



## ORDER EXECUTION POLICY AND PROCEDURES

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### 1. PURPOSE

This Order execution policy and procedures (the Policy) set out OMEGA FUNDS INVESTMENT LIMITED's (the Company) strategy for obtaining the best possible result for the execution of its client orders, including the key steps the Company is taking to comply with the overarching best execution requirement and how those steps enable the Company to obtain the best possible result.

### 2. REGULATORY FRAMEWORK

The Policy is drawn up based on the following regulatory framework:

- a) The Investment Services and Activities and Regulated Markets Laws of 2017-2022 (87(I)/2017);
- b) Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive;
- c) Circular C343 of 25 October 2019 on Thematic review of best execution obligations of Cyprus Investment Firms, issued by Cyprus Securities and Exchange Commission
- d) The ESMA «Questions and Answers on MiFID II and MiFIR investor protection and intermediaries topics» - ESMA 35-43-349;
- e) CESR «Questions and Answers on Best Execution under MIFID » - CESR/07-320.

### 3. SCOPE

- 3.1 This Policy applies to the Company's clients categorised as retail or professional clients.

The Policy does not apply to the Company's clients categorised as eligible counterparties.

- 3.2 This Policy applies when the Company offers investment services of reception and transmission of client orders and of execution of client orders in relation to

the following financial instruments:

- 1) Transferable securities;
- 2) Money-market instruments;
- 3) Units in collective investment undertakings;
- 4) Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, or other derivatives instruments, financial indices or financial measures which may be settled physically or in cash;
- 5) Options, futures, swaps, forward rate agreements and any other derivative contracts relating to commodities that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of a default or other termination event;
- 6) Options, futures, swaps, and any other derivative contract relating to commodities that can be physically settled provided that they are traded on a regulated market, a MTF, or an OTF, except for wholesale energy products traded on an OTF that must be physically settled;
- 7) Options, futures, swaps, forwards and any other derivative contracts relating to commodities, that can be physically settled not otherwise mentioned in point 6 of this Section and not being for commercial purposes, which have the characteristics of other derivative financial instruments;
- 8) Derivative instruments for the transfer of credit risk;
- 9) Financial contracts for differences;
- 10) Options, futures, swaps, forward rate agreements and any other derivative contracts relating to climatic variables, freight rates or inflation rates or other official economic statistics that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event, as well as any other derivative contracts relating to assets, rights, obligations, indices and measures not otherwise mentioned in this Section, which have the characteristics of other derivative financial instruments, having regard to whether, inter alia, they are traded on a regulated market, OTF, or an MTF.

3.3 This Policy does not apply when the Company offers service of foreign exchange spot trading.



#### 4. EXECUTION FACTORS

4.1 The Company shall take all sufficient steps to obtain, when executing orders, the best possible result for their clients taking into account the following factors:

- a) **Price** of the financial instruments,
- b) **Costs** related to the execution of the order, which includes all expenses incurred by the client which are directly relating 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,
- c) **Speed**. This is the time it takes to execute a client transaction including settlement,
- d) **Likelihood of execution and settlement**, the likelihood that the Company will be able to complete a client transaction,
- e) **Size**. This is the size of the transaction executed for a client, accounting for how this affects the price of execution
- f) **Nature** of the order or any other consideration relevant to the execution of the order.

4.2 For retail clients the best possible result shall be determined in terms of the **total consideration**.

Total consideration represents the price of the financial instrument and the costs relating to execution, which shall include all expenses incurred by the client which are directly relating 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.

4.3 The process by which the Company will undertake this assessment is neither uniform nor directly comparable in each instance. The Company's execution obligations will be settled in a way by which the Company will also take into account and consider the different circumstances associated with the execution of a clients' order(s) as these may relate to the particular financial instrument involved, and will inform the client where applicable, of any anticipated difficulties in executing an order before the trade.

4.4 The Company will specifically take into account the characteristics of the client order, including where the order involves a securities financing transaction. In addition, the relative importance of the execution factors is based on the criteria presented in points 4.2.1 a) to e) above.

