

**Execution Quality Summary Statement  
for the year 2017  
on execution arrangements for CFDs**

**LYDYA FINANCIAL LTD**

**CIF 300/16**

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## 1. Introduction

Lydia Financial Ltd. (the “Company” or the “Firm”) owner of trade name Forex24 Global is committed to continuously obtaining the best possible outcome for client orders. It is essential for us to enable our clients and the public to evaluate the quality of Forex24 Global execution practices and to identify the execution venues where client orders are executed in terms of trading volumes.

We monitor the effectiveness of our order execution arrangements and regularly assess whether our available execution venues continue to provide the best possible results for client orders.

The purpose of the EQSS:

The Execution Quality Summary Statement (hereinafter the EQSS or the Statement) is a statement that Lydia Financial Ltd (hereinafter, the “Company”), an Investment Firm authorised and regulated by the Cyprus Securities and Exchange Commission with Licence Number 300/16, is required to disclose to its clients under Regulation EU 2017/576 of 8 June 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to regulatory 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 obtained on the execution venues where it executed all client orders during the year 2017, covering a full year cycle (hereinafter the “Year Under Review”). The Company urges its clients and/or potential clients to read the Statement carefully as it contains information on how the Company executes orders to execution venue(s) when operating under the Straight Through Processing (STP) model in relation to the Asset Class of Contracts for Difference (CFDs). The EQSS along with the accompanying tables will remain on the Company’s websites for at least two years post its publication.

## 2. Best Execution Factors and Criteria

Lydia Financial Ltd. places reliance on recognised external liquidity /feeder price providers when deriving its prices. Lydia Financial Ltd. applies symmetrical and consistent mark-ups to raw spreads to ensure our average spreads are highly competitive within the marketplace.

Continuous price presentation of the flow of the bid/ask prices in addition to high liquidity complements our prices ensuring our client’s trades are executed at the best available prices.

When executing Orders, we will take all sufficient steps to achieve/obtain the best possible outcome/result (“Best Execution”) for the client, taking into account price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the Order (“Best Execution Factors”), as follows:

- Price

- Costs of the transaction
- Speed of Execution
- Likelihood of execution and settlement
- The size of the Order
- Market Impact
- Nature of the order

For opening a position in some types of CFD's the Client may be required to pay commission or financing fees, if applicable, the amount of which is disclosed in the Contracts Specifications on the Company's website: [Best Interest and order execution summary](#)

**Commissions:** Commissions may be charged either in the form of a percentage of the overall value of the trade or as fixed amount.

**Financing Fee:** In the case of financing fees, the value of opened positions in some types of CFD's is increased or reduced by a daily financing fee, "swap", throughout the life of the contract. Financing fees are based on prevailing market interest rates, which may vary over time. Details of daily financing fees applied are available under Contracts Specifications section on the Company's website <https://www.forex24.com/trading/account-comparison/>.

For all types of CFD's that the Company offers, the commission and financing fees are not incorporated into the Company's quoted price and are instead charged explicitly to the Client trading account.

### 3. Conflicts of interests related to order execution

This section provides a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders.

Lydy Financial Ltd. obtains pricing and liquidity from Regulated Financial Institutions. The firm entered into an agreement with Forex Capital Markets and Speed Solution Ltd to be the liquidity providers after the company has activated its License in April 2017.

### 4. Specific arrangements with execution venues

Lydy Financial Ltd. is now entitled to a future potential payment based on the overall volume traded on the firm's platform.

The company Lydy Financial Ltd does not have any specific arrangements with the execution venues, no discount or benefits or rebates has been agreed.

The Company is committed to act honestly, fairly and professionally and in the best interests of its Clients and to comply, in particular, with the principles set out in the above legislation when providing investment services and other ancillary services related to such investment services.

## 5. Conflict of interest

The Company does not have any close links and/or common ownerships with any of the execution venues which give rise to conflicts of interests.

There are no conflicts of interests related to execution between the company and the execution venues. For more information see the Company's [conflict of interest policy summary](#).

