

# ATHLOS CAPITAL

## ORDER HANDLING AND EXECUTION POLICY

**Regulated:**  
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# TABLE OF CONTENTS

<b>1</b>	<b>VERSION CONTROL</b> .....	<b>4</b>
<b>2</b>	<b>INTRODUCTION</b> .....	<b>5</b>
2.1	Scope and Purpose .....	5
2.2	Definitions .....	5
<b>3</b>	<b>ORDER PROCEDURE</b> .....	<b>6</b>
3.1	Reception and Transmission of Orders .....	6
3.2	Recording of communications .....	6
3.3	Right to withdraw .....	6
<b>4</b>	<b>BEST EXECUTION REQUIREMENTS</b> .....	<b>7</b>
4.1	Specific client instructions .....	7
4.2	Best Execution Factors .....	7
4.3	Execution Criteria .....	8
4.4	Execution Venues/Approved Intermediaries .....	8
4.5	Trade Confirmation .....	11
4.6	Client order book .....	11
4.7	Refusal or Delay in Execution .....	12
4.8	Quote Driven Market/Request for Quote .....	12
4.9	No Fiduciary Relationship .....	13
<b>5</b>	<b>CLIENT ORDER HANDLING</b> .....	<b>13</b>
5.1	Client order handling rules .....	13
5.2	Aggregation and Allocation of orders .....	13
<b>6</b>	<b>CONFLICTS OF INTEREST</b> .....	<b>13</b>
6.1	Remuneration .....	13
6.2	Inducements .....	14
<b>7</b>	<b>MONITORING</b> .....	<b>14</b>
7.1	Quality of Execution .....	14
7.2	Monitoring .....	15



7.3	Acknowledgements.....	15
7.4	Record keeping.....	15
7.5	Review .....	15
<b>8</b>	<b>APPENDIX I: Relative importance of Best Execution Factors.....</b>	<b>16</b>
8.1	Non-complex instruments (Equities and Bonds) .....	16
8.2	Complex instruments (Derivatives and related financial instruments) .....	16



# 1 VERSION CONTROL

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## 2 INTRODUCTION

### 2.1 Scope and Purpose

- 2.1.1 The Order Handling and Execution Policy (herein the “Policy”) applies to both Retail and Professional Clients of the Company. It is noted that the provisions of this Policy do not apply to Eligible Counterparties and to clients who have requested to be treated as Eligible Counterparties.
- 2.1.2 The Policy outlines the key arrangements established by the Company in order to take all sufficient steps to achieve the best possible results for Clients on a consistent basis when:
- Executing orders on behalf of Clients;
  - Transmitting Client orders to other entities for execution; and
  - Providing portfolio management services.
- 2.1.3 The Company has a duty to act honestly, fairly and professionally in accordance with the best interest of its Clients when providing investment services, or where appropriate, ancillary services.
- 2.1.4 The overarching obligations stemming from the Law when carrying out the following investment services are:
- a) Execution of Orders on behalf of Clients: The Company has an obligation to execute orders on terms most favourable to its Clients (the “best execution obligation”).
  - b) Reception and transmission of Client orders to other entities for execution: The Company owes a duty to act honestly, fairly and professionally in accordance with the best interest of its Clients when receiving and transmitting Client orders to other entities for execution (the “best interest obligation”).
- 2.1.5 In order to comply with the above obligations, the Company shall take “all sufficient steps” to obtain the best possible result for its Clients taking into account the execution factors outlined below (i.e. price, costs, speed, likelihood of execution etc.). The relative importance of these factors will be determined by reference to the characteristics of the Client, the Client order, the Financial Instruments that are subject to that order, and the Execution Venues or entities to which that order can be directed.
- 2.1.6 The purpose of this Policy is to provide Clients with information on the arrangements implemented by the Company to manage the execution of Client orders under the provisions of the Law, applicable EU regulations and CySEC’s requirements and outline the principles followed by the Company when managing Client orders, executing trades or arranging for the execution of orders with an approved third party. More specifically, this Policy sets out the key aspects applicable to the execution process including but not limited to the execution factors and criteria taken into account when executing Client orders in order to achieve best execution for its Clients.

### 2.2 Definitions

- 2.2.1 The following words or phrases shall be given the following meaning set out herein:

**“Investment Services Agreement”** sets out the terms and conditions that govern the provision of investment services and the performance of investment activities by the Company to the Client.