## 5. EXECUTION CRITERIA

When executing client orders, the Company takes into account the following criteria for determining the relative importance of the factors referred to in Section 4 of this Policy:

- a) The characteristics of the client including **the categorisation of the client** as retail or professional;
- b) The **characteristics of the client order**, including where the order involves a securities financing transaction (SFT);
- c) The **characteristics of financial instruments** that are the subject of that order;
- d) The **characteristics of the execution venues** to which that order can be directed.

## 6. TRANSMISSION OF ORDERS FOR EXECUTION

6.1 Recital 106 of the Commission Delegated Regulation (EU) 2017/565 clarifies that best execution provisions are not intended to require a duplication of effort as to best execution between an investment firm which provides the service of reception and transmission of order and any investment firm to which that investment firm transmits its orders for execution.

6.2 If an investment firm to which the Company transmits orders for execution is subject to MiFID II obligations or undertakes by contract to comply with best execution obligations, and the Company merely transmits or places orders with the entity for execution, the Company has determined that the entity has arrangements that will enable the Company to comply with its best execution obligations, and it is considered that the Company will be able to place a high degree of reliance on that entity in order to comply with its own overarching best execution requirement. That is, in these circumstances, the Company would be complying with the overarching best execution requirement with respect to particular orders simply by placing them with or transmitting them to such entities.

The Company could not continue to rely on an entity if its monitoring or review indicated that the entity was not, in fact, enabling it to obtain the best possible result for the execution of its client orders.

6.3 The Company is not restricted to using entities subject to MiFID II for carrying out its orders. In order to be able to use an entity that is not subject to the MiFID II best execution regime, in particular a non-EEA service provider, the Company



should ensure that the execution arrangements of such an entity allow it to comply with the overarching best execution requirement.

Where the Company cannot satisfy itself that this is the case, it should not use such entities.

## **7. EXECUTION OF ORDERS**

7.1 The relative importance of the execution factors varies between different financial instruments and always depends on each client's needs. In the case of retail clients, total consideration, including price and costs, will be the most important execution factor; however in the case of professional clients and in particular with reference to the execution criteria, the Company may appropriately determine that other execution factors have greater importance in achieving the best possible result for the client.

Factors when executing client orders or decisions to deal, as well as information on how those factors affect the Company's choice of execution venues for inclusion in the execution policy are available within Section 8.

7.2 The Company may enter into any transaction with a client as principal or as agent, and as it may be determined by the Company's absolute discretion. The Company shall notify a client of the capacity in which it deals with him in respect of each transaction in the confirmation for the relevant transaction.

7.3 In accordance to Section 6, and subject to any specific instructions that may be given by a client, the Company may transmit an order that it receives to another licensed entity or to an approved third party for execution. In doing so, the Company will act at all times as agent and in the best interests of the client.

7.4 As per MiFID II requirements, the Company is required to provide retail clients with the following details of the Company's execution policy in good time prior to the provision of the service:

- a) the relative importance the Company assigns to the execution factors, or the process by which it determines relative importance;
- b) a list of the execution venues on which the Company places significant reliance in meeting its best execution obligations;
- c) a warning to the client regarding the use of specific instructions.

In relation to point a) and the relative importance which the Company assigns to the execution factors, further details may be found in Section 9.

With respect to the MiFID II requirement under point b), the Company will make public on an annual basis, certain information on the top five execution venues

and execution entities (e.g. brokers) in terms of trading volumes where the Company executed orders, transmitted or placed client orders for execution in the preceding year, for each class of financial instruments, and separately for SFTs, and information on the quality of execution obtained.

The above mentioned reports (the “RTS 28 Report” can be accessed on the Company’s website at [www.omegainvest.com.cy](http://www.omegainvest.com.cy) in a machine-readable electronic format, available for downloading by the public.

For the provisions related with a Client’s specific instruction as per point c) further details are provided under Section 10.

- 7.5 As there are no provisions under MiFID II that detail what constitutes "appropriate information" for professional clients, the Company will supply information to professional clients upon request provided the request is reasonable and proportionate depending on the facts and circumstances of each particular situation and the services provided to professional clients on a case-by-case basis.
- 7.6 The Company will regularly monitor the quality of its services from receipt and transmission of the order to final execution of clients’ orders in accordance to this Policy.