## 6. Client Types

**“Retail Client”** is a Client who is not a Professional Client by default, as defined in paragraph 2 further below. It is noted that Retail Client is afforded with the highest level of protection.

**“Professional Client”** is a Client who possesses the experience, knowledge and expertise to make its own investment decisions and properly assess the risks that it incurs.

When executing a client's order, as well as the factors relevant to the client's order, Lydia Financial Ltd. takes into consideration the following 'Execution Criteria':

- characteristics of the client;
- characteristics of the client's order;
- characteristics of the relevant financial instrument;
- characteristics of the execution venues to which the order can be directed;

Lydia Financial Ltd. considers price as being one of the most important considerations when seeking to obtain the best possible result for clients. In addition, the financial Instrument to which the order relates dictates to a considerable extent the determination and ranking of the relative importance of the Execution Criteria. However, in certain circumstances Lydia Financial Ltd may decide in its absolute discretion that other factors noted above, may be more important than price when determining the best possible result in accordance with this policy.

For retail clients, the best possible result is determined in terms of the total consideration, represented by the price of the financial instrument and the costs incurred by the client related to execution.

For all clients both Retail and Professional, the best possible result is determined in terms of the total consideration, represented by the price of the financial instrument and the costs incurred by the client related to execution.

## 7. Execution Venues

Execution Venues are the entities with which the Orders are placed during the year under review.

Financial Institutions acting as Execution Venues are:

- 1) FX Capital Markets
- 2) Speed Solutions Ltd.

The list may be changed at the Company's discretion by giving at least one business day prior notice to the Clients.

The Client acknowledges that the transactions entered in CFDs with the Company are not undertaken on a recognized exchange, rather they are undertaken over the counter (OTC) and as such they may expose the Client to greater risks than regulated exchange transactions.

### Execution Venues-Retail Clients

The information presented below refers to the top execution venues in terms of trading volumes used by the Company for executing the orders of Retail Clients under the STP model. The information refers to the Asset Class of CFD's for the year 2017.

Class of Instrument	CFD's (Contract for Difference)				
Notification if < 1 average trade per business day in the previous year	N				
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
SPEED SOLUTIONS LTD (LEI Number) 549300XFGS8XNREPYS04	60.71%	60.71%	100%	0%	0%
Forex Capital Markets Limited 549300S24DMOQB7FX206	39.28%	39.28%	100%	0%	0%

### Execution Venues-Professional Clients

The information presented below refers to the top execution venues in terms of trading volumes used by the Company for executing the orders of Professional Clients under the STP model. The information refers to the Asset Class of CFDs for the year 2017.

Class of Instrument	CFD's (Contract for Difference)				
Notification if < 1 average trade per business day in the previous year	N				
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
SPEED SOLUTIONS LTD (LEI Number) 549300XFGS8XNREPYS04	0%	0%	0%	0%	0%
Forex Capital Markets Limited 549300S24DMOQB7FX206	0%	0%	0%	0%	0%

### 8. Quality of execution assessment

*This section provides an explanation of how the Firm has used any data or tools relating to the quality of execution.*

In order to effectively implement a robust Best Execution Policy, Lydia Financial Ltd. rigorously monitors the quality of execution of client orders. The Firm has instituted three distinct stages for monitoring execution quality.

- Stage 1: Real time monitoring of execution and Execution Venue performance.
- Stage 2: Regular independent reviews of execution quality arrangements and operating effectiveness of the Stage from the compliance officer of the company on a quarterly basis.
- Stage 3: Periodic internal audit of the execution quality arrangements under Stage 1 and Stage 2 that aims to enhance the oversight of the Firm's control environment, on annual basis the internal audit of the company monitoring the execution quality.

One of the main goals of each stage is to ensure that clients are provided with the best possible results for their orders. To this end, Lydia Financial Ltd conducts annual reviews of the fairness of the price provided to the client by gathering market data used in the estimation of the price of the products and comparing with similar or comparable products.