**“Client”** for the purposes of this Policy shall mean any Client who is either Retail or Professional Client per se or has requested to be treated as a Professional Client as per the provisions of the Law.

**“Commission”** means the Cyprus Securities and Exchange Commission.

**“DMA”** means Direct Market Access.

**“Investment Services Law”** means Law 87(I)/2017 which provides for the provision of investment services, the exercise of investment activities, the operation of regulated markets and other related matters as amended from time to time.

**“MTF”** means Multilateral Trading Facility.

**“OTC”** means Over-The-Counter.

**“Operative Policies”** includes without limitation to the following operative policies which govern the Business



Relationship between the Client and the Company i.e. the Client Categorisation Policy, the Conflicts of Interest Policy, the Complaints Handling Policy, the Risk Disclosure statement and any other policy made available by the Company to the Client from time to time.

“RM” means a Regulated Market.

## 3 ORDER PROCEDURE

### 3.1 Reception and Transmission of Orders

- 3.1.1 The Company shall act in accordance with any instructions received from the Client or the Client’s Authorised Representative. The Client may transmit his instructions to the Company in any of the specified methods below:
- a) In writing by electronic mail to the Company’s email provided during the onboarding procedure;
  - b) Orally by telephone
  - c) In writing through the Order Form of the Company;
  - d) Via communication through Bloomberg (applies in the case of Eligible Counterparties and for execution only services).
- 3.1.2 For orders received orally by telephone, the Company may request from the Client to provide the instructions in writing as well.
- 3.1.3 The Client shall place his orders during the normal trading hours of the Company during a business day from 09:00 to 19:00. Any orders received outside the normal trading hours of the Company shall be transferred for execution on the next business day and upon the opening of the market.
- 3.1.4 Time limit orders cease to be valid upon reaching the respective limit.
- 3.1.5 The Client may cancel or amend an instruction upon the Company’s prior consent.
- 3.1.6 The Company may refuse to provide any investment services where the instructions given by the Client are not clear or may delay in providing any investment services until it has received further clarifications from the Client. The Company may request from the Client to re-submit an order in writing to ensure that it acts upon correct and accurate instructions.

### 3.2 Recording of communications

- 3.2.1 All telephone calls and electronic communications will be recorded for the purposes of providing the investment and ancillary services to the Clients.
- 3.2.2 To ensure compliance with its obligations as those arise from the provisions of Art. 17 of the Investment Services Law, the Company records all communications irrespective of whether such communications have resulted in the conclusion of a transaction or in the provision of any investment service.
- 3.2.3 The Company shall hold these records for a period of 5 years or if requested by the Commission, for a period of up to 7 years. Clients may receive these records upon request.

### 3.3 Right to withdraw

- 3.3.1 The Client has the right to withdraw from a transaction and cancel an order without any penalty, at any time before the execution of the order.
- 3.3.2 The provisions of paragraph 3.3.1 do not apply in financial services whose price depends on the fluctuations in the financial market outside the Company's control, which may occur during the withdrawal period, such as services related to:
- a) Foreign exchange;
  - b) Money market instruments;
  - c) Transferable securities;
  - d) Units in collective investment undertakings;



- e) Financial-futures contracts, including equivalent cash-settled instruments;
- f) Forward interest-rate agreements (FRAs);
- g) Interest-rate, currency and equity swaps;
- h) Options to acquire or dispose of any instruments referred to in this Clause including equivalent cash-settled instruments. This point includes in particular options on currency and on interest rates.

3.3.3 For the avoidance of doubt, the Company clarifies that the right of withdrawal does not apply to the financial instruments offered by the Company under its authorisation. The Company shall notify the Client immediately and in writing when there is a change in the financial instruments to be offered by the Company under its authorisation for which the right of withdrawal can be exercised.

## 4 BEST EXECUTION REQUIREMENTS

### 4.1 Specific client instructions

- 4.1.1 When the Company receives specific Client instructions on how to execute an order, it shall execute the order in line with the specific instructions provided by the Client. For the purposes of this Policy, executing an order following the Client's specific instruction is deemed as satisfying the best execution obligation owed by the Company to its Clients.
- 4.1.2 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.
- 4.1.3 It is highlighted that by following specific Client instructions, the Company may be prevented from taking the steps designed and implemented as described in this Policy to obtain the best possible result for the execution or transmission of those orders in respect of the elements covered by those instructions.

