

RTS 28 SUMMARY OF ANALYSIS AND CONCLUSIONS

Exclusive Change Capital Ltd (hereafter the “Company”) carries out detailed monitoring on an ongoing basis of the quality of execution provided by the execution venues we have selected to ensure best execution, and whether these continue to meet our standards.

This report provides a written summary of the analysis and conclusions drawn from our best execution monitoring, together with a list of the top two execution venues used to execute retail and professional client orders in each class of financial instrument as per article 3(3) of Commission Delegated Regulation (EU) 2017/576 of 8 June 2016 supplementing Directive 2014/65/EU (MiFID II).

1. An explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution;

When executing orders, the Company has the regulatory obligation to take all necessary steps to achieve/obtain the best possible outcome/result (“Best Execution”) for our Clients taking into consideration the price, the costs, the speed, the likelihood of execution and settlement, the size, the nature or any other consideration relevant to the execution of the Order (“Best Execution Factors”).

The Company determines the relative importance of the above factors by using its commercial judgment and experience to assess the information available at its disposal from the market and takes into account the following criteria:

- The characteristics of the Client, including their categorization as retail or professional
- The characteristics of the Client Order
- The characteristics of the Financial Instruments that are underlying the Order
- The characteristics of the Execution Venues to which that Order is disseminated

For retail clients only: To obtain the best possible result the Company will take into account the ‘total consideration’. Total consideration consists of the price of the financial instrument and the costs related to execution, including any expenses incurred which are directly related to the execution of the order such as any execution venue fees, clearing and settlement fees, and any other fees paid to third parties involved in the execution of the order.

For Professional clients: In some circumstances, the importance of these factors will be weighted according to the product.

In light of the above, for Client Orders that are not wholly covered by specific instructions, we shall determine the execution quality using the relative importance of the factors in the order presented below:

- **Price – Highest importance:**

For all classes of financial instrument, ordinarily, price will merit the highest relative importance in obtaining the best possible outcome for clients.

The Company's pricing structure is explained below:

BID – ASK Spread: For any given CFD, the Company will quote two prices: the higher price (ASK) at which the Client can buy (go long) that CFD, and the lower price (BID) at which the Client can sell (go short) that CFD. Collectively, the ASK and BID prices are referred to as the Company's prices. The difference between the lower and the higher price of a given CFD is the spread.

Company's Prices: The Company will quote to Clients the prices provided by the Execution Venue. The Execution Venue calculates and provides their own tradable prices for a given CFD by reference to the prices of the relevant underlying asset, which the Execution Venue obtains from third party reputable external reference sources (i.e. price feeders). The Company's prices can be found on the Company's trading platforms. The Company updates its prices as frequently as the limitations of technology and communications links allow. The main way in which the Company will ensure that the Client receives the best price will be to ensure that the calculation of the bid/ask spread is made with reference and compared to a range of underlying price providers and data sources. The Company reviews regularly or at least once a year its Execution Venues to ensure that relevant and competitive pricing is offered. Even though the Company takes every reasonable step to obtain the best possible result for its Clients, it does not guarantee that when executing an Order its price will be more favorable than one which might be available elsewhere.

Pending Orders: Such Orders as Buy Limit, Buy Stop and Stop Loss, take profit for opened short position are executed at ASK price. Such Orders as Sell Limit, Sell Stop and Stop Loss, take profit for opened long position are executed at BID price. If the price reaches an Order set by you such as: Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit or Sell Stop, then these Orders are automatically executed. However, under certain trading conditions it may be impossible to execute Orders (Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit or Sell Stop) at the Client's requested price. In this case, the Company has the right to execute the Order at the first available price. This may occur, for example, at times of rapid price fluctuations if the price rises or falls in one trading session to such an extent that, under the rules of the relevant exchange, trading is suspended or restricted, or this may occur at the opening of trading sessions. The minimum level for placing Stop Loss, Take Profit, Buy Limit, Buy Stop, Sell Limit and Sell Stop orders, for a given CFD, is specified in the Client Agreement and/or the Company's website.

- **Costs – Highest Importance**

For opening a position in some types of CFDs the Client may be required to pay commission or financing fees, the amount of which is disclosed on the Company's website.

Commissions: Commissions may be charged either in the form of a percentage of the overall value of the trade or as fixed amounts. More information on commissions can be found on the Company's website.

Financing Fee: In the case of financing fees, the value of opened positions in some types of CFDs is increased or reduced by a daily financing fee "swap rate"

throughout the life of the CFD (i.e. until the position is closed). Financing fees are based on prevailing market interest rates, which may vary over time. Details of daily financing fees applied are available on the Company's website. For all types of CFDs that the Company offers, the commission and financing fees are not incorporated into the Company's quoted prices and are instead charged explicitly to the Client account. Should the Company at any period of time decide not to charge such costs, it shall not be construed as a waiver of its rights to apply them in the future, with prior notice to the Client as explained in the Client Agreement found on the Company's website. Such notice may be sent personally to the Client and/or posted on the Company's website.

