

RTS28 Execution Venue

Year 2020

Type of clients Class of Instrument Notification if < 1 average trade per business day in the previous year					
Retail Contracts for difference N					
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentag e of total in that class	Proportion of orders executed as percentag e of total in that class	Percentag e of passive orders	Percentag e of agressive orders	Percentag e of directed orders
SQUARED FINANCIAL (CY) LIMITED	53.5024%	75.0156%	0%	100%	0%
FOREX CAPITAL MARKETS LIMITED	44.7291%	22.5143%	0%	100%	0%
LMAX BROKER LIMITED	1.7555%	2.2636%	0%	100%	0%
INVEST FINANCIAL SERVICES PTY LTD	0.013%	0.2065%	0%	100%	0%

Type of clients Class of Instrument Notification if < 1 average trade per business day in the previous year					
Professional Contracts for difference N					
Top five execution venues ranked in terms of trading volumes (descending order)	Proportion of volume traded as a percentag e of total in that class	Proportion of orders executed as percentag e of total in that class	Percentag e of passive orders	Percentag e of agressive orders	Percentag e of directed orders
SQUARED FINANCIAL (CY) LIMITED	90.3681%	45.1662%	0%	100%	0%
FOREX CAPITAL MARKETS LIMITED	9.4237%	53.1215%	0%	100%	0%
LMAX BROKER LIMITED	0.2083%	1.7123%	0%	100%	0%

Note: The Investment firm does not have any executed client orders in Securities Financing Transactions (SFTs)

Summary Report

Introduction

- Squared Financial (CY) Limited (hereinafter, the “*SquaredFinancial*”) is an Investment Firm incorporated and registered under the laws of the Republic of Cyprus, with registration number HE 355968. *SquaredFinancial* is authorised and regulated by the Cyprus Securities and Exchange Commission (hereafter the “CySEC”) under the license number 329/17.
- This is the Execution Quality Summary Statement and Table (hereinafter, the “Report”) of *SquaredFinancial*, with the application of the Investment Services and Activities and Regulated Markets Law of 2017, pursuant to the requirement of disclosure of such information under Regulation EU 2017/576 supplementing MiFID II. MiFID II is the European Parliament and Council’s Directive 2014/65/EC.
- *SquaredFinancial* 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 Report is a summary of those sufficient steps taken by *SquaredFinancial* in addition to those referred in the Best Execution Policy of *SquaredFinancial*, as well as analysis and conclusions derived by the monitoring undertaken with respect to Clients orders’ execution on the execution venues utilized by *SquaredFinancial* within the year under review.
- This Report provides information on the *Best Execution Policy*. If you have any questions about this Statement or the Best Execution Policy, please contact us at support@SquaredFinancial.com.

Application

- This Policy applies to Retail and Professional Clients of *SquaredFinancial*
- 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.

Relative Importance of Execution Factors during the year

- For the assessment of execution of Clients' Orders, *SquaredFinancial* takes into consideration the following factors:
 - a) Price
 - b) Cost
 - c) Speed
 - d) Likelihood of execution
 - e) Likelihood of settlement
 - f) Size of order
 - g) Market Impact
 - h) Nature of order.
- You may refer to the Best Execution Policy of *SquaredFinancial* for further details on the above.

Execution Venues used by *SquaredFinancial*

- In selecting an execution venue for the execution of a transaction, *SquaredFinancial* considers the following in respect of the venue concerned:
 - price
 - cost of execution
 - liquidity available for the financial instruments concerned
 - speed of execution
 - reliability of the venue
 - continuity of trading
 - creditworthiness – good standing of the venue
 - quality of any related clearing and settlement facilities, and
 - such other factors as we consider relevant to the application of the overarching

principle.

- *SquaredFinancial* during the year under review, evaluated the pricing of various execution venues and it considers that the pricing provided through the utilized execution venues throughout the year is competitive and in accordance with the best interest of its clients.

Conflicts of Interest

- *SquaredFinancial* implements and has in place sufficient measures to mitigate such conflicts. For additional information please refer to the Summary of Conflicts of Interests Policy disclosed in *SquaredFinancial's* website.

Payments or non-monetary benefits between *SquaredFinancial* and its Execution Venues

- *SquaredFinancial*, adds a mark-up on the spread of the underlying CFD as received from its execution venues prior to offering it to its Clients on Classic Accounts. For the rest of the account types offered to Clients, *SquaredFinancial* adds a mark-up on the commissions.
- The quoted price includes any spread and/or margin above the price at which *SquaredFinancial* 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 *SquaredFinancial* 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.
- Moreover, *SquaredFinancial* receives monthly commissions from its execution venue calculated as a percentage of the volume of Orders sent for execution every month. Provided paragraph 5.1. above, there are obvious capital and financial connections

between the two parties however, the intergroup settlements have a pure market character.

Changes to the list of Execution Venues

- Since late 2018, and further to CySEC's requirements with respect to Risk Transferring Arrangements and Negative Balance Protection, *SquaredFinancial* ceased its co-operation with third-country execution venues.

Order Execution based on client categorisation

- *SquaredFinancial's* Best Execution Policy does not apply to Eligible Counterparties. In respect to Retail and Professional clients, please refer to section 2. above.

Other Criteria in respect to Execution of Orders

- There are no other criteria that are being taken into account when executing trades with *SquaredFinancial* and its execution venues mentioned above.

Ongoing Monitoring

- *SquaredFinancial* monitors the arrangements described in this Statement in order to identify any deficiencies and to assess whether we need to make any changes. This monitoring includes the monitoring of the performance of connected parties and other third parties to whom we may engage in the future to transmit Client orders.
- *SquaredFinancial* monitors on an ongoing basis its execution arrangements by checking the orders executed and evaluates them taking into consideration the below:
 - Price updates (ticks per minute)
 - Latency (speed of execution – time from reception to execution)
 - Market depth of its venues with respect to all CFDs offered
 - Price freezing or halts
 - Spreads widening
 - Any possibility of wrongly matched orders
 - Technology – connectivity of platforms with the execution venues
 - Comparison of pricing (for the quotes provided pre-execution and the rice

- obtained post execution) with independent price data providers such as Bloomberg, Thomson Reuters etc.
- Slippage monitoring (where occurs to be balanced and reasonably justified)
 - *SquaredFinancial's* Brokerage Department is monitoring the above in coordination with the IT Department and reports to the Senior Management of *SquaredFinancial* at least on a weekly basis.
 - Finally, the above monitoring procedure is under the review of the Control functions of *SquaredFinancial*, namely the Compliance and Internal Audit functions which report directly to the Board of Directors of *SquaredFinancial* their findings and recommendations on an annual basis at least.