### 4.2 Best Execution Factors

- 4.2.1 The Company shall take all sufficient steps to obtain the best possible result for its Clients when receiving, transmitting and executing client orders, taking into account a combination of the following best execution factors. The Company does not consider the below list of factors as an exhaustive list and the order in which these factors are presented are not on a priority basis:
  - a) Price: the price a financial instrument is executed at;
  - b) Costs: this includes implicit costs such as the possible market impact, explicit external costs i.e. exchange or clearing fees and explicit internal costs which represents the Company's own remuneration through commission or spread;
  - c) Speed: the time it takes to execute a Client transaction and post-trade speed;
  - d) Likelihood of execution and/or settlement: the likelihood that a transaction will be completed;
  - e) Size and nature of the order: the size of the transaction executed for a Client and the available market liquidity;
  - f) Client objectives;
  - g) Brokers/ execution venues
  - h) Any other consideration which is deemed relevant.
- 4.2.2 It should be noted that 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 therein.
- 4.2.3 For retail clients, the best possible result shall be determined in terms of the total consideration, representing the price of the financial instrument and the costs related to execution, which shall include all expenses incurred by the



client which are directly related 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. The relative importance of the execution factors considered by the Company to obtain the best possible result for its clients.

4.2.4 The Company may more frequently consider the price as the most important of the execution factors, however the process by which the Company carries out this assessment is not standardized and depends on each particular set of circumstances. In weighing the above factors, regard will be given to inter alia:

- a) the particular circumstances related to the execution including the type of instrument i.e. for shares, ADRs and GDRs admitted to trading in a centralized trading venue, price and cost would be factors to which greater weight would be given;
- b) lack of liquidity arising from OTC transactions that contain a financial element which is tailor-made to the Client's own requirements (in which case more emphasis may be placed in fulfilling the Client order and less emphasis may be placed on price);
- c) in certain non-developed markets, the Company could face lower volumes of liquidity (in which case emphasis would be placed on the speed and likelihood of execution)
- d) the manner of execution i.e. if the execution will be OTC or on an RM.

4.2.5 The relative importance of the best execution factors is depicted in Appendix I of the Policy.

4.2.6 It is noted that when the Company executes or places an order on behalf of a Client in relation to 'New Issue' (fixed income) or 'Initial Public Offering' (IPO for equities), the best possible result will be obtained at the price the security was issued.

### 4.3 Execution Criteria

4.3.1 The Company will take into account, based on its commercial judgement and market expertise, the following criteria when determining the relative importance of the best execution factors:

- a) The characteristics of the Client i.e. the categorisation of the Client as per the Client Categorisation Policy of the Company which is available via the Company's website.
- b) The characteristics and nature of the Client's order and instructions.
- c) The characteristics of financial instruments that are subject to that order.
- d) The characteristics of the execution venues to which that order can be directed.

4.3.2 The execution process conducted by the Company is neither uniform nor directly comparable in each instance. The Company will discharge its execution obligations in a manner that takes into account the different circumstances associated with the execution of the order as they relate to the particular financial instrument involved i.e. for financial instruments which are not listed in an RM or an MTF, the price offered by the Company will depend on the financial instrument's characteristics (i.e. whether it is liquid or illiquid) and the market conditions at the time of the transaction.

4.3.3 Client orders may involve financial instruments that are traded in an RM or MTF as well as instruments that are not listed. For any Client orders which involve financial instruments traded in an exchange where the Company has DMA, the Company shall enter the Client orders in the same way they were received i.e. the principle of first-in-first-out will be followed.

4.3.4 In circumstances where a Client order involves a financial instrument traded in an exchange in which the Company does not have DMA, the Company shall transmit the Client order to a third party for execution. The Company shall maintain records of the date and time the Client order was transmitted to the third party, thereby the first-in-first-out principle is served.

4.3.5 In the case where, as a result of a system or other failure, the Company has no alternative but to execute an order using a method other than the one prescribed in this Policy, the Company will endeavour to execute on the best prevailing terms possible on behalf of the Client.

