g., via email or over the phone), and therefore, it would not be practicable for them to be treated sequentially.

All sufficient steps will be taken to obtain, when executing client's orders, the best possible result for clients taking into consideration *a range of factors* required by **MiFID II** and the relevant Law. The Execution Factors, which the Company considers, as it pursues the provision consistent best execution of orders in order of priority are:

- price
- costs
- speed
- likelihood of execution and settlement
- size
- nature
- market conditions, venue rules
- or any other consideration relevant to the execution of the order e.g. characteristics of the client, of the order, financial instrument, and execution venue.

The above Execution Factors guide the Company's daily order handling and the selection of execution venues. The Company puts the most emphasis on the factors of price and cost, but the overarching goal is to provide consistent quality execution achieving the best overall result for the Client over time, not just the best result for a specific instance.

Execution factors will be applied by the Company, when executing client orders, in light of execution criteria presented above. The methodology indicated in this section is not rigid and may be altered by the Company in each situation, as the client's interests may dictate. Specified below are the execution factors, which the Company will consider. The relative importance of the factors is also indicated.

Moreover, the Company will analyse and regularly monitor the quality of execution, in order to verify, that it achieves the best possible results for its clients on an on-going basis. In its aim to accomplish the best possible execution quality, the Company will implement and strictly follow the below procedures:

- strengthening of front-office accountability and systems to ensure that they are able to identify any potential deficiencies.
- monitor the quality and appropriateness of the execution arrangements and policies on an ex-ante and ex-post basis.
- identify circumstances, under which changes may be appropriate.
- ensure that the design and review process of policies is appropriate and takes into account new services or products offered by the Company.
- ensure that the Company has correctly applied its execution policy.
- ensure that client instructions and preferences are effectively implemented, especially when using smart orders routers or any other means of execution.
- ensure that the results of ongoing execution monitoring/random sample testing, are escalated to senior management and/or relevant committees, and proceed with any improvements, if needed.
- detailed monitoring of execution quality in relation to each class of financial instrument.

The Company seeks to validate, on an on-going basis, that their execution arrangements work well throughout the different stages of the order execution process, than rather seeks to always obtain the best possible results for its clients on every single occasion.

#### **4.1 Price of the Financial Instruments and cost – Highest importance**

Commonly, client orders will be routed to execution venues where opportunities for price improvement may exist. The criteria used may include:

- i. automatically matching incoming market and limit orders to pending limit orders.
- ii. crossing transactions, where price improvement is offered to one or both sides of the trade.

In assessing and comparing prices provided by execution venues, including the Company's internal capacity, the Company will use benchmarks or other publicly available pricing data.

For more diversified markets (if any), data from various major execution venues, including interdealer brokers, can serve as benchmarks, even if not listed in Annex 2, provided they adequately represent the specific market. Reasonable deviations from these benchmarks will be determined for each financial instrument, considering its liquidity and volatility. The actual execution performance will be regularly monitored against the relevant benchmarks.

Price and cost are typically treated as separate execution factors. In general, price is the primary consideration influencing the Company's selection of an execution venue, with cost being evaluated alongside other relevant factors. The Company will follow client instructions or known preferences in this regard. However, certain circumstances may arise where price is no longer the prevailing factor.



## 4.2 Speed and likelihood of execution – High importance

Due to the levels of liquidity and volatility affecting both price and volume, the Company seeks to provide client orders with the fastest execution reasonably possible, although delays may occur. For these purposes the Company will use the data published by trading venues on the speed and likelihood of the execution.

*Speed of execution* may have different meanings for the different types of execution venues, as the measurement of speed varies by both trading systems and trading platform. For continuous auction order books, speed of execution is expressed in milliseconds while for other trading systems it is appropriate to use larger units of time. In any case, the similar parameters will be compared as to make the decision on the best speed for execution.

*Likelihood of execution* indicates the probability of execution of a particular type of order (e.g., market, limit order) and is supported, inter alia, by details on trading volumes and number of quotes placed and orders executed in a particular instrument. Information on likelihood of execution is connected with such metrics as the relative market size of a venue in a particular Financial Instrument or the class of instruments. Likelihood of execution may also be assessed with data on failed transactions or cancelled or modified orders.

