

**Execution and Quality Statement
for the year 2021,
as per the Regulatory Technical Standards 28
("RTS 28")**

APRIL 2022

Scope of the Report

This report is published by Initial Merit Secure Limited formerly known as Nextrade Worldwide Ltd (hereinafter referred to as ‘the Company’, ‘We’, ‘Us’, ‘Our’, ‘IMS’), an Investment Firm authorized and regulated by the Cyprus Securities and Exchange Commission (hereinafter referred to as ‘CySEC’) under the license No. 229/14. The Company owns and operates under the brand name IMS and the domain www.imsmarkets.com. The Company is registered in the Republic of Cyprus through the Department of Registrar of Companies and Official Receiver with registration number HE 291905 with registered office at 3, Pythagora Street, Pythagoras Court, 4th Floor, 3027, Limassol, Cyprus.

The Company is licensed to conduct the following investment and ancillary services

Investment Services	Ancillary Services
Reception and Transmission of orders in relation to one or more financial instruments	Safekeeping and administration of financial instruments, including custodianship and related services
Execution of orders on behalf of clients	Granting credits or loans to one or more financial instruments, where the firm granting the credit or loan is involved in the transaction
	Foreign exchange services where these are connected to the provision of investment services
	Investment research and financial analysis or other forms

This document was prepared in compliance to Article 27(10)b of the Markets in Financial Instruments Directive 2014/65/EU (hereinafter referred as “MiFID II”), and as adopted by the [Commission Delegated Regulation \(EU\) 2017/576](#). The Company is required to publish the Execution Quality Summary Statement of the regulatory technical standards 28 (hereinafter referred to as ‘RTS 28’) on an annual basis and provide sufficient information in regard to the execution venues and on the quality of the execution of client orders.

Please ensure you read this document along with our Order Execution Policy, and any other documentation prior to opening an account or carrying out any activity with the Company.

Best Execution Obligation and Execution Factors

In accordance with the MiFID II as well as the Investment Services and Activities and Regulated Markets Law of 2017 (Law 87(I)/2017) and its subsequent amendments, when executing orders, the Company must take all sufficient steps to obtain, the best possible result for its Clients taking into consideration the price, costs, speed, likelihood of execution, size, nature or any other consideration relevant to the execution of the order.

The Company has established the “Order Execution Policy”, which provides all details on how the Company takes all steps into consideration when executing Client orders or receiving and transmitting orders for execution in relation to the financial instruments the Company offer to its Clients. It is worth noting that the Order Execution Policy does not apply to Eligible Counterparties as defined in the Company’s Client Categorization Policy.

In accordance with the regulation Best Execution is the obligation for the Company to ensure that the execution arrangements deliver the best possible result when executing Client Orders. As a result, Best Execution is determined by several execution factors and its relative importance, which is taken into consideration in achieving the best possible outcome.

The Policy applies to Retail and Professional Clients of the Company, as defined in the Client Categorisation Policy, when executing transactions on Financial Instruments provided by IMS.

In the case of Retail Clients, in applying the best execution in the normal course of business, we determine the best possible result in terms of total consideration. Total consideration is the price of financial instrument concerned and the costs payable by the Retail Client as a result of execution. These costs include all expenses incurred that are directly related to the execution of the order (such as execution venue fees and any fees paid to third parties involved in the execution of the order). These costs do not include our own commission, spread or margin. We make take the other execution factors into account where they are instrumental in delivering the best possible result (in terms of total consideration) for the Retail Client.

The Company weights the importance of each execution factors below in delivering best execution:

- **Price** is the primary factor when considering best execution and is considered at high importance. Price is the Company’s quoted market rate at which the order is executed. The Company obtains the prices for each financial instrument from its Liquidity Provider(s) and their names are disclosed in the execution venues, as mentioned below. Please refer to our order execution policy where we provide further information on how we determine our prices.
- **Costs** involved are of high importance as additional charges may be incurred in executing an order which will affect the quality of execution. The charges can be found on the Company’s website and trading platform. These charges include:
 - **Commissions**, which are charged as fixed percentage of the overall value of the trade or as a fixed amount.
 - **Financing fees (swaps)** apply in some types of financial instruments and on opened positions/pending orders. The financing fees (swaps) are based on prevailing market interest rates, which may vary over time, while the fee can be positive or negative.
 - **Currency conversions** apply from the Client’s base currency to the currency of the relevant financial instrument.
 - The Company does not charge clearing or settlement fees for execution of orders.
- **Speed of Execution** is of high importance and can be particularly important in fast moving markets. For this reason, we maintain high speed connections through multiple servers and our execution is fully automated to provide seamless order execution.