### 4.4 Execution Venues/Approved Intermediaries





- 4.4.1 The Company has access to a variety of different execution venues either directly or indirectly through third parties. The types of execution venues used by the Company when executing Client orders are:
- Regulated Markets;
  - Multilateral Trading Facility;
  - Systematic Internalisers;
  - Over-the-Counter market networks;
  - Market Maker or approved liquidity provider; and
  - An entity which performs a similar function in a third country which is regulated by a competent authority which applies standards equivalent with EU laws and regulations.
- 4.4.2 Orders for stocks which are listed will usually be carried out on an RM or OTC whereas orders for stocks which are not listed will usually be carried out OTC. Orders for bonds or derivatives may be executed on any of the five types of execution venues set out above. Orders for structured products may be carried out on any of the five types of execution venues listed above except for an RM.
- 4.4.3 The choice of the execution venue will be influenced by the execution factors and the criteria set out in Appendix 1 of this Policy.
- 4.4.4 For the purpose of delivering best execution, when there are more than one competing venues for the execution of an order involving a financial instrument, the Company's own commissions and costs for executing the order on each of the execution venues will be taken into account. In similar future cases and if the Company becomes a member in any market, the Company's first choice will be to execute the order in the market in which it is a member.
- 4.4.5 For the purpose of transmitting orders for execution, the Company acts as an agent on behalf of the Client. A list of the trading venues used by the Company for the execution of client orders in respect to all class of financial instruments can be found below:

Execution Venues	
✓ JP Morgan AG	✓ Bank of America Merrill Lynch Securities Europe SA
✓ Citigroup Global Markets Europe AG	✓ Natwest Markets N.V.
✓ Nomura Financial Products Europe GmbH	✓ Jefferies GmbH
✓ Intesa Sanpaolo S.P.A.	✓ National Bank of Greece S.A.
✓ Barclays Bank Ireland PLC	✓ Alpha Bank S.A.
✓ Eurobank S.A. & Eurobank Cyprus Ltd	✓ Banco Bilbao Vizcaya Argentaria S.A.
✓ Deutsche Bank AG	✓ The Seaport Group Europe LLP
✓ HSBC Continental Europe	✓ Stilel Europe Bank AG
✓ Morgan Stanley Europe SE	✓ BNP Paribas
✓ Commerzbank AG	✓ Piraeus Bank S.A.
✓ Banco Santander S.A.	✓ UBS Europe SE



✓ Societe Generale	✓ Attica Bank S.A.
✓ Joh. Berenberg, Gossler & Co.KG	✓ Athlos Capital Investment Services Ltd

Equity and Funds Execution Venues	
✓ London Stock Exchange	✓ Borsa Italiana
✓ London International Order Book	✓ Bolsa de Madrid
✓ Euronext Paris	✓ Euronext Dublin
✓ Euronext Amsterdam	✓ Wiener Borse
✓ Euronext Brussels	✓ Warsaw Stock Exchange
✓ Euronext Lisbon	✓ Athens Stock Exchange
✓ Deutsche Borse	✓ Johannesburg Stock Exchange
✓ SIX Swiss Exchange	✓ Istanbul Stock Exchange
✓ Nasdaq OMX Stockholm	✓ Tel Aviv Stock Exchange
✓ Nasdaq OMX Copenhagen	✓ Saudi Stock Exchange
✓ Nasdaq OMX Helsinki	✓ Cyprus Stock Exchange
✓ Euronext Oslo Bors	✓ Toronto Stock Exchange
✓ New York Stock Exchange	✓

4.4.6 The factors relevant to the Company for selecting intermediaries include the following:

- a) Soundness of intermediary;
- b) Reputation, financial strength and stability;
- c) Access to primary and/or secondary markets;
- d) Ongoing reliability;
- e) Overall costs of a trade including commissions, mark-ups, markdowns or spreads;
- f) Electronic connectivity; and
- g) Willingness to execute difficult transactions.

4.4.7 In addition, the following conditions must be met before intermediaries can be approved:

- a) Licensed, as required to execute the type of transaction; and
- b) Adequate supervision by the relevant competent authorities;
- c) For intermediaries established in a third-country, ensuring that the third-country applies standards



equivalent to the EU laws and regulations.

- 4.4.8 Execution venues not specified in this Policy are only used on an exceptional basis, for example, when Client specific instructions prevent the Company from transmitting the orders to any of the Execution Venues listed above.