## 8. EXECUTION VENUES

- 8.1 Execution venues are the entities with which the orders are placed/executed. In particular, execution venue includes a regulated market, an MTF, an OTF, a systematic internaliser, or a market maker or other liquidity provider or an entity that performs a similar function in a third country to the functions performed by any of the foregoing.
- 8.2 The Company’s policy is to maintain a choice of venues and entities that offer the potential to obtain the best possible result for the execution of client orders on a consistent basis. Execution venues may be either within the EU or outside the EU.
- 8.3 The Company ensures that it does not structure or charge its commissions in a way which would discriminate unfairly between execution venues.

Similarly, the Company shall not receive any remuneration, discount or non-monetary benefit for routing client orders to a particular trading venue or execution venue which would infringe the requirements on conflicts of interest or inducements. In particular, the Company shall only receive third-party payments that:

- a) is designed to enhance the quality of the relevant service to the client; and



- b) does not impair compliance with the Company's duty to act honestly, fairly and professionally in accordance with the best interest of its clients.

In addition, the Company shall inform clients about the inducements that it may receive from the execution venues. The information shall specify the fees charged by the Company to all counterparties involved in the transaction, and where the fees vary depending on the client, the information shall indicate the maximum fees or range of the fees that may be payable.

#### 8.4 Executing or placing orders outside a trading venue

- 8.4.1 For certain financial instruments, the execution venue may be outside a regulated market or an MTF (multilateral trading facility) or an OTF (organised trading facility) and instead is performed over the counter (OTC).

In those cases, the client must provide his/her express consent for execution of his/her orders outside a trading venue (a regulated market or an MTF or an OTF) as well as the entire best execution terms herein by executing the acceptance declaration.

However, clients should be aware of the additional risks arising from executing or placing orders outside a trading venue since OTC transactions may be subject to increased counterparty risk and settlement risk, as those transactions are not covered by the clearing and settlement rules of the relevant trading venue and central counterparty. When executing OTC transactions on behalf of clients, the Company, in most of the cases, uses DVP (Delivery Versus Payment) arrangements, through central clearing houses like Euroclear and Clearstream to mitigate/eliminate counterparty and settlement risk.

When executing orders on an OTC basis, the Company will check the fairness of the price proposed to the client by analysing market data used in the estimation of the price of such product and, where possible, by comparison with relevant products.

As OTC products are not executed on any exchange, it is vital for the Company to have the most appropriate counterparties available that will be able to fulfil the relevant liquidity requirements. The choice of counterparty and strategy for trading will be determined by the asset class involved.

The Company provides services for different classes of instruments for which it carries out clients' orders. Examples for each class of financial instrument, and the Top 5 execution venues and execution brokers where client orders were executed in the preceding year and which are further distinguished between exchange-traded derivatives and OTC products can be found at [www.omegainvest.com.cy](http://www.omegainvest.com.cy).



## 8.5 Selection of Execution Venues

The Company selects execution venues through the application of appropriate due diligence and consideration of a number of factors, including the execution factors, in order to ensure that executions venues are able to consistently provide clients with the best possible result.

The Company takes into account the following factors, amongst others, to determine the execution venue on which the order will be executed or transmitted for execution:

### Primary Factors:

- Any trading obligation that might apply in relation to the financial instrument concerned – the Company might be obliged to execute clients orders related with (a) shares admitted to trading on an EEA regulated market or trade on an EEA trading venue and (b) derivatives pertaining to a class of derivatives that has been declared subject to the trading obligation on certain designated EEA and equivalent 3rd country trading venues to the exclusion of other trading venues. The trading obligation shall take precedence over any particular preferences a client may have conveyed to the Company in relation to the execution venue;
- Availability of best price for a specific financial instrument;
- Fees/cost of execution – fees that are charged by an execution venue;
- Size of the order – ability to trade orders of significant size at similar prices to those offered by other execution venues;
- Speed of execution;
- Likelihood of execution and settlement;
- Cost of clearing and settlement- that arise from clearing and settling the trades executed on that venue.

### Secondary Factors:

- Financial solvency of the venue/entity;
- Reliability of the entity (e.g. broker) in terms of reputation and good standing (e.g. creditworthiness, sanctions from regulators, etc.);
- Credit and settlement risk – ability to settle transactions and resolve failed settlements; and
- Any other relevant consideration.