- **Likelihood of Execution** is of medium importance, as the Company even though reserves the right to decline a Client order, we aim to execute all Client Orders, to the extent possible. While the Company remains the contractually counterparty to the client, relies on its Liquidity Providers (as per the Liquidity Providers disclosed below) for prices and available liquidity. Therefore, the Company strives to execute all Client orders by having multiple Liquidity Providers available for all offered financial instruments.
- **Likelihood of Settlement** is of medium importance, as the Company shall proceed to a settlement of all transactions upon execution of such transactions.
- **Size of order** is of medium importance, as the Client can place orders as long as the balance of the trading account is maintained. If the Client wishes to execute a large size order, the price may become less favorable considering the price obtained from the Liquidity Provider. The Company sets minimum and maximum size of orders based on the financial instrument selected and the Company reserves the right to decline an order.
- **Nature and any other considerations of the transaction** are of low importance. 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 listed herein. The Company will take all sufficient steps to obtain the best possible result for its Clients.

We assign equal importance to price, costs, speed, likelihood of execution and other factors when assessing the quality of our execution/liquidity venues. Other Execution Factors include currency valuation of each instrument relative to the client's base currency, minimum size of orders for the various instruments offered, market opening and closing times for each instrument relative to Company's working hours. However, none of these other factors took precedence over the execution factors listed in this section.

In exceptional circumstances it is in the Company's absolute discretion to decide that any other factors such as extreme volatility where price discovery is disputable are more important than the ones described above. In cases where the price at which a trade is executed at may vary significantly from the original requested price due to abnormal market conditions and/or the levels of volatility in the market, the Company reserves the right to execute the Client Order at the best available price given the market depth and volatility for the given financial instrument at that point in time. More details on the execution factors can be found in the Company's [Order Execution Policy](#).

It is worth noting that the Company considers the following criteria when determining the relative importance of the abovementioned execution factors:

- characteristics of the Client,
- characteristics of the Client's order (market order, limit or stop order),
- characteristics of the financial instrument,
- characteristics of the Execution Venues to which the order can be directed.

All client orders are executed over the counter (OTC) via the Company's trading platforms as Contracts for Difference (CFDs), irrespective if the underlying is listed on stock exchanges or other organized venues. The Company provides live streaming quotes for all financial instruments provided on its platforms, which are supplied by third-party independent sources (Liquidity Providers).

The Company during the year of 2021, ensured that the Clients received best execution on their orders by comparing the prices provided to Clients against a range of underlying price providers and data sources.

The Company has deployed a number of tools in order to monitor the parameters that will ensure consistency and the best possible result for its Clients' orders, including tools to evaluate

- the price fairness by comparing prices by market data providers with the prices offered by the Company and its available Liquidity Providers,
- the IT systems and trading platforms,
- the slippage, price continuity, speed of execution.

As mentioned above and in the Order Execution Policy, the best possible result of a Client order is determined taking into consideration the price of the financial instrument and the costs related to the execution, which include all expenses incurred by the Client and these are directly related to the execution of the order.

To this end, the Company's internal manuals describe the internal processes and procedures that ensure clients receive the best possible result when executing client orders and the Company does not transfer its best execution responsibility to any other party. The Company monitors the capacity and efficiency of the trading platforms, the configuration systems and update the software, servers and its technology where it is necessary.

Execution Venues

The Company acts as an agent on the Client's behalf and transmits orders to the execution venues listed below. Client orders are not executed on a Trading Venue (Regulated Market, Multilateral Trading Facility or on an Organised Trading Facility), instead and as abovementioned they are executed by the Company on third party execution venues.

We are increasingly improving our quality of execution of client orders by adding multiple third-party liquidity providers with whom we have signed service agreements. We deem it more useful to disclose to clients our top underlying third-party liquidity providers with whom we have such appropriate legal arrangements in place, during the year of 2021.

Liquidity Providers Name	Country of Establishment	Commencement Date of the Business relationship
Broctagon Prime Limited	Cyprus	2019

In accordance with the Commission Delegated Regulation (EU) 2017/576 Annex I, the Company did not offer the following classes of financial instruments during the reference period 1st of January and 31st of December 2021.

