EXECUTION QUALITY SUMMARY STATEMENT 2019

June 2020

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1. Introduction

Rynat Trading Ltd (hereinafter the "Company") is an Investment Firm regulated by the Cyprus Securities and Exchange Commission (hereinafter "CySEC") with License number 303/16.

2. Purpose

The Execution Quality Summary Statement (hereinafter the "EQSS" or "RTS28") contains a summary of the analysis and conclusions that the Company has drawn from its monitoring of the quality of execution obtained when executing clients' orders.

The Company urges its Clients and/or potential clients to read the Statement carefully as it contains information regarding the execution venue(s) used by the Company in regard to the asset class of Contracts for Differences (CFDs).

The EQSS shall remain on the Company's website for at least two (2) years post its publication.

3. Relative importance of Execution Factors

The Company when executing a client's order determined the relative importance of the below execution factors based on its commercial judgement and experience and in the light of information available on the market. Where the Company executes an order on behalf of a retail client, the best possible result is being determined in terms of the total consideration, representing the price of the financial instrument and the costs related to execution. In view of the above, the Company has assigned the following importance level to the below Best Execution Factors:

a) **Price**

   Price carries the highest significance for the Company when assessing best execution, and monitoring is performed continuously with pre-set alerts informing the Brokerage department of any disruptions, spikes and delays. Similarly, at random times during the day prices are compared against the Company's Data Providers and competitors ensuring that Company's clients receive the best, as possible, price updates. Subject to the issue at hand the Company may switch to the backup provider or contact its IT team and/or provider's IT team to resolve the issue and allow smooth trading experience.

b) **Cost**

   The Company aims to maintain low trading costs for its clients and emphasizes on business relationships that provide both a cost-effective solution and the best service in price updates. For this reason, in 2019 the Company ended its relationship with AXI Corp UK and proceeded to onboard Broctagon Prime Ltd, X-Trade Brokers DM S.A. and Equiti Capital UK Ltd alongside the existing relationship with Interactive Brokers as its Liquidity Provider.

   The Company is clear and transparent regarding the spreads offered, commissions and swap fees and payments. For this reason, the Company does not markup any of the spreads received and opted to charge a fixed commission on a per volume traded basis.

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c) **Speed**

As markets can move in milliseconds the Company aims to execute all client orders with the highest possible urgency by optimizing and fully automating executions. The Company process 100% of its clients' trades without any manual intervention.

d) **Likelihood of execution**

The Company acts as principal and not as agent on the Client's behalf and, therefore, the Company is the sole execution venue when executing client orders on CFDs on both FX and Commodities. The prices provided are derived from pricing obtained from its Liquidity Providers. Therefore, the chance of not executing a client's trade is close to zero. A trade can be executed/ rejected if one of the below applies:

- Client has insufficient capital to trade
- The underlying market is facing a disruption
- LP related technical issues
- System malfunction.

Nonetheless, as per paragraph 15 of the Order Execution Policy the clients can contact the Company via phone to place, modify or close an order.

With real-time monitoring of all its systems, the Company aims to ensures the uninterrupted trading experience of its system to Clients.

The Company is taking into consideration the above order execution factors for both Retail and Professional Clients.

Further information regarding the best execution factors described above can be found to the Company's Order Execution Policy.

4. Methodologies and data used for the monitoring of Execution

The Company regularly monitors compliance and effectiveness with its best execution obligation and relevant order execution arrangements to assess whether it enables it to provide the best possible result for its clients. The Company conducts a daily monitoring of all executed orders at T+1 by analyzing the difference between the requested and execution times, as well as the difference between the requested price and execution price. By the end of 2020 the Company plans on automating a live price and spread comparison between its Data Providers and the Market along with automating a daily report of the existing execution analysis spreadsheet that will help distill and identify any potential inconsistencies from its Order Execution Policy.

All irregularities identified in the daily checks were investigated and corrected, to ensure that each client received the best price that the Company was able to execute at the time of the trade. The result of each check was recorded by the dealing desk, detailing anomalies where spotted or 'zero anomaly' when no action was required. These records were in turn monitored by Compliance, who ensured the integrity of order execution.

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Further to the above, the Company reviews its execution arrangements and Order Execution Policy at least annually and whenever a material change occurs that affects Company's ability to obtain the best possible result for the execution of client orders.

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5. Execution venues

The Company acts as a principal and not as an agent on the Client's behalf and, therefore, the Company is the sole Execution Venue for the execution of clients' orders in financial instruments provided by the Company. Based on the published RTS27 reports from other Investment Firms and Liquidity Providers an average market benchmark is created and used to assess and improve the Company's function as an Execution Venue.

6. Changes to Execution Venues

During the year under review, the Company was the sole execution venue for the execution of clients' orders.

7. Conflicts of Interest

The Company's approach to identify, prevent and manage conflicts of interest is set out in the Company's Conflict of Interest Policy.

8. Arrangements with any execution venues regarding payments or non-monetary benefits

As described above, the Company is the sole Execution Venue for execution of clients' orders therefore, it does not have any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received.

9. When does Best Execution not apply?

The Company strives to provide best execution for both its retail as well as professional clients. Best execution does not apply:

a. Where we receive specific client instructions to trade at specific terms. Such instructions may prevent the Company from taking the steps that it has designed and implemented in its Execution related policies to obtain the best possible result for the execution of those orders in respect of the elements covered by those instructions;
b. To clients who are classified as Eligible Counterparties in accordance with the Company's Client Categorization Policy;
c. Where other Laws and regulations may prevail;

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10.Report on Execution Venues

The information presented below refers to the top five (5) execution venues for 2019 in terms of trading volumes for all executed client orders of retail and professional clients.

Table 1 – Retail Clients as per Annex II of RTS 28

Class of Instrument	(j) Contracts for difference				
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
Rynat Trading Limited (213800TN6ZVXHZ4NC968)	100%	100%	0%	0%	0%

Table 2 – Professional Clients as per Annex II of RTS 28

Class of Instrument	(j) Contracts for difference				
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
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