The actions specified above will be performed by the Company periodically subject to availability of the respective data. All execution venues will be required by law to publicize such data. In case of unavailability of such data (e.g., in case of the venue registered in a third country) the Company will assess likelihood of the execution using the information on the respective venue that is in fact available to the Company.

## 4.3 Size of orders – Medium Importance

In order to compare the quality of execution for orders of different size, the data provided by execution venues on transactions within several size ranges will be monitored by the Company.

The Company will search for execution venues that provide the greatest liquidity and thus potential for execution of large orders. The Company also will seek opportunities for client orders to benefit from order-size commitments offered by the execution venues.

For these purposes the following data publicized by execution venues will be reviewed:

- median transaction size on that date if more than one transaction occurred.
- median size of all orders or requests for quote on that date if more than one order or request for quote was received.

## 4.4 Execution Factors to particular Financial Instruments

The following order types are available for financial instruments and products listed in Annex 1 hereto:

*Market Order*: where the client instructs a financial institution or trading counterparty to execute a trade of a certain size as promptly as possible at the prevailing market price. Financial institutions are required to execute market orders without regard to price changes. Therefore, if the market price moves significantly during the time it takes to fill a client's order, the order

will most likely be exposed to the risk of execution at a price substantially different from the price when the order was entered.

*Limit Order:* with which the client sets the maximum purchase price, or minimum sale price, at which the trade is to be executed. As a limit order may be entered away from the current market price, it may not be executed immediately. A client that leaves a limit order must be aware that it is giving up the certainty of immediate execution in exchange for the expectation of getting an improved price in the future. Limit orders may be routed to an exchange without human intervention.

Unless a client order includes explicit instructions designating a specific execution venue, or the Company has pre-selected the execution venue for a particular class of financial instruments within a specified geographical region in accordance with this Policy, the Company will use the following approach to prioritize execution factors.

### Equities

Cash Equity instruments include: common stock, warrants, preference shares, American depositary receipts ('ADRs') and global depositary receipts ('GDRs'). Outside any specific instruction on the contrary, the following provides the execution factors prioritisation order that may be applied to a limit order with respect of Cash Equities:

- Price
- Likelihood of execution
- Size of the order
- Costs
- Speed of execution

For convertible bond transactions, the Company will prioritise execution factors as follows:

- Price
- Speed of execution
- Size of the order
- Costs
- Likelihood of execution

In relation to a market order, speed of execution (primary factor) and size of the order (secondary factor) are the most important execution factors

### Fixed Income

Outside any specific instruction on the contrary, the following provides the execution factors prioritisation order that may be applied to a limit order:

- Price (plus costs for retail clients)
- Costs (for professional clients)
- Speed of execution
- Likelihood of execution
- Size of the order

In relation to a market order, speed of execution (primary factor) and size of the order (secondary factor) are the most important execution factors.

### Money Market Instruments

Money Market Instruments shall include short-term debt securities that are typically issued by governments, financial institutions, corporations to manage their short-term funding needs, repurchase (REPO) and reverse repurchase (reverse REPO) transactions.

Outside any specific instruction on the contrary, the following provides the execution factors prioritisation order that may be applied to a limit order involving Money Market Instruments:

- Interest rate
- Costs
- Size of the order
- Speed of execution
- Likelihood of execution

In relation to a market order, speed of execution (primary factor) and size of the order (secondary factor) are the most important execution factors.

For REPO transactions, the Company will prioritise execution factors as follows:

- Interest rate
- Likelihood of execution (this will include credit quality of a counterparty)
- Size of the order
- Costs
- Speed of execution

### Exchange-traded Derivatives and Exchange Traded Products

Products in scope under this category include futures, exchange-traded options, exchange-traded products like exchange-traded funds (ETFs) and exchange-traded notes (ETNs).

