



## **EXECUTION QUALITY SUMMARY STATEMENT – RTS 28**

FOR THE PERIOD ENDED 31 DECEMBER 2018

## Introduction

### Best Execution

7Q Financial Services Ltd (the “Company”) an Investment Firm ensures all sufficient steps to obtain, when executing orders, the best possible result for its client taking into account the various execution factors. These execution factors include price, costs, speed, likelihood of execution and settlement, size, nature, or any other consideration relevant to the execution of an order. The Company’s Best execution policy has been duly disclosed at the Company’s webpage ([www.7qfs.com](http://www.7qfs.com)).

### Disclosure

This document, the Execution Quality Summary Statement (EQSS), was prepared in order to ensure compliance with MiFID II and Regulation EU 2017/576 (the “Regulation”) which require investment firms who execute client orders to summarise and make publicly on an annual basis, for each class of financial instruments the top five execution venues in terms of trading volumes where they executed client orders in the preceding year and information on the quality of execution obtained.

As per the Regulation the following definitions apply:

- (a) ‘Passive order’: an order entered into the order book that provided liquidity
- (b) ‘Aggressive order’: an order entered into the order book that took liquidity
- (c) ‘Directed order’: an order where a specific execution venue was specified by the execution of the order

There were no securities financing transactions executed within the year ended 2018.

## Execution venues

Top five execution venues for the year under review per Asset Class

Equities – Shares & Depository Receipts

*Tick size liquidity bands 5 and 6 (from 2 000 trades per day)*

Professional Clients

Class of Instrument	Equities - Tick size liquidity bands 5 and 6 (from 2 000 trades per day)				
Notification if <1 average trade per business day in the previous year					
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 a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Castle Harbour Securities Limited (LEI: 254900R3VMPG60MQEZ08)	100%	100%	N/A	100%	N/A
N/A					
N/A					
N/A					
N/A					

## Retail Clients

Class of Instrument	Equities - Tick size liquidity bands 5 and 6 (from 2 000 trades per day)				
Notification if <1 average trade per business day in the previous year					
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 a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Castle Harbour Securities Limited (LEI: 254900R3VM PG60MQEZ08)	100%	100%	N/A	100%	N/A
N/A					
N/A					
N/A					
N/A					

## Tick size liquidity band 1 and 2 (from 0 to 79 trades per day)

## Professional Clients

Class of Instrument	Equities - Tick size liquidity bands 3 and 4 (from 0 to 79 trades per day)				
Notification if <1 average trade per business day in the previous year	Y				
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 a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Global Capital Securities and Financial Services Limited (LEI: 213800SXNF1HRW6WZZ04)	100%	100%	N/A	100%	N/A
N/A					

N/A					
N/A					
N/A					

Retail Clients

Class of Instrument	<i>Equities - Tick size liquidity bands 3 and 4 (from 0 to 79 trades per day)</i>				
Notification if <1 average trade per business day in the previous year	Y				
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 a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Global Capital Securities and Financial Services Limited (LEI: 213800SXNF1HRW6WZZ04)	100%	100%	N/A	100%	N/A
N/A					
N/A					
N/A					
N/A					

## Debt Instruments

### Professional Clients

Class of Instrument	Fixed Income				
Notification if <1 average trade per business day in the previous year	Y				
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 a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Athlos Capital Investment Services Limited (LEI: 254900KH6PO0017YI150)	67%	67%	N/A	67%	N/A
Banca Zarattini & Co. SA (LEI: 213800INM3OFHF9QS122)	10%	10%	N/A	10%	N/A
Castle Harbour Securities Limited (LEI: 254900R3VM PG60MQEZ08)	12%	12%	N/A	12%	N/A
AstroBank Limited (LEI: 549300VB6UM9TUOCYW67)	7%	7%	N/A	7%	N/A
Adamant Capital Partners JSC (LEI: 2138003J5QNXXY2V3W55)	4%	4%	N/A	4%	N/A