## 4.5 Trade Confirmation

- 4.5.1 Where the Company carries out an order on behalf of a Client, it shall promptly provide the Client with details concerning the trade.
- 4.5.2 Clients (except those to which the portfolio management service is offered, unless specifically requested) will receive by e-mail or by post (depending on client's preference) a confirmation as to the execution of their order, which shall include the below information:
- a) the Company's identification;
  - b) full name(s), in case of a physical person or the trade name in case of a legal person or other designation of the client;
  - c) trading date;
  - d) accurate trading time;
  - e) type of the order;
  - f) venue identification;
  - g) instrument identification;
  - h) buy/sell indicator;
  - i) nature of the order if other than buy/sell;
  - j) quantity;
  - k) unit price;
  - l) total consideration;
  - m) a total sum of the commissions and expenses charged, and where the client so requests, an itemized breakdown including, where relevant, the amount of any mark-up or mark-down imposed where the transaction was executed by an investment firm when dealing on own account, and the investment firm owes a duty of best execution to the client;
  - n) the rate of exchange obtained where the transaction involves a conversion of currency;
  - o) the client's responsibilities in relation to the settlement of the transaction, including the time limit for payment or delivery as well as the appropriate account details where these details and responsibilities have not previously been notified to the client;
  - p) if the Client's counterparty was another Client of the Company or the Company itself, the fact that this was the case unless the order was executed through a trading system that facilitates anonymous trading.
- 4.5.3 The Company ensures that the client will receive the confirmation as soon as possible and no later than the first business day following execution. Note that if the client wishes to receive the trade confirmations by email this should be made clear during the onboarding procedure and it should be clear that the client has and will maintain access to the specific e-mail address.

## 4.6 Client order book

- 4.6.1 The Company shall maintain a Client Order Book. In this book, which shall be kept in electronic and/or paper format, all client orders shall be recorded in accordance with the time of their reception. The Client Order Book will facilitate the accurate and prompt scrutiny of client orders for their entire duration, from the time they are recorded in the book, to the transmission to the associate financial institutions, and their ultimate execution or rejection. The Client Order Book shall have the capability to record client order details such as the following:
- a) Client identity;
  - b) Financial instrument;
  - c) Market/ Board;



- d) Buy/ Sell;
- e) Price;
- f) Quantity;
- g) Order entry time;
- h) Order duration;
- i) Authorized person who submitted order;
- j) Officer who recorded order in Client Order Book;
- k) Amendment details (price, quantity, with the amendment time and person details);
- l) Cancellation details.

#### 4.7 Refusal or Delay in Execution

4.7.1 The Company may refuse to accept, or delay in executing Client orders until appropriate remedial actions are taken by the Client, depending on the particular circumstances, where:

- a) it reasonably believes or suspects that in doing so it shall be in breach or may potentially be in actual or anticipatory breach of applicable laws including but not limited to circumstances in which the Company reasonably believes that execution of the order results in or intends or may intend to or result in market manipulation, insider dealing or otherwise affecting in any manner the credibility of the regular operation of any market or contributing to the legalisation of illegal activities;
- b) the Client has not fulfilled his obligations pursuant to the terms and conditions governing his Business Relationship with the Company;
- c) the Company is not satisfied of the identity or the authorisation of the person placing the order;
- d) the order has a time duration that is not acceptable to the Company;
- e) the Client has not provided his instructions during the normal trading hours of the Company.

#### 4.8 Quote Driven Market/Request for Quote

4.8.1 Where the Company provides quotes or negotiates a price upon request i.e. dealing on a request for quote, the Company will determine whether there is a legitimate reliance on it to protect the Client's interests in relation to pricing and other elements of the transaction. In order to determine the existence of a legitimate reliance, the Company will apply the 'Four-Fold Cumulative Test' as described by the European Commission. The following factors will be used by the Company to assess whether a Client is legitimately relying on it:

- a) Which party initiates the transaction: Where the Client initiates the transaction, it can be concluded that it is less likely that the Client will be placing reliance on the Company. The Company may communicate trade ideas, relevant market opportunities or indicative prices to the Client as part of its general relationship with its Clients and this shall not be considered as initiating the transaction on behalf of the Company.
- b) Questions of market practice and the existence of a convention to 'shop around': where market practice suggests that the Client takes responsibility for the pricing and other elements of the transaction and the market practice is to obtain quotes from various sources, it is less likely that the Client will be placing reliance on the Company.
- c) The relative levels of transparency within a market: if a Client does not have ready access to prices in a market in which the Company operates, it is more likely that the Client will be placing reliance on the Company whereas, if a Client's access to pricing transparency is broadly equivalent to that of the Company's, it is less likely that the Client will be placing reliance on the Company.
- d) The information provided by the Company and any agreement reached: Where the arrangements and agreements with a Client state that the Company will provide best execution, it is more likely that the Client will be placing reliance on the Company.

