Henyep Capital Markets (UK) Limited
Execution Quality Summary Statement and RTS 28
(Year 2019)

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1. INTRODUCTION

The *Execution Quality Summary Statement* (hereinafter the "**EQSS**" or the "Statement") is a statement that **Henyep Capital Markets (UK) Limited** (hereinafter, the "Company" or "**HYCM**" or "we" or "us"), an Investment Firm authorised and regulated by the Financial Conduct Authority with Reference Number 186171, is required to disclose to its clients under FCA's COBS 11.2A and Regulation EU 2017/576 of 8 June 2016 (RTS 28) supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to regulatory technical standards for the annual publication by investment firms of information on the identity of execution venues and on the quality of execution.

This Statement is relevant to both Retail and Professional Clients (as defined in the Company's Client Categorisation Policy) which means if the Company classifies a Client as an Eligible Counterparty, this Statement is not relevant to that client.

The EQSS is a summary of the analysis and conclusions the Company drew from its detailed monitoring of the quality of execution as the sole execution venue where it executed all client orders during the year 2019, covering a full year cycle (hereinafter, the "Year Under Review").

The Company urges its clients and/or potential clients to read the Statement carefully and in conjunction with its Order Execution Policy as available online, as it contains information on how the Company executes orders to various execution venues when operating as riskless principal (back to back basis) in relation to CFDs.

The EQSS along with RTS 28 Disclosures will remain on Company's website for at least two (2) years post its publication.

2. DEFINITIONS

HYCM

Henyep Capital Markets (UK) Limited regulated under the Financial Conduct Authority.

Principal

When a Company is the sole execution venue with respect to executing client order.

Riskless Principal Execution

Where a Company receives an order from a client and it executes that order with the market on a back-to-back principal basis, such that the Company is counterparty to both the client and the market.

3. RELATIVE IMPORTANCE OF EXECUTION FACTORS

HYCM, when executing client's orders against its quoted prices as provided by its Liquidity Provider(s), takes into account various execution factors, provided that there are no specific instructions from the client to HYCM about the way of execution of the orders. The execution factors include:

- Price
- Speed and likelihood of execution
- Costs or commissions
- Size and nature of the order

- Market conditions and variations
- Likelihood of Settlement
- Any other direct consideration relevant to the execution of the order

The importance we place on them, depending on the circumstances of the order and clients is discussed on Company's Order Execution Policy.

4. CLOSE LINKS AND CONFLICTS OF INTEREST WITH RESPECT TO THE EXECUTION VENUES

Execution Venues are the entities to which the orders are placed or to which the Company transmits orders for execution. The Company acts as *riskless principal* (back to back basis) in relation to CFDs therefore the Company is the sole execution venue for clients' orders.

The Company maintains close links and common ownership structure with its hedging counterparty to which it transfers all its market risk enabling the Company to act as *riskless principal*.

Irrespective of the fact that both the Company and its hedging counterparty share a close relationship, we do not believe there is conflict of interest detriment to client's interest. For more information in relation to the mitigating measures HYCM applies is included in the Company's Conflict of Interest Policy as available online.

5. PAYMENTS OR NON-MONETARY BENEFITS MADE TO OR RECEIVED BY THE EXECUTION VENUE

Acting as *riskless principal* we are the execution venue and as such this information is not applicable.

6. CHANGE OF EXECUTION VENUES DURING THE YEAR UNDER REVIEW

During the Year Under Review there was no change in the execution venue.

7. ORDER EXECUTION DIFFERENCES BASED ON CLIENT CATEGORIZATION

During the Year Under Review the Company offered its services to Retail and Professional Clients.

For Retail and Professional Clients the best possible result will be determined in terms of the total consideration, representing the price of the financial instruments and the cost related to execution which shall include all expenses incurred by the Client which are directly related to the execution of the order and any other fees paid to third parties involved in the execution of the order. The other execution factors of speed, likelihood of execution size, nature or any other relevant consideration will, in most case, be secondary to price and cost considerations, unless they would deliver the best possible result for the client in terms of total consideration. When assessing if best execution has been achieved, HYCM does not take into account its standard charges that will be paid by the client

8. TOOLS AND DATA USED FOR THE ASSESSMENT OF BEST EXECUTION

The Company during the Year Under Review deployed a number of methodologies and tools in order to monitor, and where applicable adjust, its execution parameters in order to ensure consistency with

its overarching obligation to offer the best possible result for its clients' orders. In broad terms the Company monitors on an ongoing basis its execution arrangements by selecting appropriate samples of orders executed and evaluates the samples in accordance to the following dimensions:

- Speed of execution (Latency)
- Frequency and duration of Price Freezing (Halts)
- Depth of liquidity
- Slippage Frequency and Slippage Symmetry (Positive vs Negative)
- Requote and Rejection Rates
- Complaint Analytics
- Availability of Trading Assets
- Any possibility of wrongly matched orders
- Price Fairness by comparing the execution prices clients received against the price of other brokers at the moment of execution.

9. REVIEWS OF EXECUTION MONITORING

The Company's Risk Department monitors execution on a regular basis for example quarterly with the evaluation process described above (please refer to Section 6) and if actions are required liaise with the Company's senior management for next steps.

The Company's Compliance Department scrutinise the monitoring procedure conducted by the risk department and the actions taken by the Company's senior management. The Company's Compliance Department present their findings to the Company's Board of Directors at least annually, for further scrutiny and actions.

Annual publication of information of the Company's execution venue in terms of trading volumes for all executed client orders per class of financial instruments according to the Commission Delegated Regulation (EU) 2017/576 (**RTS 28**)

Table 1
Retail Client Information Year 2019

Class of Instrument	**Contracts for Difference**				
Notification if <1 average trade per business day in the previous year	No				
Top five execution venues ranked in terms of trading volumes	Proportion of volume traded as a percentage of total volume	Proportion of orders executed as percentage of total orders	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Henyep Capital Markets (UK) Limited (213800VXEUCGD61KDH27)	100%	100%	0%	100%	0%

Table 2
Professional Client Information Year 2019

Class of Instrument	**Contracts for Difference**				
Notification if <1 average trade per business day in the previous year	No				
Top five execution venues ranked in terms of trading volumes	Proportion of volume traded as a percentage of total volume	Proportion of orders executed as percentage of total orders	Percentage of passive orders	Percentage of aggressive orders	Percentage of directed orders
Henyep Capital Markets (UK) Limited (213800VXEUCGD61KDH27)	100%	100%	0%	100%	0%

Henyep Capital Markets (UK) Limited
Authorized and regulated by the Financial Conduct Authority – 186171
Registered in England and Wales Company Number 2878581

Contact Details
18 King William Street
London EC4N 7BP, United Kingdom
Website: www.hycm.co.uk / email: info@hycm.com

Risk Warning

CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage. 71% of retail investor accounts lose money when trading CFDs with this provider. You should consider whether you understand how CFDs work and whether you can afford to take the high risk of losing your money.

Execution Quality Summary Statement

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