



LIRUNEX

EXECUTION QUALITY SUMMARY STATEMENT

Execution of Orders on CFDs during 2018



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2. INTRODUCTION

Lirunex Limited (hereinafter, the “Company”) is an Investment Firm incorporated and registered under the laws of the Republic of Cyprus, with registration number 353862. The Company is authorised and regulated by the Cyprus Securities and Exchange Commission (hereafter the “CySEC”) under the license number 338/17.

This is the **Execution Quality Summary Statement** (hereinafter, the “Statement”) of the Company, 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.

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 sufficient 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 2018.

This Statement provides information on the Order Execution Policy. If you have any questions about this Statement or the Order Execution Policy, please contact us at brokerage@lirunex.com.

3. 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.

4. RELATIVE IMPORTANCE OF EXECUTION FACTORS DURING 2018

For the assessment of execution of Clients' Orders the Company 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) Execution capability;
- (i) Nature of order.

You may refer to the [Order Execution Policy](#) of the Company for further details on the above.

5. EXECUTION VENUES USED BY THE COMPANY

The Company during 2018 cooperated and routed orders to the execution venue(s) listed below:

No.	Name of the Execution Venue	Country of Origin	Commencement date of routing orders for execution	End date in the event of termination
1	NFX Capital CY Ltd ¹	Republic of Cyprus	10/11/2017	04/09/2018
2	Broctagon Prime Ltd ²	Republic of Cyprus	05/04/2018	N/A

In selecting an execution venue for the execution of a transaction, the Company takes into consideration the following criteria in respect of the venue concerned:

- a) Price;
- b) cost of execution;
- c) liquidity available for the financial instruments concerned;
- d) speed of execution;
- e) reliability of the venue;
- f) continuity of trading;
- g) creditworthiness – good standing of the venue;

¹ NFX Capital CY Ltd incorporated and registered under the laws of the Republic of Cyprus, with registration number 310384. The Company is authorized and regulated by the Cyprus Securities and Exchange Commission (hereafter the "CySEC") under the license number 209/13.

² Broctagon Prime Ltd incorporated and registered under the laws of the Republic of Cyprus, with registration number 353862. The Company is authorized and regulated by the Cyprus Securities and Exchange Commission (hereafter the "CySEC") under the license number 320/17.



- h) quality of any related clearing and settlement facilities;
- i) Negative Balance Protection;
- j) GDPR Compliance and
- k) such other factors as we consider relevant to the application of the overarching principle.

Negative Balance Protection (point i), refers to the Cyprus Securities and Exchange Commission's (hereinafter, the "CySEC") decision to impose specific measures on Cyprus Investment Firms ("CIFs") as regards to the negative balance protection requirements and the adequacy of risks transferring arrangements. This requirement need to be addressed by taking into account both Circular 168 and Circular 271 (the "Circular"), issued by CySEC, applicable from August 1st , 2018. To this end , the Company must make sure that has in place the relevant agreements with its Liquidity Providers in order to ensure that the Liquidity Provider assumes the responsibility of the market risk associated with each trading position of the Company's Retail Clients and to assume responsibility and cover any negative balances that may appear in the trading accounts of the Retail Clients of the Company, on a per trading account basis.

GDPR Compliance (point j), refers to the responsibility of the Company to consider the General Data Protection Regulation (GDPR) when selecting its execution venues. The Regulation which came into force on May 25th of 2018, replaced the Data Protection Directive 95/46/EC and it was designed to harmonize data privacy laws across Europe, to protect and empower all EU citizens' data privacy. Therefore, due to the high importance of this Regulation, the Company needs to ensure that all its execution venues comply with this.

The Company does not, in any case, discriminates unfairly between execution venues. In addition, the Company 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 2018 as competitive and in accordance to the best interest of its clients.

6. CONFLICTS OF INTEREST

The Company does not maintain close links and common ownership structures with the execution venues of NFX Capital CY Ltd and Broctagon Prime Ltd, both established in the Republic of Cyprus.

The Company implements and has in place sufficient measures to mitigate such conflicts. For additional information please refer to the "[Conflicts of Interests Policy](#)" disclosed in the Company's website.

7. PAYMENTS OR NON-MONETARY BENEFITS BETWEEN THE COMPANY AND ITS EXECUTION VENUES

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

8. ONGOING MONITORING

The Company 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 to.

The Company 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 with independent price data providers such as Bloomberg, Thomson Reuters etc.
- Slippage monitoring (where occurs to be balanced and reasonably justified)

The Company's Brokerage Department is monitoring the above and reports to the Senior Management of the Company at least on a weekly basis.

Finally, the above monitoring procedure is under the review of the Control functions of the Company, namely the Compliance and Internal Audit functions which report directly to the Board of Directors of the Company their findings and recommendations on an annual basis at least.

9. REPORT ON EXECUTION VENUES

Table 1: Information on the top five execution venues during the year 2018 (Retail Clients)

Class of Instrument	Contracts for Difference				
Notification if < 1 average trade per business day in the previous year	Y				
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
Broctagon Prime Ltd (LEI: 213800AYVP83GMTLSE33)	100%	100%	0%	100%	N/A
NFX Capital CY Ltd (LEI: 21380072YOYRXZ8TKE88)	0%	0%	0%	0%	N/A

Table 2: Information on the top five execution venues during the year 2018 (Professional Clients³)

Class of Instrument	Contracts for Difference				
Notification if < 1 average trade per business day in the previous year	Y				
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
Broctagon Prime Ltd (LEI: 213800AYVP83GMTLSE33)	N/A	N/A	N/A	N/A	N/A
NFX Capital CY Ltd (LEI: 21380072YOYRXZ8TKE88)	N/A	N/A	N/A	N/A	N/A

³ The Company did not have any Professional Clients during the reporting period 2018.