For futures, listed options including physically settled commodities in liquid markets, and for exchange-traded products, for both quote driven and order driven markets, VIL will prioritise execution factors as follows:

- Price
- Size of the order
- Speed of execution
- Costs
- Likelihood of execution

For futures and listed options including physically settled commodities in illiquid markets, for both quote driven and order driven markets, the Company will prioritise execution factors as follows:

- Likelihood of execution
- Price
- Costs
- Size of the order
- Speed of execution

#### **4.5 Any other relevant factors**

The Company considers, but without the list being exhaustive, as relevant factors that might affect the execution of Clients Orders, fundamental announcements and unusual market conditions such as low liquidity and/or high volatility.

#### **5. Refusal to execute orders**

The Client accepts that the Company reserves the right to refuse the provision of any investment and ancillary service, at any time, including but not limited to the execution of instructions for trading any type of Financial Instrument of the Company, without prior notice to the Customer. The circumstances under which the Company shall proceed to the above actions are the following:

- If the Customer has insufficient funds in his/her account.
- If the order affects the orderly function of the market.
- If the order aims at manipulating the market of the underlying Financial Instrument.
- If the order constitutes the exploitation of confidential information.
- If the order affects the orderly operation of the trading platform. and
- If the order contributes to the legalisation of proceeds from illegal actions (money laundering).
- The Company obtains the right to reject or refuse any suspicious order that can be justified as abusive.

The Client understands that any act of refusal by the Company for the execution of any order will not affect any obligation of the Client towards the Company under the Terms of Business Agreement.

#### **6. The Quality of Execution**

When executing orders on behalf of clients in relation to Financial Instruments as defined by MiFID II, the Company will take all reasonable steps to achieve what is called “best execution” of client’s orders. This means that the Company has in procedures that are designed to obtain the best possible result for client’s orders, subject to and considering any specific instructions from the client, the nature of client’s orders and the nature of the markets and products concerned.

While the Company will take all reasonable steps based on the resources available to it to satisfy itself that it has processes in place that can reasonably be expected to lead to the delivery of the best possible result for its clients, it cannot guarantee that it will always be able to provide best execution of every order executed on client’s behalf, particularly where the client gives specific instructions as to all or part of its order.

The provision of “best execution” by the Company does not mean that the Company owes its clients any fiduciary responsibilities over and above the specific regulatory obligations placed upon it or as may be otherwise contracted between the Company and its clients. The Clients remain responsible for their own investment decisions and the Company will not be responsible for any market trading loss suffered as a result of those decisions.

The Company generally considers the most important factors for execution to be, in order of importance:

- a. price and related execution costs
- b. speed and likelihood and settlement of execution
- c. size of the order
- d. best bid and corresponding volumes
- e. market depth
- f. order book
- g. the number and average duration of periods during which no bid or offers were provided
- h. number, time and duration of clearing sessions
- i. margin, collateral requirements and flexibility
- j. availability and speed of transfer of assets between different markets of the execution venue
- k. existence and quality of a DMA system
- l. other relevant characteristic

In addition to the factors discussed above, the Company will determine the relative importance of the Execution Factors by using its commercial judgment and experience in the light of the information available on the market and considering the Execution Criteria described above.

Demonstrating best execution does not necessarily involve a transaction-by-transaction analysis, but rather involves an assessment of a record of transactions over a period indicating that overall, the best results are achieved by executing orders on the client's behalf on the Execution Venues and in the manner described in this Order Execution Policy. The Company reserves discretion to modify, add or remove execution venues.

In some cases, as a result of a system failure or otherwise the Company may have no alternative but to execute an order using a method other than the method it has selected based on this Order Execution Policy. In such cases, the Company will endeavour to execute the order on the best terms possible.

## **7. Execution Venues**

This Policy contains factors and criteria for executing orders and that same methodology drives the selection of Execution Venues and Brokers. Annex 2 contains the list of Execution Venues by Asset Class. The methodology has been applied to select execution venues and brokers that will deliver best execution on a consistent basis.

Execution Venues means a regulated market or a multilateral trading facility (MTF) or a systematic internalizer or a market maker (e.g., broker dealers) or an entity performing in a third country a function similar to any of the above mentioned, with which the Company places clients' orders for execution or to which it transmits orders for execution.