## Retail Clients

Class of Instrument	Fixed Income				
Notification if <1 average trade per business day in the previous year	Y				
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 a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
AstroBank Limited (LEI: 549300VB6UM9TUOCYW67)	100%	100%	N/A	100%	N/A
N/A					
N/A					
N/A					
N/A					

## Exchange Traded Products

### Professional Clients

Class of Instrument	Exchange Traded Funds				
Notification if <1 average trade per business day in the previous year	Y				
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 a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Castle Harbour Securities Limited (LEI: 254900R3VM PG60MQEZ08)	100%	100%	N/A	100%	N/A
N/A					
N/A					
N/A					
N/A					

## Retail Clients

Class of Instrument	Exchange Traded Funds				
Notification if <1 average trade per business day in the previous year	Y				
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 a percentage of total in that class	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Castle Harbour Securities Limited (LEI: 254900R3VMPPG60MQEZ08)	100%	100%	N/A	100%	N/A
N/A					
N/A					
N/A					
N/A					

## Summary and Conclusions

### Conflicts of Interest

There were no close links, conflicts of interest and common ownerships with respect to any execution venues used to executed orders placed within the year ended 31 December 2018. The Company does not maintain participation in execution venues

### Specific arrangements

There were no specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received. Quality of execution received in terms of cost was not affected by any arrangements made with the execution venues.

### Changes in execution venues listed in the firm's execution policy

There were no changes in execution venues during the year in review. The updated and approved list of execution venues is listed in the Company's Best Execution policy.



## Order execution factors and considerations

In executing client orders the Company takes into account the following factors to achieve the best possible result for the client:

- price,
- costs,
- speed,
- likelihood of execution and settlement,
- size, nature or any other consideration relevant to the execution of the order.

Nevertheless, where there is a specific instruction from the client the Company shall execute the order following the specific instruction.

Where the Company executes an order on behalf of a retail client, the best possible result shall be determined in terms of the total consideration, representing 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.

For the purposes of delivering best possible result, where there is more than one competing venue to execute an order for a financial instrument, in order to assess and compare the results, for the client, that would be achieved by executing the order on each of the execution venues listed in the Company's order execution policy which are capable of executing that order. The Company's own commissions and the costs for executing the order on each of the eligible execution venues, shall be taken into account in that assessment. The Company, following execution of a transaction on behalf of a client, must inform the client where the order was executed.

The abovementioned factors are evaluated for each order, each factor receiving a different weighting.

The criteria used by the Company to define the relative importance of each of these factors are as follows:

- a) The characteristics of the client including the categorisation of the client as retail or professional;
- b) The characteristics of the client's order;
- c) The characteristics of financial instruments that are the subject of that order;
- d) The characteristics of the execution venues to which the order can be directed.

As a rule, the price (as a factor which affects the execution of orders in terms most favourable to the client) will receive the highest weighting unless this document specifies otherwise.

It is to be noted that in some cases, particularly when executing orders of clients that have been categorised as "professional clients" for specific financial instruments and execution venues, the Company may take the view, weighing up the abovementioned criteria, that another factor may be more important than the price itself for the purpose of achieving the best possible result for the client. Based on the

methodology outlined above, the execution venue chosen for an order is that place where the best possible result upon execution of the client order may be achieved.

#### Data or tools used relating to the quality of execution

The Company did not utilise any data published under Delegated Regulation EU 2017/575 (RTS 27) to monitor its performance as an execution venue as it does not operate as an execution venue. Direct lines of communication with fixed income brokers and counterparties are used in order to obtain low costs, better prices and speed of executions in debt instrument transactions. These communication lines are facilitated through the Bloomberg Terminal platform.

#### Assessment of execution venues

The Company was able to adhere to its Best Execution policy for the year ended 31 December 2018. Through the above-mentioned execution venues, the Company's staff was able to balance the best execution factors of price, speed, execution cost, likelihood of execution and settlement.