The Company will determine the relative importance of each factor using the execution criteria which are set out above. Ordinarily, price will merit a high relative importance in obtaining the best possible result for the client. However, in certain circumstances, for some orders, financial instruments or markets, the Company in its absolute discretion, may decide that other factors listed above may be as or more important than price in determining the best possible execution result in accordance with this Policy.

## **9. FACTORS AFFECTING THE CHOICE OF EACH EXECUTION VENUE/EXECUTION ENTITY IN RESPECT OF EACH CLASS OF FINANCIAL INSTRUMENTS**

Normally, price will merit a high relative importance in obtaining the best possible result for the client, specifically for retail clients.

However, in certain circumstances and in particular in the case of professional clients, for some orders, financial instruments or markets, the Company in its absolute discretion, may decide that other factors may be as or more important than price in determining the best possible execution result. In some markets, for example, price volatility may mean that timeliness of execution is a priority. In other markets that have low liquidity, the fact of execution may itself constitute best execution.

The Company considers the different circumstances associated with the execution of the order as they relate to the financial instruments involved. In particular, it applies different execution methodologies depending on the relevant asset class. The following section describes the processes and factors considered generally and for each asset class and the process for determining the relative importance that the Company places on the various applicable execution factors when it executes or arranges transactions in financial instruments for clients.

### **9.1 Equities**

9.1.1 This class includes shares and depositary receipts.

9.1.2 The Company shall ensure the trades it undertakes in shares admitted to trading on a regulated market or traded on a trading venue, takes place on a regulated market, MTF, systematic internaliser, or a third country trading venues assessed as equivalent in accordance with Article 25(4)(a) of Directive 2014/65/EU, as appropriate, unless their characteristics include that:

- a) are non-systematic, ad-hoc, irregular and infrequent; or
- b) are carried out between eligible and/or professional counterparties and do not contribute to the price discovery process.

9.1.3 A transaction in shares does not contribute to the price discovery process, as referred to in Section 9.1.2.b), where any of the following circumstances apply:

- a) the transaction is executed by reference to a price that is calculated over multiple time instances according to a given benchmark, including transactions executed by reference to a volume-weighted average price or a time-weighted average price;
- b) the transaction is part of a portfolio trade. For the purpose of this point 'portfolio trade' means transactions in five or more different financial instruments where those transactions are traded at the same time by the same client and as a single lot against a specific reference price;
- c) the transaction is contingent on the purchase, sale, creation or redemption of a derivative contract or other financial instrument where all the components of the trade are to be executed only as a single lot;
- d) the transaction is a give-up transaction or a give-in transaction. For the purpose of this point 'give-up transaction' or 'give-in transaction' means a transaction where an investment firm passes a client trade to, or receives a client trade from, another investment firm for the purpose of post-trade processing;
- e) the purpose of the transaction is to transfer shares as collateral in bilateral transactions or in the context of central counterparty (CCP) margin or collateral requirements or as part of the default management process of a CCP;
- f) the transaction results in the delivery of shares in the context of the exercise of convertible bonds, options, covered warrants or other similar derivatives;
- g) the transaction is a securities financing transaction;
- h) the transaction is carried out under the rules or procedures of a trading venue, a CCP or a central securities depository to effect a buy-in of unsettled transactions in accordance with Regulation (EU) No 909/2014.

9.1.4 In general the orders are executed on the trading platform that offers the highest liquidity. The Company will select an intermediate broker according to this Policy, which in its view has a track record of achieving the best result in terms of the relevant execution factors listed below. In consideration of these factors, the Company may choose to deal over-the-counter. The Company will transact bilaterally with the market participant (including other regulated firms and brokers), using Bloomberg chat by engaging with specific counterparties who quote prices directly on Bloomberg screens and execute the trade on the chat

system. When there are multiple potential counterparties for a transaction that can be contacted without implicating concerns regarding adversely affecting the relevant market and inadvertently compromising the ability to obtain the best price available in the transaction, quotes generally should be obtained from more than one market participant as part of the price discovery process. For less liquid or volatile securities, considerations may vary depending on security type and prevailing market conditions. In these less liquid markets, attempting to obtain multiple quotes could have a negative impact on obtaining best execution. For certain transactions, there may be only one potential counterparty.

