

EXECUTION QUALITY SUMMARY STATEMENT OF 2023

1. Introduction

Ultima Markets Cyprus Limited (hereinafter "the Company"), is authorized and regulated by the Cyprus Securities and Exchange Commission ("CySEC") to act as a Cyprus Investment Firm ("CIF") with License Number 426/23.

This document is issued pursuant to, and in compliance with the requirements of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments ('**MiFID II**') and the investment services Law of CySEC (**87(I)/2017-2023**).

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 Section 9 of the Questions and Answers Document of the European Securities and Markets Authority ('**ESMA**') issued on 11 October 2016 with reference ESMA/2016/1454 with respect to the provision of CFDs and other speculative products to retail investors. In this Document, we collectively refer to all the above legislations, regulations, and guidelines as '**Regulations**'

The Company is required to inform all its Retail and Professional Clients about all sufficient steps taken to obtain the best possible result for its Clients ("best execution") either when executing Client orders or receiving orders for execution in relation to financial instruments.

This Statement is a summary of those steps taken by the Company in addition to those referred in the Order Execution Policy of the Company, as well as analysis and conclusions derived by the monitoring undertaken with respect to Clients orders' execution on the execution venues utilized by the Company within 2023.

2. Application

This Policy applies to Retail and Professional Clients of the Company. In the case of Retail Clients, in applying the best execution in the normal course of business, we determine the best possible result in terms of total consideration. Total consideration is the price of the financial instrument concerned and the costs payable by the retail Client as a result of execution. These costs include all expenses incurred that are directly related to the execution of the order (such as execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order). These costs do not include our own commission, spread or margin. We may take the other execution factors into account where they are instrumental in delivering the best possible result (in terms of total consideration) for the retail Client. In the case of Professional Clients, in applying the overarching principle in the normal course of business, price merits a high relative importance. In considering price, we also consider the steps that we may reasonably take to minimize the market impact of execution. The application

of the best execution is subject to prevailing market conditions and our understanding of the professional Client's preferences. Therefore, there may be circumstances in which we conclude that other execution factors are as important, or more important, than price in applying the best execution

The application of the best execution is neither a guarantee that the best price will be obtained nor a guarantee that the transaction will be executed in full. This Document called Execution Quality Summary Statement (hereinafter the EQSS) sets out the 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 given by the execution venues even though the company did not start operations during the year under review. This Document shall be reviewed and accordingly updated on an annual basis and shall reflect the data of the previous year.

3. Best Execution Factors and Criteria

The Company takes all sufficient steps to act in the best interest of its customers when executing Customer's Orders and obtain the best possible result for Customers considering the following factors when dealing with Customers Orders: price, cost, speed, likelihood of execution and settlement, size, market impact or any other consideration relevant to the execution of an order. The Company does not consider the above list exhaustive and the order in which the above factors are presented shall not be taken as priority factor.

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:** For any given CFD, the Company will quote two prices: the higher price (ASK) at which the Client can buy (go long) that CFD, and the lower price (BID) at which the Client can sell (go short) that CFD. Collectively, the ASK and BID prices are referred to as the Company's price. The difference between the lower and the higher price of a given CFD is the spread. Such orders as Buy Limit, Buy Stop and Stop Loss, Take profit for opened short positions are executed at ASK price. Such orders as Sell Limit, Sell Stop and Stop Loss, Take profit for opened long positions are executed at BID price.

The Company's price for a given CFD is calculated by reference to the price of the relevant underlying asset, which the Company obtains from third party external reference sources (i.e. price feeders or Executive Venues) plus any mark-up applied by the Company on the price. The Company's prices can be found on the Company's website or trading platforms [here](#). The Company updates its prices as frequently as the limitations

of technology and communications links allow. The Company reviews its third-party external reference sources from time to time to ensure that the data obtained continues to remain competitive. The Company will not quote any price outside the Company's operations time (see execution venue below) therefore no orders can be placed by the Client during that time. Certain ex-ante and ex-post quality checks are conducted by the Company to ensure that prices obtained and subsequently passed on to clients remain competitive. Such checks include, but not limited to, reviewing system settings/parameters, comparing prices with reputable price sources, ensuring symmetry of spread and checking the speed of price updating.

