

Payward Europe Solutions Limited t/a 'Kraken'

Order Execution Policy

PURPOSE

Payward Europe Solutions Limited (hereafter, "**PESL**") is a private limited company incorporated in Ireland under the Companies Act 2014 (Register No. 711781). PESL is a wholly-owned subsidiary of Payward Europe Limited ("**PEL**") which in turn is wholly-owned by Payward, Inc. Payward, Inc., a Delaware, USA corporation, is the parent company of a worldwide group of subsidiaries (the "**Payward Group**", the "**Kraken Group**" or the "**Group**" collectively doing business as "**Kraken**").

PESL is authorised as a regulated Broker and Custodian with the Central Bank of Ireland ("**CBI**") as a crypto-asset service provider ("**CASP**") pursuant to Article 62 of Markets in Crypto-Assets Regulation (Regulation (EU) No 2023/1114) ("**MiCAR**").

The aim of this Order Execution Policy ("**Policy**") is to clearly explain how PESL maintains a duty of best execution when handling and executing client orders. 'Best execution' refers to our obligation to take sufficient steps to obtain the best possible result for our clients when executing their orders, considering factors such as price, costs, speed, and likelihood of execution. Through this Policy PESL commits to taking all sufficient steps to achieve favourable trading outcomes for its clients. This Policy should be considered alongside our Terms of Service which are available on the website.

As a prerequisite of opening an account with PESL, clients must first agree to the PESL Terms of Service. By doing so, clients also agree to this Policy, which is provided before the provision of any services. Therefore, please ensure that you have read and understood the provisions of this Policy in their entirety prior to commencing any trading with us.

SCOPE

This Policy applies to all clients based in the European Economic Area ("**EEA**") to whom PESL provides any of the following services:

- execution of orders for crypto-assets on behalf of clients
- reception and transmission of orders for crypto-assets on behalf of clients

EXECUTION VENUES

PESL currently routes all crypto-asset orders to a single affiliated execution venue: Payward Global Solutions Limited (the "**PGSL Trading Platform**" or "**PGSL**"). PESL has determined that this approach enables it to consistently meet its best execution obligations. To ensure ongoing compliance, PESL conducts initial and periodic assessments of the trading venue based on criteria including:

- **Regulatory Compliance** - The venue's jurisdiction and MiCAR compliance status are assessed to ensure it operates under robust regulatory supervision
- **Operational Resilience** The venue must demonstrate capacity to handle peak trading volumes and maintain orderly execution during periods of market stress, with proven business continuity and resilience testing.
- **Security** The adequacy of ICT infrastructure and cybersecurity measures is reviewed to ensure the protection of client data and assets.
- **Market Abuse** The venue must have effective policies and systems in place to detect and prevent market abuse.
- **Anti-Money Laundering and Counter Terrorist Financing** The venue must have effective policies and systems in place to detect and prevent money laundering and terrorist financing.
- **Best Execution Factors** Execution quality is monitorable across key factors: price, cost, market liquidity, speed of execution, likelihood of execution and settlement, and order size/frequency.
- **Conflicts of Interest** Ability to assess any potential or actual conflicts of interest between PESL and the execution venue
- **Trading Platform technical infrastructure** The trading platform has the technical capability to onboard PESL and accept client orders

PESL regularly reviews the quality of execution provided by PGSL to ensure it meets best execution standards. Where areas for improvement are identified, PGSL will be asked to address any deficiencies. Should performance not improve to the required standard, PESL may consider routing client orders through an alternative trading venue. PESL retains the ability to onboard and route orders to other platforms if necessary, to ensure continued adherence to best execution obligations. PESL does not receive any form of remuneration from PGSL or any other trading platform for routing client orders.

EXECUTION FACTORS

PESL will take into account the following factors when executing client orders, and any other consideration relevant to the execution of the order:

- **Price:** Refers to the actual market price at which a crypto-asset is bought or sold. It includes the bid-ask spread and is influenced by market liquidity, order book depth, and volatility.
- **Cost:** Refers to the total expenses incurred by the client for executing.
- **Market Liquidity:** Refers to the availability of buy and sell orders at various price levels.
- **Execution speed:** Measures the time taken to complete a trade.
- **Likelihood of execution:** Refers to the probability that an order will be completed as requested.
- **Likelihood of settlement:** Refers to the assurance that a completed trade will be settled without issues.
- **Size / Frequency of Orders:** The size of an order can impact its execution, especially in less liquid markets. Large orders may lead to slippage or adverse market impact.

SPECIFIC CLIENT INSTRUCTIONS - WARNING

Where clients provide PESL with specific instructions in relation to any aspect of the client's order,

including, but not limited to price limits, timing preferences, or method of execution, PESL will execute the client order in accordance with the client's instructions. In this event, some or all of PESL's best execution arrangements may not be applied, which may result in different outcomes, including, but not limited to, less favourable pricing, slower execution, or increased costs of execution.

ORDER HANDLING

PESL routes all client orders to the PGSL Central Limit Order Book (CLOB) via an automated system that supports effective record-keeping and reconciliation. By submitting an order, the client authorises PESL to execute it on the PGSL CLOB according to the client's instructions. Orders remain active until filled, cancelled, or expired. Once received, instructions are updated in the PGSL CLOB unless restricted by PGSL for market protection or stability purposes. To maintain orderly trading, PGSL may limit order volume and access.

The CLOB operates on a price-time priority: better-priced orders are matched first, orders with the same price are resolved by earliest submission time. Upon execution, client account balances are updated, and trade confirmations issued. Settlement is immediate, with client accounts debited and credited accordingly. Crypto-assets can be withdrawn immediately, subject to any withdrawal limits. All executed trades are considered final, they cannot be reversed and are recorded in the client's trading history.

PESL's duty to provide the client with best execution does not mean that it owes the client any fiduciary responsibilities over and above the specific regulatory obligations placed upon it or as may be otherwise contracted between PESL and the client. The client remains responsible for the client's own investment decisions and PESL will not be responsible for any market trading loss the client suffers as a result of those decisions.

PESL reserves the right to deviate from its standard order execution policy during adverse market conditions where strict adherence may compromise client outcomes, market integrity, or operational stability.

Adverse market condition may include:

- Extreme market volatility
- Liquidity shortages
- Exchange outages or technical failures
- Abnormal market conditions such as sudden crypto-assets delisting, crypto-asset protocol changes, or blockchain attacks
- Regulatory or legal constraints

CLIENT ORDER INFORMATION PROCEDURES

PESL has implemented strict confidentiality controls in order to prevent employees misusing client order information. These measures are designed to ensure the integrity and confidentiality of client order information and to uphold the highest standards of ethical conduct. Controls include information barriers, system access controls and regular employee training.

PESL strictly prohibits all forms of market abuse and has deployed systems to prevent and detect any such activity.

MONITORING AND REVIEW

PESL will regularly review its assessment of the PGSL Trading Platform, and on an annual basis PESL will assess the effectiveness of this Policy and where appropriate remedy any deficiencies.

NOTIFICATIONS OF MATERIAL CHANGE

PESL will notify clients of material changes to this Policy. These changes may involve updates to the execution factors, adjustments to the list of execution venues, or revisions to internal processes. PESL may notify clients through existing channels such as email or pop-up notifications through the customer interface.