9.1.5 Ranking of execution factors for equities:

	RETAIL CLIENTS	PROFESSIONAL CLIENTS
1	Total consideration	Likelihood of execution and settlement
2	Size	Speed
3	Likelihood of execution and settlement	Price
4	Speed	Size
5	Nature	Costs
6		Nature

9.2 Debt instruments

9.2.1 This class includes bonds and money market instruments.

9.2.2 The Company usually deals through the Bloomberg Multilateral Trading Facility. The Company will use reasonably available and relevant sources of price discovery, including, but not limited to, the ALLQ function or the Bloomberg chat by engaging with specific counterparties (including other regulated firms and brokers) who quote prices directly on Bloomberg screens and execute the trade on the chat system, according to the execution factors listed below. The Company will generally obtain quotes from more than one market participant as part of the price discovery process but this will depend on the actual debt instrument involved. For less liquid or volatile securities, considerations may vary depending on security type and prevailing market conditions. In these less liquid markets, attempting to obtain multiple quotes could have a negative impact on obtaining best execution. For certain transactions, there may be only one potential counterparty.

9.2.3 Ranking of execution factors for debt instruments:

	RETAIL CLIENTS	PROFESSIONAL CLIENTS
1	Total consideration	Likelihood of execution and settlement
2	Size	Speed
3	Likelihood of execution and settlement	Price
4	Speed	Size
5	Nature	Costs
6		Nature

### 9.3 Interest rate derivatives

9.3.1 This class includes futures and options admitted to trading on a trading venue, swaps, forwards and other interest rates derivatives.

9.3.2 Ranking of execution factors for interest rate derivatives:

	RETAIL CLIENTS	PROFESSIONAL CLIENTS
1	Total consideration	Likelihood of execution and settlement
2	Size	Speed
3	Likelihood of execution and settlement	Price
4	Speed	Size
5	Nature	Costs
6		Nature

### 9.4 Credit derivatives

9.4.1 This class includes futures and options admitted to trading on a trading venue and other credit derivatives.

9.4.2 Ranking of execution factors for credit derivatives:

	RETAIL CLIENTS	PROFESSIONAL CLIENTS
1	Total consideration	Likelihood of execution and settlement
2	Size	Speed

3	Likelihood of execution and settlement	Price
4	Speed	Size
5	Nature	Costs
6		Nature

## 9.5 Currency derivatives

9.5.1 This class includes futures and options admitted to trading on a trading venue, swaps, forwards and other currency derivatives.

9.5.2 Ranking of execution factors for currency derivatives:

	RETAIL CLIENTS	PROFESSIONAL CLIENTS
1	Total consideration	Likelihood of execution and settlement
2	Size	Speed
3	Likelihood of execution and settlement	Price
4	Speed	Size
5	Nature	Costs
6		Nature

## 9.6 Structured finance instruments

9.6.1 This class includes a range of products designed to repackage and redistribute risk. They are pre-packaged investments based on a single security, a basket of securities, options, commodities, debt instruments or foreign currencies, and to a lesser extent, derivatives.

9.6.2 Ranking of execution factors for structured finance derivatives:

	RETAIL CLIENTS	PROFESSIONAL CLIENTS
1	Total consideration	Likelihood of execution and settlement
2	Size	Speed
3	Likelihood of execution and settlement	Price

4	Speed	Size
5	Nature	Costs
6		Nature

## 9.7 Equity derivatives

9.7.1 This class includes futures and options admitted to trading on a trading venue, swaps and other equity derivatives.

9.7.2 Ranking of execution factors for equity derivatives:

	RETAIL CLIENTS	PROFESSIONAL CLIENTS
1	Total consideration	Likelihood of execution and settlement
2	Size	Speed
3	Likelihood of execution and settlement	Price
4	Speed	Size
5	Nature	Costs
6		Nature

## 9.8 Securitised derivatives

9.8.1 This class includes warrants, certificate derivatives and other securitised derivatives.

9.8.2 Ranking of execution factors for securitised derivatives:

	RETAIL CLIENTS	PROFESSIONAL CLIENTS
1	Total consideration	Likelihood of execution and settlement
2	Size	Speed
3	Likelihood of execution and settlement	Price
4	Speed	Size
5	Nature	Costs
6		Nature

**9.9 Commodity derivatives and emission allowances derivatives**

9.9.1 This class includes futures and options admitted to trading on a trading venue, other commodities derivatives and emission allowances derivatives.