Where there is more than one venue to execute an Order, Company's own commissions or fees for executing the Order on each of such execution venues will be considered. For the purposes of preventing unfair discrimination between execution venues the Company will not charge a different commission or spread for execution on different execution venues other than to reflect actual differences in the cost to the Company of executing on those venues.

The Company shall not receive any remuneration, discount, or non-monetary benefit for routing client Orders to a particular execution venue which may lead to a conflict of interest. This particularly includes instances where such execution venues (e.g., internalises matching client orders) are also connected parties with the Company. Under the same principle, the Company shall not be bound to use services of connected intermediaries (e.g., brokers of the same group) for executing a client Order if the overall cost of such execution, including the intermediary's fee, unfairly exceeds the cost of execution of such an Order through another immediately available intermediary with no specific benefit for the Client (e.g., favourable maintenance or custody fee).

To assess overall execution quality of the execution venue all the parameters pointed out in this section will be used to evaluate Venues and Broker in wholistic, ongoing manner to address the Company's client categorization, needs and preferences.

For exchange traded equities and bonds XE will execute on exchange via direct market access via a third-party exchange member. When counterparties are selected for executing Fixed Income OTC orders a wide range of counterparties will be used to source liquidity in often illiquid names. In either case, Xtellus Europe employees the following criteria in selecting its Venues and Brokers, the Company (the list is not exhaustive):

- The regulatory status of the Broker/Execution Venue
- Financial strength of the Broker/Execution Venue
- Perceived creditworthiness - Credit risk rating (if available) of the Broker/Execution Venue
- Competitiveness of commission rates and fees.
- Competitiveness of Settlement Costs.
- Transparency (e.g. lit, dark) of the execution venue
- Clearing schemes
- Circuit breakers
- Scheduled auctions
- Liquidity analysis
- Toxicity analysis
- Reversion analysis
- Market share
- Breadth of market coverage
- Reputation, financial strength and stability
- Willingness to execute difficult transactions
- Access to liquidity
- Ongoing reliability
- Overall costs of a trade including commissions, mark-ups, markdowns or spreads
- Anonymity of trading activity

## **8. Specific instructions**

Where the client provides the Company with a specific instruction in relation to his/her order or any part of it, including selection of execution venues, the Company will execute that order in accordance with those specific instructions and, in doing so, it will have complied with its obligations to provide the best possible results to the extent that those instructions are followed.

For the purposes of this Policy 'under specific instruction' means any Order which expressly includes the indication of execution venue and/or party for execution and/or time limit for execution and/or other firm conditions including specific settlement terms. When executing a specific instruction, the Company will seek the best possible result for the client under the constraints imposed by the specific conditions provided in the Order, e.g., most favourable prices available on the execution venue or offered by the third-party specified by the client within the period.

However, the Company warns its clients that any specific instruction may prevent the Company from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of those orders in respect of the elements covered by those instructions.

Where a client privately negotiates a trade with a third party and asks Xtellus Europe to register both sides of the trade on a regulated market, the Company will not owe any Best Execution obligations to the client. Where a client asks the Company to find a buyer or seller to a block trade, where the client has determined that the financial instrument, size and price, the Company's role is limited to finding a buyer or seller on terms determined by the client and registering the trade on a regulated market.

Where a client privately negotiates a trade with a third party and asks the Company to register both sides of the trade on a regulated market, the Company will not owe any Best Execution obligations to the client. Where a client asks the Company to find a buyer or seller to a block trade, where the client has determined that the financial instrument, size and price, the Company's role is limited to finding a buyer or seller on terms determined by the client and registering the trade on a regulated market.

## **9. Evidence of best execution**

Upon reasonable request from a client, and provided that the order was subject to the Policy, the Company will demonstrate to the client that it has executed its order in accordance with this Policy. In the absence of evidence to the contrary, the records of the Company will constitute conclusive evidence of the actions taken by the Company to obtain Best Execution on behalf of its clients. The Company keeps all records relating to its trading activities and versions of this Policy, for a minimum period of five (5) years in accordance with MiFID II and local regulatory requirements.

Demonstrating best execution does not necessarily involve a transaction-by-transaction analysis, but rather involves an assessment of a record of transactions over a period indicating that overall, the best results are achieved by executing orders on the client's behalf on the

Execution Venues and in the manner described in this Order Execution Policy. The Company reserves discretion to modify, add or remove execution venues.