4.8.2 Where the Company has taken into consideration the above factors and it has concluded that the Client is not placing a legitimate reliance on the Company, the provisions for best execution will not apply.



## 4.9 No Fiduciary Relationship

- 4.9.1 The Company's commitment of providing the Clients with "best execution" does not mean that the Company owes the Client any fiduciary duty over and above the specific regulatory obligations placed upon it, or as may be otherwise contracted between the Company and the Client. The Client remains responsible for his own investment decisions and the Company will not be responsible for any market trading loss the Client suffers as a result of those decisions.

# 5 CLIENT ORDER HANDLING

## 5.1 Client order handling rules

- 5.1.1 The Company will proceed with executing Client orders in a prompt, fair and expeditious manner, relative to its other Client orders or the trading interests of the Company. The Company will ensure that Client orders will be handled equitably and to the Client's best advantage. The Company may derogate from this obligation where it deems that it is in the best interests of its client and the client has not prohibited to the derogation. The Company shall not be liable for any loss or expense suffered by the Client due to any change in market conditions between the time of receipt of the order and the time of execution.
- 5.1.2 Comparable Client orders will be promptly allocated and executed in accordance with the time of reception, unless a Client specifically seeks to be treated otherwise or the characteristics of the order or the prevailing market conditions make the execution of the order impracticable or the interests of the Client require otherwise.
- 5.1.3 In the case of a limit order in respect of shares admitted to trading on an RM which is not immediately executed under prevailing market conditions, the Company shall, unless the Client expressly instructs otherwise, take measures to facilitate the earliest possible execution of that order by making immediately public that Client limit order in a manner easily accessible to other market participants, by transmitting the Client order to an RM or an MTF.

## 5.2 Aggregation and Allocation of orders

- 5.2.1 The Company is not permitted to carry out a Client order or a transaction for own account in aggregation with another Client order, unless the following conditions are met:
- it must be unlikely that the aggregation of orders and transactions will work overall to the disadvantage of any Client whose order is to be aggregated;
  - it is disclosed to each Client whose order is to be aggregated that the effect of aggregation may work to his disadvantage in relation to a particular order.
- 5.2.2 If the Company has aggregated transaction for own account with one or more Client orders, it will not allocate or reallocate the related trades in a way which is detrimental to a Client.
- 5.2.3 If the Company aggregates a Client order with a transaction for own account and the aggregated order is partially executed, it will allocate the related trades to the Client in priority to the Company.
- 5.2.4 Nevertheless, if 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.

# 6 CONFLICTS OF INTEREST

## 6.1 Remuneration

- 6.1.1 The Company shall ensure that its staff is not remunerated in a way that conflicts with its duty to act in the best interests of its Clients. All staff will be remunerated in accordance with the Remuneration Policy maintained by the



Company.

## 6.2 Inducements

- 6.2.1 The Company shall ensure that its staff do not receive any fees or commissions by any third-party unless such fee or commission complies with the following requirements:
- a) The payment or benefit is designed to enhance the quality of the relevant service to the client; and
  - b) The payment or benefit does not impair the Company's compliance with its duty to act honestly, fairly and professionally in accordance with the best interests of its clients.
- 6.2.2 Where the Company accepts to be provided with a fee or commission or a non-monetary benefit, provided that the conditions of paragraph 6.2.1 are fulfilled, it will disclose the existence, nature and amount of the payment or benefit to its Clients.