9.9.2 Ranking of execution factors for commodity derivatives and emission allowances derivatives:

	RETAIL CLIENTS	PROFESSIONAL CLIENTS
1	Total consideration	Likelihood of execution and settlement
2	Size	Speed
3	Likelihood of execution and settlement	Price
4	Speed	Size
5	Nature	Costs
6		Nature

**9.10 Contracts for difference**

Ranking of execution factors for contracts for difference:

	RETAIL CLIENTS	PROFESSIONAL CLIENTS
1	Total consideration	Likelihood of execution and settlement
2	Size	Speed
3	Likelihood of execution and settlement	Price
4	Speed	Size
5	Nature	Costs
6		Nature

**9.11 Exchange traded products**

9.11.1 This class includes exchange traded funds, exchange traded notes and exchange traded commodities.

9.11.2 Ranking of execution factors for exchange traded products:

	RETAIL CLIENTS	PROFESSIONAL CLIENTS
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1	Total consideration	Likelihood of execution and settlement
2	Size	Speed
3	Likelihood of execution and settlement	Price
4	Speed	Size
5	Nature	Costs
6		Nature

## 9.12 Over-the-counter (OTC) Derivatives

9.12.1 Given the differences in market structures or the structure of financial instruments, it may be difficult to identify and apply a uniform standard of and procedure for best execution that would be valid and effective for all classes of instrument.

Best execution obligations are therefore be applied by the Company in a manner that takes into account the different circumstances associated with the execution of orders related to particular types of financial instruments. For example, transactions involving a customised OTC financial instrument that involve a unique contractual relationship tailored to the circumstances of the client and the Company may not be comparable for best execution purposes with transactions involving shares traded on centralised execution venues.

As best execution obligations apply to all financial instruments, irrespective of whether they are traded on trading venues or OTC, the Company will check the fairness of OTC price proposed to the client by gathering market data used in the estimation of the price of such product by comparing it with similar or comparable products (i.e. outside of OTC) and confirming it delivers the best execution obligation.

## 9.13 Spot foreign currency exchange

Spot foreign currency exchange transactions are executed with approved intermediary brokers. For large, non-time sensitive trades, multiple brokers are approached to compare prices. A single broker may be approached for large, time sensitive or small trades. Brokers are approached based on suitability for the transaction, depending on a particular execution strategy according to factors prevailing at the time of the trade.



**9.14 Securities financing transactions**

9.14.1 Securities financing transactions such as REPO deals can be used for financing purposes. In order to comply with the legal obligation of best execution, the Company, when applying the criteria for best execution for professional clients, will typically not use the same execution venues for securities financing transactions (SFTs) and other transactions. This is because the SFTs are used as a source of funding subject to a commitment that the borrower will return equivalent securities on a future date and the terms of SFTs are typically defined bilaterally between the counterparties ahead of the execution.

Therefore, the choice of execution venues for SFTs is more limited than in the case of other transactions, given that it depends on the particular terms defined in advance between the counterparties and on whether there is a specific demand on those execution venues for the financial instruments involved. As a result, the order execution policy established by the Company takes into account the particular characteristics of SFTs and it should list separately execution venues used for SFTs.

In particular, these trades can be performed either through a trading platform or over-the-counter.

9.14.2 Ranking of execution factors for securities financing transactions:

	RETAIL CLIENTS	PROFESSIONAL CLIENTS
1	Transactions not available	Likelihood of execution and settlement
2		Speed
3		Price
4		Size
5		Costs
6		Nature

**10. CLIENT'S SPECIFIC INSTRUCTIONS**

When the Company executes an order following specific instructions from the client, it should be treated as having satisfied its best execution obligations only in respect of the part or aspect of the order to which the client instructions relate. The fact that the client has given specific instructions which cover one part or aspect of the order should not be treated as releasing the Company from its best



execution obligations in respect of any other parts or aspects of the client order that are not covered by such instructions.