If the price reaches an order such as: Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit or Sell Stop, these orders are instantly executed. However, under certain trading conditions, it may be impossible to execute orders (Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit or Sell Stop) at the Client's requested price. In this case, the Company has the right to execute the order at the first available price. This may occur, for example, at times of rapid price fluctuations, if the price rises or falls in one trading session to such an extent that, under the rules of the relevant exchange, trading is suspended or restricted, or this may occur at the opening of trading sessions. The minimum level for placing Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit and Sell Stop orders, for a given CFD, is specified in the Company's website at www.ultimamarkets.eu.

- (b) **Costs:** For opening a position in some types of CFDs the Client may be required to pay commission and/or financing fees, the amount of which is disclosed on the Company's website at www.ultimamarkets.eu.

Commissions: Commissions may be charged either in the form of a percentage of the overall value of the trade or as fixed amounts. More information on commissions can be found on the Company's website at www.ultimamarkets.eu.

Financing Fee: In the case of financing fees, the value of opened positions in some types of CFDs is increased or reduced by a financing fee "swap rate" throughout the life of the CFD (i.e. until the position is closed). Financing fees are based on prevailing interest rates, which may vary over time. Details of financing fees applied are available on the Company's website at www.ultimamarkets.eu.

For all types of CFDs that the Company offers, the commission, if applicable, and financing fees are not incorporated into the Company's quoted price and are instead charged separately to the trading account.

Currency Conversion: The Company may provide a currency conversion quote from the Client's base currency to the currency of the relevant CFD. This will not reflect an actual conversion of currency in the Client's account, and serves the purpose of calculating consideration in the base currency only.

Should the Company at any period of time decide not to charge such costs, it shall not be construed as a waiver of its rights to apply them in the future, with prior notice to the

Client as explained in the Client Agreement found on the Company's website at www.ultimamarkets.eu. Such notice may be sent personally to the Client and/or posted on the Company's website at www.ultimamarkets.eu.

- (c) **Speed of Execution:** The Company is not the Execution Venue for the execution of the Client's Order. The Company arranges for the execution of Client Orders with third party Execution Venues. 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. For instance, in cases where Clients are using a wireless connection or a dial up connection or any other communication link that can cause a poor internet connection then this may cause unstable connectivity with the Company's trading platform resulting to the Client placing his Orders at a delay and hence the Orders to be executed at better or worst prevailing price offered by the Company.
- (d) **Likelihood of Execution:** When the Company transmits Orders for Execution or executes it with another party, execution may be more difficult. The likelihood of execution depends on the availability of prices of other market makers/financial institutions. In some case it may not be possible to arrange an Order for execution, for example but not limited in the following cases: during news times, trading session start moments, during volatile markets where prices may move significantly up or down and away from declared prices, where there is rapid price movement, where there is insufficient liquidity for the execution of the specific volume at the declared price, a force majeure event has occurred. In the event that the Company is unable to proceed with an Order with regard to price or size or other reason, the Order will not be executed. 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 found at website [here](#).

In order to improve speed and likelihood of execution the Company carries out certain ex-ante and ex-post quality checks. Such checks include, but not limited to, symmetric slippage checks, number of trades subject to slippage and comparing our average speed of execution with industry standards.

- (e) **Likelihood of settlement:** The Company shall proceed to a settlement of all transactions upon execution of such transactions. The Financial Instruments of CFDs offered by the Company do not involve the delivery of the underlying asset, so there is no settlement as there would be for example if the Client had bought shares. All CFDs are cash settled.
- (f) **Size of order:** All Orders are placed in lot sizes. A lot is a unit measuring the transaction amount and it is different for each type of CFD. The minimum size of an order is different for each type of Trading Account. Please refer to the Company's website at

www.ultimamarkets.eu for the value of the minimum size of an Order and each lot for a given CFD type. Also, please refer to the Company's website at www.ultimamarkets.eu for the value of the maximum volume of the single transaction. If the Client wishes to execute a large size Order, in some cases the price may become less favorable. The Company makes every effort to fill the Order of the client but reserves the right to decline an Order in case the size of the Order is large and cannot be filled by the Company or for any other reason as explained in the Client Agreement found at website [here](#).