In certain markets and trading situations such as “over the counter” (OTC) markets there may not be an equivalent publicly available market price for the instrument being traded. In such situations the Company will use its experience and commercial judgment to consider all relevant information available to it and apply this Order Execution Policy with a view to achieving the best possible result in terms of the total consideration.

In some cases, as a result of a system failure or otherwise the Company may have no alternative but to execute an order using a method other than the method it has selected based on this Order Execution Policy. In such cases, the Company will endeavour to execute the order on the best terms possible.

## **10. Consent**

When establishing a business relationship with the Client the Company is required to obtain client’s prior consent to its Order Execution Policy.

The Company requires client’s express prior consent in the event that their orders will be executed or transmitted for execution outside of a regulated market or multilateral trading facility (hereafter “MTF”). The Company’s Order Execution Policy provides for the possibility that client’s orders may be executed or transmitted for execution outside a regulated market or an MTF.

The Company may obtain the above consents in the form of a general agreement. The Company will treat clients who have either received the Execution Policy or agreed to receive it in any electronically format or via the internet and have accepted the Terms of Business of the Company, as Clients who have given consent to the Policy as well as given consent to the Company to execute or receive and transmit an order for execution outside a regulated market or MTF.

## **11. Monitoring**

The Company will review and monitor the effectiveness of this Order Execution Policy and arrangements to identify and, where appropriate, correct any deficiencies. It will assess, at least annually, whether the execution venues included in this Order Execution Policy enable the Company to provide the best possible result for the client’s orders and whether it needs to make changes to its execution arrangements.

Furthermore, a review will also be carried out whenever a material change occurs that affects the ability of the Company to continue to obtain the best possible result for the execution of its client orders on a consistent basis using the venues included in this Order Execution Policy. The Company will not notify its clients individually of changes, other than substantial material changes to this Order Execution Policy and therefore the client shall refer from time to time to the Company’s website where the latest and most up to date Execution Policy will be available.



The Company considers that the following factors, the list is not exhaustive, constitute Material Changes:

- Change of execution venues.
- Significant delay in the execution of orders.
- Any change to the relative importance of execution criteria and relevant factors as described in this policy.
- Changes of the platform(s) used by the Company for execution of client's orders.

## **12. Definition**

Multilateral trading facility or MTF means a multilateral system operated by an Investment Firm or market operator, which brings together or facilitates the bringing together of multiple third-party buying and selling interests in Financial Instruments in the system and in accordance with its non-discretionary rules, in a way that results in a contract in accordance with the provisions of Title II of the Investment Services and Activities and Regulated Markets Laws of 2017.

Regulated market or organised market means the multilateral system managed or operated by a market operator and which brings together or facilitates the bringing together of multiple third-party buying or/and selling interests in Financial Instrument, in the system and in accordance with its non-discretionary rules, in a way that results in a contract, in respect of the Financial Instruments admitted to trading under its rules or/and systems, and which is authorised by member state and functions regularly in accordance with the provisions of Title III of the Investment Services and Activities and Regulated Markets Laws of 2017 as amended or respective legislation of other member states that are enacted in compliance with MiFID II - Directive 2014/65/EU.

Systematic internalizer means the IF which on an organised, frequent, and systematic basis, deals on Own Account by executing client orders outside a Regulated Market or MTF.

### **13. APPENDIX 1 Applicable Asset Classes**

Xtellus Europe has the infrastructure to receive transmit and execute orders in Equities and Fixed Income Instruments.

This Policy will apply to the following classes of Financial Instruments:

- (1) Transferable securities;
- (2) Money-market instruments;
- (3) Units in collective investment undertakings;
- (4) Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, emission allowances or other derivatives instruments, financial indices or financial measures which may be settled physically or in cash;
- (5) Options, futures, swaps, forwards and any other derivative contracts relating to commodities that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event;
- (6) Options, futures, swaps, and any other derivative contract relating to commodities that can be physically settled provided that they are traded on a regulated market, a MTF, or an OTF, except for wholesale energy products traded on an OTF that must be physically settled;
- (7) Options, futures, swaps, forwards and any other derivative contracts relating to commodities, that can be physically settled not otherwise mentioned in point 6) above and not being for commercial purposes, which have the characteristics of other derivative financial instruments;
- (8) Derivative instruments for the transfer of credit risk.