The Company should not induce a client to instruct it to execute an order in a particular way, by expressly indicating or implicitly suggesting the content of the instruction to the client, when the Company ought reasonably to know that an instruction to that effect is likely to prevent it from obtaining the best possible result for that client. However, this should not prevent the Company inviting a client to choose between two or more specified execution venues, provided that those venues are consistent with the execution policy of the Company.

## 11. CLIENT ORDER HANDLING

### 11.1 General principles

All client orders will be executed promptly and expeditiously being aggregated fairly and executed in due turn accordingly. Where comparable orders are received, they will be processed sequentially, unless a specific client seeks to be treated otherwise, or in circumstances where orders have been received through different means.

The Company will ensure, in every instance, that client orders take precedence over the Company's own trades and that the client order will be handled equitably and to the client's best advantage.

### 11.2 Aggregation and allocation of orders

The Company shall not carry out a client order or a transaction for own account in aggregation with another client order unless the following conditions are met:

- a) it is unlikely that the aggregation of orders and transactions will work overall to the disadvantage of any client whose orders are to be aggregated, and
- b) it is disclosed to each client whose order is to be aggregated that the effect of aggregation may work to its disadvantage in relation to a particular order.

### 11.3 Aggregation and allocation of transactions for own account

Where the Company has aggregated transactions for own account with one or more client orders, it shall not allocate the related trades in a way that is detrimental to a client.

Where the Company aggregates a client order with a transaction for own account and the aggregated order is partially executed, it shall allocate the related trades to the client in priority to the Company.



Where the Company is able to demonstrate on reasonable grounds that without the combination it would not have been able to carry out the order on such advantageous terms, or at all, it may allocate the transaction for own account proportionally, in accordance with its order allocation procedure.

#### 11.4 Allocation procedure

Where the Company is able to fulfil the whole of an aggregated order on a single business day, orders will be allocated based on either the price paid for each investment or based on a volume weighted average of the prices paid for a series of transactions.

Where the Company is unable to fulfil the whole order on a single business day, priority will be given to satisfying Elective professional client orders over Per se professional client orders. Where an aggregated order has been aggregated with the Company's own order, the Company will prioritise client orders over its own, unless reasonable mitigating circumstances in line with applicable requirements (if any) allow the Company to allocate proportionately.

Where the Company is unable to fulfil all client orders, it will allocate the business done proportionately to the size of the order from each client, provided that these orders are received at the same time.

Aggregated orders dealt on a single business day will be allocated to clients on that day.

The Company will retain records of all deals in aggregated orders and of their allocation for a period of at least five years.

#### 11.5 Partially filled aggregated orders

In the event that an aggregated order can only be partially filled, allocation will be effected on a reduced pro-rata basis, unless the allocation becomes uneconomic for a client.

Where it is no longer in a client's interest to receive a reduced allocation, the Company may eliminate that client from the allocation and reallocate the order on a pro-rata basis to the remaining clients.

#### 11.6 Reallocation of orders

The Company will prevent the reallocation, in a way that is detrimental to the client, of transactions for own account which are executed in combination with client orders.

As such, the reallocation of transactions is considered as detrimental to a client if, as an effect of that reallocation, unfair precedence is given to the Company or to any particular person.



## 12. MONITORING

12.1 Monitoring is the assessment, on a regular basis, of particular transactions in order to determine whether the Company has complied with its execution policy and/or arrangements, and whether the resulting transaction has delivered the best possible result for the client.

The Company performs execution monitoring through Polaris reporting Hub provided by MAP Financial Technologies (Europe) Limited by using several checks grouped in different categories like price, cost, spread, slippage, speed, likelihood, requotes and price continuity.

12.2 Where monitoring reveals that the Company has fallen short of obtaining the best possible result, the Company should consider whether this is because the Company has failed to follow its (execution) policy and/or arrangements or because of a deficiency in such policy and/or arrangements, and make appropriate amendments.

12.3 All investment firms should undertake monitoring, but the monitoring methodology is at the discretion of the Company. Where monitoring every transaction would be disproportionate, other approaches, such as appropriate methodologies for sampling, may suffice.