- a) Equities – Shares & Depositary Receipts
- b) Debt Instruments
- c) Interest Rate Derivatives
- d) Credit Derivatives
- e) Currency Derivatives
- f) Structured finance instruments
- g) Equity Derivatives
- h) Securitised Derivatives
- i) Commodities derivatives and emission allowances Derivatives
- j) Exchange traded products (Exchange traded funds, exchange traded notes and exchange traded commodities)
- k) Emission allowances
- l) Other instruments

The Company offers a single class of financial instrument, which is Contracts for Difference. In the tables below and in accordance with the Commission Delegated Regulation (EU) 2017/576 Annex II, the Company publishes the execution venues and information regarding retail clients, during the reference period 1st of January and 31st of December 2021.

Table 1: Retail Clients

Class of Instrument	Contracts for Difference				
Notification if <1 average trade per business day in the previous year	N				
Top five execution venues ranked in terms of trading volumes	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
Broctagon Prime Ltd LEI: 213800AYVP83GMTLSE33	100%	100%	0%	100%	0%
Name and Venue Identifier (MIC or LEI)	0%	0%	0%	0%	0%
Name and Venue Identifier (MIC or LEI)	0%	0%	0%	0%	0%
Name and Venue Identifier (MIC or LEI)	0%	0%	0%	0%	0%
Name and Venue Identifier (MIC or LEI)	0%	0%	0%	0%	0%

It is noted that the Company did not offer its services to Professional Clients during the year of 2021.

Table 2: Professional Clients

Class of Instrument	Contracts for Difference				
Notification if <1 average trade per business day in the previous year	Y				
Top five execution venues ranked in terms of trading volumes	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
Name and Venue Identifier (MIC or LEI)	0%	0%	0%	0%	0%
Name and Venue Identifier (MIC or LEI)	0%	0%	0%	0%	0%
Name and Venue Identifier (MIC or LEI)	0%	0%	0%	0%	0%
Name and Venue Identifier (MIC or LEI)	0%	0%	0%	0%	0%
Name and Venue Identifier (MIC or LEI)	0%	0%	0%	0%	0%

As per the Article 2 of the Regulation and Directive 2014/65/EU;

- A 'Passive order' is an order entered into the order book that provided liquidity,
- An 'Aggressive order' is an order entered into the order book that took liquidity,
- A 'Directed order' is an order where a specific execution venue was specified by the client prior to the execution of the order.

Change of Execution Venues during the year under review

The Company notes that during the year under review, did not change the list of execution venues thus the above disclosure is not relevant for the year under review.

Conflicts of Interest

The Company has in a place a [Conflict of Interest Policy](#) which applies to all directors, employees and any person has interactions to the Clients. The management of the Company provide training to all stakeholders with the Company's procedures and policies, including Conflicts of Interest Training seminars are held at least once a year or more frequently, when relevant laws, regulations or guidelines change.

Governance and Review of execution monitoring

The Company acts fairly, honestly and to the best interest of its clients by:

- applying the same order execution policy for all its clients and
- does not discriminate between different groups of clients.

The company does not enter into specific arrangements with any execution venue regarding payments to be made or received, discounts, rebates or non-monetary benefits of any kind. The Risk Manager presents the Board of Directors with any required changes in the Order Execution Policy and any deficiencies may have risen after the Risk Manager's reviews of the execution of orders.

The Company monitors on a regular basis the effectiveness of the Order Execution Policy. In particular, the Company monitors the execution quality of the procedures explained in the policy and, where appropriate the Company reserves the right to correct any deficiencies identified.

During the year 2021, the Company performed daily quality checks on existing price feed (or market data) and drew comparisons between liquidity providers and price providers to ensure the consistency of the execution quality on a continuous and live basis. Notably, we checked the quality of the execution against the price feed obtained our Liquidity Providers and other reputable investment firms.

In addition, the Company reviews its Order Execution Policy at least annually. A review will be also carried out in case a material change occurs that affects the ability of the Company to continue executing the best possible result on Clients' Orders, using the execution venues included in this policy.

Finally, the Company publishes its Execution and Quality Statement reports as per the Regulatory Technical Standards 28 ("RTS 28") on annual basis and the reports remain in the Company's website for at least two years after the publication.

Conclusion

During the year 2021, and as per the MiFID II requirements, the Company took all sufficient steps in order to deliver best execution and act in the best interest of its Clients. The Company maintains written procedures, monitoring routines as well as Order Execution Policy, which are designed to achieve the best possible result for its Clients.

For your benefit and protection, kindly ensure you read this Report and the Order Execution Policy and any additional documentation available to you via our official website under legal documents.

Contact Details

Clients shall communicate with the Company with the communication methods described within this policy and/or at the following address:

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