# 7 MONITORING

## 7.1 Quality of Execution

- 7.1.1 The Company will make public on an annual basis for each class of financial instrument, the top five execution venues (RTS 28) where client orders were executed during the preceding year. This information will be provided separately for retail and professional clients to allow clients to assess the information more accurately. The publication will contain the following information:
- a) class of financial instruments;
  - b) venue name and identifier;
  - c) volume of client orders executed on that execution venue expressed as a percentage of total executed volume;
  - d) number of client orders executed on that execution venue expressed as a percentage of total executed orders;
  - e) percentage of the executed orders referred to in point (d) above that were passive and aggressive orders;
  - f) percentage of orders referred to in point (d) above that were directed orders; and
  - g) confirmation of whether it has executed an average of less than one trade per Business Day in the previous year in that class of financial instruments.
- 7.1.2 Additionally, for each class of financial instruments, the Company will publish on its website a summary of the analysis and conclusions it draws from its detailed monitoring of the quality of execution obtained on the execution venues where it executed all client orders in the previous year. The information will include:
- a) an explanation of the relative importance the Company 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;
  - b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;
  - c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;
  - d) 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;
  - e) 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;
  - f) 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;



- g) an explanation of how the Company has used any data or tools relating to the quality of execution, including any data published under Delegated Regulation (EU) 2017/575; and
- h) where applicable, an explanation of how the Company has used output of a consolidated tape provider, established under Article 65 of MiFID II (section 66 of the Law).

7.1.3 Where the Company executes orders for retail clients, it will provide to those clients a summary of the relevant policy, focused on the total costs they incur. The summary shall also provide a link to the most recent execution quality data published in accordance with Article 27(3) of MiFID II (section 28 of the Law) for each execution venue listed by the investment firm in its execution policy.

7.1.4 Each annual summary will be published on the Company's website by the 30<sup>th</sup> of April of the following year in a machine-readable electronic format, available for downloading by the public.

## **7.2 Monitoring**

7.2.1 The Company will monitor each of the execution venues mentioned in paragraph 4.4 of this Policy on a periodic basis to ensure that the best result is achieved on a consistent basis for its Clients. The Company will regularly monitor the quality of the execution process provided to assess whether trades are being handled in compliance with this Policy and best execution is being achieved at the selected execution venue(s). Additionally, the Company will be constantly assessing whether the execution venues included in this Policy as well as any other counterparties provide the best possible result for the Client or whether the Company needs to make changes to its execution arrangements.

7.2.2 Where the findings of the monitoring conducted reveals that the Company has fallen short of obtaining the best possible result, the Company will consider whether this is because it has failed to follow its order execution policy and/or execution arrangements or because of a deficiency in the order execution policy and/or execution arrangements and take appropriate remedial actions.

## **7.3 Acknowledgements**

7.3.1 The Client acknowledges, accepts and consents that a Client order may be executed or transmitted for execution to a third party outside an RM or an MTF.

## **7.4 Record keeping**

7.4.1 The Company shall maintain records of all Client orders placed, including the date and time a Client order was placed and any details including but not limited to the type of order, the financial instrument involved and the price it was executed.

7.4.2 The Compliance Functions shall maintain records of all monitoring conducted in relation to best execution.

## **7.5 Review**

7.5.1 The Policy shall be reviewed by the Compliance Function in cooperation with the Trading Department of the Company, at least on annual basis or sooner whenever a material change occurs that could affect its ability to obtain the best possible result for the execution of its Clients' orders. Any persons which are directly affected by any changes in the provisions of this Policy shall be informed accordingly.

7.5.2 The latest version of the Policy will also be available on the Company's website.

## 8 APPENDIX I: RELATIVE IMPORTANCE OF BEST EXECUTION FACTORS

① In the tables below, 1 is treated as the most important factor and 7 as the least important factor.

### 8.1 Non-complex instruments (Equities and Bonds)

Retail Clients		Professional Clients	
Price	1	Price	1
Likelihood of execution and settlement	5	Likelihood of execution and settlement	4
Size of order	4	Size of order	5
Costs	2	Costs	2
Speed of execution	3	Speed of execution	3
Nature of order	6	Nature of order	6
Any other consideration relevant to the execution	7	Any other consideration relevant to the execution	7

### 8.2 Complex instruments (Derivatives and related financial instruments)

Retail Clients		Professional Clients	
Price	1	Price	1
Likelihood of execution and settlement	5	Likelihood of execution and settlement	4
Size of order	4	Size of order	5
Costs	2	Costs	2
Speed of execution	3	Speed of execution	3
Nature of order	6	Nature of order	6
Any other consideration relevant to the execution	7	Any other consideration relevant to the execution	7



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