## 13. REVIEW

13.1 Review is an overall assessment of whether this Policy and/or arrangements include all sufficient steps that the Company could be taking to obtain the best possible result for the execution of its client orders.

Specifically, the Company should consider whether it could consistently obtain better execution results if it were to:

- include additional or different execution venues or entities;
- assign a different relative importance to the best execution factors; or
- modify any other aspects of its (execution) policy and/or arrangements.

13.2 Review shall be carried out at least annually. Such a review shall also be carried out whenever a material change occurs that affects the Company's ability to continue to obtain the best possible result for its clients.

13.3 A material change shall be a significant event that could impact parameters of best execution such as cost, price, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the order.



The addition or removal of execution venues or entities on which the Company places significant reliance in meeting the overarching best execution requirement shall not be deemed a material change.

#### **14. CLIENT CONSENT**

When establishing a Brokerage business relationship with the client, the Company is required to obtain the client's prior consent to this Policy.

The Company is also required to obtain the client's prior express consent before it transmits its order for execution outside a regulated market or an MTF (Multilateral Trading Facility) or an OTF (Organised Trading Facility).

The Company will notify its clients of any material changes to its execution arrangements and/or execution policy. A change is material where its disclosure is necessary to enable the client to make a properly informed decision about whether to continue utilising the services of the Company. In particular, the Company will consider the materiality of any changes it makes to the relative importance of its best execution factors and/or to the venues on which it places significant reliance in meeting the overarching best execution requirements on behalf of its clients.

#### **15. ADDITIONAL INFORMATION**

- 15.1 The Company shall demonstrate to its clients, at their request, that it has executed their orders in accordance with this Policy.
- 15.2 Upon reasonable request from a client or potential client, the Company shall provide them with information about entities to which the orders are transmitted or placed for execution.
- 15.3 The information referred to in Sections 15.1 and 15.2 may be requested by email at [compliance@omegainvest.com.cy](mailto:compliance@omegainvest.com.cy) and shall be provided in reasonable time.
- 15.4 The Company reserves the right to amend its policies at any time by making them public on its website.

#### **16. ANNEXES**

ANNEX I: Non-exhaustive list of execution venues



## ANNEX I. Non-exhaustive list of execution venues

This ANNEX provides a list of the execution venues on which the Company places significant reliance in meeting its obligation to take all reasonable steps to obtain on a consistent basis the best possible result for the execution of client orders (in alphabetical order).

	Retail clients	Professional clients
Equities	EXT LIMITED MERITKAPITAL LIMITED OMEGA FUNDS INVESTMENT LIMITED	
Debt instruments	EXT LIMITED MERITKAPITAL LIMITED OMEGA FUNDS INVESTMENT LIMITED	
Interest rate derivatives	EXT LIMITED MERITKAPITAL LIMITED OMEGA FUNDS INVESTMENT LIMITED	
Credit derivatives	EXT LIMITED MERITKAPITAL LIMITED OMEGA FUNDS INVESTMENT LIMITED	
Currency derivatives	EXT LIMITED MERITKAPITAL LIMITED OMEGA FUNDS INVESTMENT LIMITED	
Structured finance instruments	EXT LIMITED MERITKAPITAL LIMITED OMEGA FUNDS INVESTMENT LIMITED	
Equity derivatives	EXT LIMITED MERITKAPITAL LIMITED OMEGA FUNDS INVESTMENT LIMITED	



Securitized derivatives	EXT LIMITED MERITKAPITAL LIMITED OMEGA FUNDS INVESTMENT LIMITED
Commodity derivatives and emission allowances derivatives	EXT LIMITED MERITKAPITAL LIMITED OMEGA FUNDS INVESTMENT LIMITED
Contracts for difference	EXT LIMITED MERITKAPITAL LIMITED OMEGA FUNDS INVESTMENT LIMITED
Exchange traded products	EXT LIMITED MERITKAPITAL LIMITED OMEGA FUNDS INVESTMENT LIMITED
OTC derivatives	EXT LIMITED MERITKAPITAL LIMITED OMEGA FUNDS INVESTMENT LIMITED
Spot foreign currency exchange	MERITKAPITAL LIMITED OMEGA FUNDS INVESTMENT LIMITED
Securities financing transactions	OMEGA FUNDS INVESTMENT LIMITED