- **Speed of Execution – High Importance**

The Company does not execute the Client Order in CFDs as a principal to principal against the Client, i.e. the Company is not the Execution Venue for the execution of the Client's Order. The Company arranges for the execution of Client Orders with the Execution Venue. The Company places a significant importance when executing Client Orders and strives to offer high speed of execution within the limitations of technology and communications links. For instance, in cases where Clients are using a wireless connection or a dial up connection or any other communication link that can cause a poor internet connection then this may cause unstable connectivity with the Company's trading platform resulting to the Client placing his Orders at a delay and hence the Orders to be executed at better or worst prevailing price offered by the Company.

- **Likelihood of Execution – Medium Importance**

The Company arranges for the execution of Client Orders with third party(ies) (i.e. Execution Venue); hence, execution may sometimes be difficult. The likelihood of execution depends on the availability of prices of the Execution Venue(s). In some case it may not be possible to arrange an Order for execution, for example but not limited in the following cases: during news times, trading session start moments, during volatile markets where prices may move significantly up or down and away from declared prices, where there is rapid price movement, where there is insufficient liquidity for the execution of the specific volume at the declared price, or a force majeure event has occurred. In the event that the Company is unable to proceed with an Order with regards to price or size or other reason, the Order will not be executed. In addition, the Company is entitled, at any time and at its discretion, without giving any notice or explanation to the Client, to decline or refuse to transmit or arrange for the execution of any Order or Request or Instruction of the Client in circumstances explained in the Client Agreement found at the Company's website.

- **Likelihood of settlement – Low Importance**

The Company shall proceed to a settlement of all transactions upon execution of such transactions. The Financial Instruments of CFDs offered by the Company do not involve the physical delivery of the underlying asset, so they are not settled physically as there would be for example if the Client had bought shares. All CFDs are cash settled.

- **Size of Order – Low Importance**

All Orders are placed in monetary values. The Client will be able to place Order(s) as long as he has enough balance in his trading account. If the Client wishes to

execute a large sized Order (above average order size), in some cases the price may become less favorable. The Company reserves the right to decline an Order in case the size of the Order is large and cannot be filled by the Company or for any other reason as explained in the Client Agreement found at the Company's website.

- **Market Impact – Low Importance**

Some factors may rapidly affect the price of the underlying instruments/products from which the Company's quoted price is derived and may also affect other factors listed herein. The Company will take all reasonable steps to obtain the best possible result for its Clients.

In certain circumstances, for some client orders, financial instruments or markets, the Company, at its absolute discretion, may have decided that other factors were more important in determining the best possible results for clients in accordance with the Best Execution policy.

The Company does not consider the above list exhaustive and the order in which the above factors are presented shall not be taken necessarily as priority factor.

2. Description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;

The Company does not have any close links, conflicts of interests, or common ownerships with respect to any external execution venues used to execute client orders.

3. An explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Commission Delegated Regulation (EU);

Data on all executions is fed into our software in order the firm to monitor and assess the quality of execution strategies. Monitoring of executions is undertaken post -trade with the aim of identifying poorly performing trades and venues, and providing feedback to client-facing staff to provide better solutions for client executions.

4. An explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;

The Company will, on occasion and at their discretion, work an order over the day, typically when the order is large relative to average market size. The immediate price for the full size of the order may not be the best price available versus working the order in smaller tranches over the day.

In rare cases, the Company will follow the specific instruction of the client in relation to how an order should be executed. For further details, please see the Order Execution Policy.

5. An explanation of the factors that led to a change in the list of execution venues listed in the firm's execution policy, if such a change occurred;

The Company has terminated relationships with the below venues during 2018:

- a) JFD Brokers Ltd
- b) CFH Clearing Ltd

6. An explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

Throughout 2018, the Company maintained an Order Execution Policy, which noted:

For retail clients only: Obtaining the best possible result will take into account 'total consideration'. Total consideration consists of the price of the financial instrument and the costs related to execution, including any expenses incurred which are directly related to the execution of the order such as any execution venue fees, clearing and settlement fees, and any other fees paid to third parties involved in the execution of the order.

For Professional clients: In some circumstances, the importance of these factors will be weighted according to the product.

Summary of the analysis and conclusions drawn from our monitoring of the quality of execution;

We believe that the above monitoring procedures, in regards to the quality of execution, confirm that the execution venues meet our standards in delivering the best execution of clients' orders on a consistent basis.

The list of our execution venues used to execute retail and professional client orders can be found within our website together with detailed information on the volume and number of orders executed by each execution venue.