## 14. APPENDIX 2 Execution Venues

Currently, the Company does not have direct access to any stock exchanges, thus the Company performed thorough research and collected information on trading conditions and quality of execution across different execution venues, through a series of metrics such as volume, frequency of trading, resilience or execution price. During the assessment process, regarding the execution venue/s, which the Company will engage with, quantitative and qualitative factors have also been taken into consideration.

To this end, and following detailed assessment, analysis, and examination performed by the Company, it will proceed with the execution venue.

The table below lists the Execution Venues, where the Company will transmit the Clients' orders for execution and respective stock exchanges. Using a single venue, will not lead the Company to be "over-reliant" on that single venue. Moreover, using a single venue will not lessen the Company's responsibility to monitor the quality of execution, nor does it mean, that merely executing client orders on that venue, will not prevent the Company from properly discharging its best execution obligations. Furthermore, the Company reserves the right to use other execution venues and third parties, where it deems, that it is appropriate and it is in the best interests of its clients and may from time to time add or remove an execution venue from this list, only after it informs its clients accordingly of the respective changes.

**The following Execution Venues will be used for executing the Orders:**

Executing Broker	Markets to which each Broker grants access for Execution					
	Equities	Fixed Income	Debt Securities	Foreign Exchange	Collective Investment Schemes/Open-ended Investment Companies	Futures and Options
<b>Linear</b>	<ul style="list-style-type: none"> <li>Europe</li> <li>USA</li> <li>Middle East and North Africa (MENA Region)</li> <li>Rest of the World</li> </ul>	<ul style="list-style-type: none"> <li>Europe</li> <li>USA</li> <li>Middle East and North Africa (MENA Region)</li> <li>Rest of the World</li> </ul>	<ul style="list-style-type: none"> <li>Europe</li> <li>USA</li> <li>Middle East and North Africa (MENA Region)</li> <li>Rest of the World</li> </ul>	<ul style="list-style-type: none"> <li>Europe</li> <li>USA</li> <li>Middle East and North Africa (MENA Region)</li> <li>Rest of the World</li> </ul>	<ul style="list-style-type: none"> <li>Europe</li> <li>USA</li> <li>Middle East and North Africa (MENA Region)</li> <li>Rest of the World</li> </ul>	N/A
<b>Marex</b>	N/A	N/A	N/A	N/A	N/A	<ul style="list-style-type: none"> <li>Europe</li> <li>USA</li> <li>United Kingdom</li> </ul>

<b>Xtellus Capital</b>	<ul style="list-style-type: none"> <li>• USA</li> <li>• Canada</li> </ul>	<ul style="list-style-type: none"> <li>• Europe</li> <li>• USA</li> <li>• Middle East and North Africa (MENA Region)</li> <li>• Rest of the World</li> </ul>	N/A	N/A	N/A	N/A
------------------------	---	--	-----	-----	-----	-----

The following table provides information about the Company's Custodians and Execution Brokers:

<b>Name of Broker</b>	<b>Jurisdiction</b>	<b>Description</b>	<b>License Number</b>	<b>Date of License</b>	<b>Regulatory authority</b>
<b>Linear</b>	UK	Global Execution, Prime Brokerage and Custody	FRN 537389	Since 09/03/2011	FCA
<b>Marex</b>	UK	Marex is a diversified global financial services platform, providing liquidity, market access and infrastructure services to clients in the energy, commodities and financial markets.	FNR 442767	Since 13/01/2006	FCA
<b>Xtellus Capital</b>	USA	Xtellus Capital Partners, Inc. primarily engages in broker-dealer activities, providing interdealer brokerage services. Its operations focus on fixed income, equity securities, and derivatives markets, where it facilitates transactions between institutional clients like investment banks, hedge funds, and other financial entities.	156048	Since June 2013	Finra