- (g) **Market Impact:** Some factors may rapidly affect the price of the underlying instruments/products from which the Company's quoted price is derived and may also affect other factors listed herein. The Company will take all sufficient steps to obtain the best possible result for its Clients.

For details on how each factor is assessed ex ante when executing clients' orders please refer to the Company's **Order Execution Policy**.

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.

4. Conflicts of Interest

Execution Venues are the entities with which the orders are placed or to which the Company transmits orders for execution. For the purposes of the orders submitted to the Company by the client, as mentioned above, the Company acts as Principal on the client's behalf at all times. Even where the Company transmits the orders for execution to third party liquidity providers, the Company remains the sole counterparty to your trades. Should the client decide to open a position in a financial instrument with the Company, then that open position may only be closed with the Company. The Company implements and has in place sufficient measures to manage and/or mitigate such conflicts. For additional information please refer to the **Company's Conflict of Interest Policy**.

5. Payments or Non-Monetary Benefits Between the Company and its Execution Venues

As previously stated, the Company is the sole execution venue for the client's orders and, therefore it does not have any specific arrangement with other execution venues regarding payments, discounts, rebates, or other non-monetary benefits.

The Company adds a mark-up on the spread of the underlying CFD as received from its execution venues prior to offering it to its Clients.

The quoted price includes any spread and/or margin above the price at which the Company may be able to transact in the market. We may take into account a number of factors in quoting a price, including the following:

- the risk that the Company assumes under the transaction
- operational costs
- counterparty, capital, and funding related costs
- fees and costs that arise during the execution and lifetime of the transaction
- the level of service provided to the Client
- other factors specific to the Client, and
- any pre-agreed fee/spread charges.

The relative contribution of each of these factors may vary from transaction to transaction. It is the responsibility of the Client to determine whether or not to accept the quoted all-in price.

6. Report on Execution Venues

The Company, during the year under review collaborated with the below execution venues, even though it has not started its operations during 2023. The Company is in constant search of better execution venues in order to provide the best possible outcome to its clients.

The Company's execution venues during 2023 were:

No.	Execution Venue	Country of Establishment	Commencement of the relationship with the Company
1	AC Markets (Europe) Limited	Cyprus	13 April 2023
2	MTG Liquidity Limited	Cyprus	10 January 2023

Based on Annex II of the Commission Delegated Regulation (EU) 2017/576

Information on the top five execution venues during 2023	
Class of Instrument	Contracts for Differences (CFDs)
Notification if <1 average trade per business day in the previous year	N

Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
AC Markets (Europe) Limited	0%	0%	0%	0%	0%
MTG Liquidity Limited	0%	0%	0%	0%	0%

7. Ongoing monitoring

The Company monitored the effectiveness of its Order Execution Policy during the year under review and relevant order execution arrangements in order to identify and implement, where necessary, appropriate measures. The Company, in a constant basis, reviews its order execution arrangements so as to provide best execution for its clients on a continuous basis.

The Company takes into account several factors when executing client's orders such as, but not limited to, the price, costs, speed of execution. The Company monitors its execution arrangements on an ongoing basis by selecting appropriate samples of orders executed and evaluating the samples as described below:

- a) Evaluation of Execution Quality:
 - Price Latency
 - Speed of Execution
 - Frequency and Duration of Price Freezing
 - Depth of Liquidity
 - Price Transparency
 - Re-quotes
- b) Comparing prices relayed by price feed providers with the prices quoted by the Company
- c) Monitor Slippage on a regular basis to identify whether is asymmetric or not
- d) Monitor IT infrastructure (responsiveness of interfaces used, adequate integration with data providers, etc.)

The Company's control functions (compliance function and internal audit) scrutinize the monitoring procedure and the actions taken by the Company's senior management. The Company's control functions present any findings to the Company's Board of Directors, at least annually, for further actions that may be necessary to be implemented.