

F1MARKETS LIMITED

Private company incorporated under the Cyprus Companies Law, Cap. 113

Under registration number HE 329568

EXECUTION QUALITY SUMMARY STATEMENT FOR THE YEAR 2019 ORDERS RELATED TO CONTRACTS FOR DIFFERENCE (CFDs)

F1Markets Ltd (the “Company” or “we” or “our”) is a Cyprus Investment Firm incorporated and registered under the laws of the Republic of Cyprus. The Company is authorized and regulated by the Cyprus Securities and Exchange Commission (the “CySEC”) under the licence number 267/15

1. INTRODUCTION/SCOPE

In accordance to the Investment Services and Activities and Regulated Markets Law of 2017 (L. 87(I)/2017), which has transposed Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments (the “MiFID II Directive”) into national law as well as the European Commission Delegated Regulation (EU) 2017/576 of 8 June 2016 (RTS 28), the Company is required to summarise and make public on an annual basis, for each class of financial instruments, the top five execution venues in terms of trading volumes where it executed client orders in the preceding year and information on the quality of execution obtained.

2. OBJECTIVE

The present Execution Quality Summary Statement (the “Statement” or “EQSS”) provides a summary of the analysis and conclusions the Company drew from its detailed monitoring of the quality of execution obtained from the sole Execution Venue where it executed all client orders during the year 2019, covering a full cycle (the “year under review”).

The EQSS should be read in conjunction with the Company’s [“Best Interest and Order Execution Policy”](#). If you have any questions about this Statement or Best Execution procedures, please contact us.

3. EXECUTION MODEL

During the year under review, the Company acted as an agent (straight through processing model) and arranged the execution of clients’ orders with its sole Liquidity Provider/Execution Venue: OBR Investments Ltd, an Investment firm licensed by CySEC with a Dealing on Own Account permission.

No.	Name of Execution Venue	Country of Establishment	Commencement date of relationship with the Company	Conclusion date of relationship with the Company
1	OBR Investments Ltd	Cyprus (CySEC regulated)	29/10/2018	N/A

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The Company has been offering investment services in relation to Contracts for Difference to Retail Clients and Elective Professional Clients. The regulatory framework requires the Company to provide Best Execution for its abovementioned Clients. Specifically for Retail Clients, the Company by virtue of the applicable regulatory framework, is required to provide the best execution in accordance with total consideration whereby total consideration represents the price of the Financial Instrument and the costs related to execution, which include all expenses incurred by the client which 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, as applicable.

4. SPECIFIC CLIENT INSTRUCTIONS

Further to the above, during the year under review, the Company has been utilizing only one Execution Venue, and therefore, the clients did not have the choice to select a different Execution Venue.

5. RELATIVE IMPORTANCE OF EXECUTION FACTORS

The Company when executing Clients' Orders is required under the relevant regulatory framework to assign a relative importance on the following execution factors. The factors are sorted below by the level of importance given when the company executes clients' orders

- a) Price;
- b) Cost;
- c) Speed of Execution;
- d) Likelihood of execution;
- e) Nature of order;
- f) Size of order;
- g) Market Impact.

For details on how each factor is assessed ex ante when executing clients' orders please refer to the Company's "[Best Interest and Order Execution Policy](#)".

6. CONFLICTS OF INTEREST

When the Company deals with the Client, the Company, an associate or some other person connected with the Company may have an interest, relationship or arrangement that is material in relation to the Transaction concerned or that it conflicts with the Client's interest. By entering into a Client Agreement with the Company for the provision of Investment Services, the Client is consenting to an application of this Policy on him/her. Further, the Client consents to and authorises the Company to deal with the Client in any manner which the Company considers appropriate, notwithstanding any conflict of interest or the existence of any material interest in a Transaction, without prior reference to the Client. In the event that the Company is unable to deal

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with a conflict of interest situation it shall revert to the Client. If during the course of a business relationship with a Client or group of Clients, the organizational or administrative arrangements/measures in place are not sufficient to avoid or manage a conflict of interest relating to that Client or group of Clients, the Company will disclose the conflict of interest before undertaking further business with the Client or group of Clients. Further details of the relevant procedures are provided in the [“Summary of Conflict of Interests Policy”](#) of our website.

7. TYPES OF ORDERS

Below is a list of different CFDs Orders being offered by the Company - although these did not affect the selection of the Execution Venue, as only one has been utilised:

- Market Order
- Instant Order
- Limit Order
- Stop Order

8. TOOLS AND DATA USED FOR THE ASSESSMENT OF BEST EXECUTION

The Company during the year under review deployed a number of methodologies and tools in order to monitor, and where applicable adjust, its execution parameters in order to ensure consistency with its overarching obligation to offer the best possible result for its clients' orders. In broad terms the Company monitors on an ongoing basis its execution arrangements by selecting appropriate samples of orders executed and evaluating the samples in accordance to the following dimensions:

(a) Evaluating the Company's Execution Venue in accordance to the following:

- Pricing Frequency/Speed (real time monitoring of prices);
- Examine whether there are price feed differences against the prices of the underlying markets;
- Speed of execution;
- Slippage statistics on sampling basis;
- Complain analytics;
- Availability of Tradable Assets;

9. REVIEWS OF EXECUTION MONITORING

The Company's brokerage department produces reports on a /monthly/ basis with the evaluation process described above and if actions are required liaise with the Company's senior management for next steps.

The Company's control functions (Compliance and Internal Audit) scrutinize the monitoring procedure conducted by the brokerage department and the actions taken by the Company's senior management. The Company's control functions present their findings to the Company's Board of Directors at least annually, for further scrutiny and actions.

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Class of Instruments	Contracts for Difference				
Notification if < 1 average trade per business day in the previous year	No				
Top 5 Execution Venues ranked in terms of trading volumes (Retail Clients)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as % of total in that class	Percentage of passive¹ orders	Percentage of aggressive² orders	Percentage of directed³ orders
OBR Investments Ltd LEI:213800WYGKF2K3TGPT48	100%	100%	100%	0%	0%

Class of Instruments	Contracts for Difference				
Notification if < 1 average trade per business day in the previous year	No				
Top 5 Execution Venues ranked in terms of trading volumes (Elective Professional Clients)	Proportion of volume traded as a percentage of total in that class	Proportion of orders executed as % of total in that class	Percentage of passive¹ orders	Percentage of aggressive² orders	Percentage of directed³ orders
OBR Investments Ltd LEI:213800WYGKF2K3TGPT48	100%	100%	100%	0%	0%

¹Passive Order means an order entered into the order book that provided liquidity;

² Aggressive Order means an order entered into the order book that took liquidity;

³ Direct Order means an order where a specific execution venue was specified by the client prior to the execution of the order;