



CrowdTech

# Execution Quality Summary Statement for the year 2019 on Execution Arrangements for CFDs

Crowd Tech Ltd  
CIF 202/13



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## **Introduction**

Crowd Tech Limited (hereinafter the “Company”) is a Cypriot Investment Firm incorporated and registered under the laws of the Republic of Cyprus, with registration No. HE 297365. The Company is authorized and regulated by the Cyprus Securities and Exchange Commission (“CySEC”) under the license No. 202/13.

## **Purpose**

Following the implementation of Article 28 (6) of L/87(I)/2017 regarding the provision of investment services, the exercise of investment activities and the operation of regulated markets and Commission Delegated Regulation (EU) 2017/576 (RTS 28) of June 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to regulatory standards for the annual publication by investment firms of information on the identity of execution venues and on the quality of execution, the Company is required to publish to the public, an Execution Quality Summary Statement (hereinafter the “Statement”).

The Company is required to inform all its Clients of the assessment of quality of execution (“best execution”) obtained during the previous year, 2019 (hereinafter the “year under review”). The Company has in place a Policy and applicable arrangements on best execution relating to its financial investment services which can also be found in the Company’s website, under the Legal Portal section, (“Best Execution Policy”). This Statement will be published annually in order to capture relevant changes within the preceding calendar year.

## **Treating Clients Fairly**

Treating Clients fairly is central to the Company’s corporate culture and ethos. The Company has a duty to act honestly, fairly, professionally and in the best interest of its Clients.

## **Relative Importance of Execution Factors during the Year under review**

In compliance with the law, the Company established and implements effective arrangements for obtaining the best possible results for its Clients, taking into consideration various factors, provided that there are no specific instructions from the Client to the Company about the way of execution of the orders. The execution factors the Company considers, but not limited to, include:

- i. Price
- ii. Costs
- iii. Speed



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- iv. Likelihood of Execution and Settlement
- v. Size
- vi. Nature
- vii. Client's ability, needs and trading policies

During the year under review, the Company has offered services to Retail Clients and Elective Professional Clients.

### **Other criteria given precedence over immediate price and cost**

Price and costs will ordinarily be of high relative importance in obtaining best possible results. However, in some circumstances, reference to the execution criteria have greater importance in achieving the best possible result for the client. When the Company executes an order in absence of any specific instructions from the Client, taking all reasonable steps to obtain result for its clients, the Company will take into account the following execution criteria:

- i. Characteristics of the client, including categorization of the client
- ii. Characteristics of the client order
- iii. Characteristics of the financial instrument that are the subject of that order
- iv. Characteristics of execution venues where an order can be directed

### **Assessment of the Quality of Execution**

The Company reviews its Best Execution Policy annually and whenever a material change occurs. The Company has procedures and processes in place to analyse the quality of execution and monitor best execution which takes place on a daily basis which includes (but not limited to) the check of the prices in underlying Financial Instruments with other sources in order to ensure consistency, the speed of execution, the frequency and duration of price freezing, the depth of liquidity, and the slippage frequency.

Also, on a monthly basis, the Compliance Department performs independent reviews of the procedures and processes as well as the Internal Audit Function on a yearly basis. In addition, the Company reviews any data published under Delegated Regulation (EU) 2017/575.

### **Execution Venues during the year under review**

The Company's execution venues during the year under review was initially Cyber FX Ltd, then PXMM (Pty) Ltd and finally the only execution venue by the end of 2019 was Cardiff Global Markets Pty Ltd.

Clients acknowledge that the transactions entered in Financial Instruments placed with the Company are not undertaken on a recognised exchange. The transactions are executed over the counter (OTC) and as



such, clients may be exposed to greater risks than transactions on regulated exchanges.

The Company does not have any close links or common ownership structures with any of the aforementioned execution venues with respect to its execution venue used to execute orders.

### **Change of Execution Venues during the year under review**

The Company notes that during the year under review changes have occurred in regards to the Company's execution venue.

### **Payments or non-monetary benefits (made or received) to/by Execution Venues**

The arrangement made between the execution venue and the Company is the following: The execution venue payed to the Company a fee in accordance with the trading volume processed through its electronic trading platform. The remuneration arrangement with the execution venue was such so it would not create a conflict of interest.

### **Conflicts of Interest**

The Company lists in its Conflict of Interest Policy the possible conflicts of interest (non-exhaustive) it is facing, as well as the relative mitigation measures.

Table 1 below illustrates information regarding Retail Clients and Table 2 illustrates information regarding Elective Professional Clients.



**Table 1 - Retail Clients**

Class of Instrument	Contracts for Difference (CFDs)				
Notification if < 1 average trade per business day in the previous year	No				
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
CyberFX (5493007TEOGC0TNHBL81)	64.65%	52.17%	0%	0%	0%
PXMM (Pty) Ltd (213800RKAEDIU9YYYY89)	18.57%	25.60%	0%	0%	0%
Cardiff Global Markets Pty Ltd (254900RAL2SH9PJIQ764)	16.78%	22.22%	0%	0%	0%

**Table 2 - Elective Professional Clients**

Class of Instrument	Contracts for Difference (CFDs)				
Notification if < 1 average trade per business day in the previous year	No				
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
CyberFX (5493007TEOGC0TNHBL81)	37.26%	45.37%	0%	0%	0%
PXMM (Pty) Ltd (213800RKAEDIU9YYYY89)	21.59%	20.80%	0%	0%	0%
Cardiff Global Markets Pty Ltd (254900RAL2SH9PJIQ764)	41.14%	33.83%	0%	0%	0%