

## **UAB Chronos Global**

(the **Company**)

## **EXECUTION POLICY**

(the **Policy**)

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## 1. General provisions

- 1.1. This Execution Policy (the **Policy**) outlines the measures and principles that UAB Chronos Global (the **Company**) adopts to ensure compliance with applicable regulations and related regulatory requirements, including obtaining the best possible results for Clients while executing Orders for crypto-assets on behalf of Clients.
- 1.2. The Policy applies to all crypto-asset transactions conducted on behalf of Clients and ensures consistent application across all jurisdictions where the Company operates, in adherence to the principles set out in the applicable regulations.
- 1.3. The Company executes Client's Orders through approved Execution Venues, ensuring that all transactions align with the principles of transparency, efficiency and full compliance with the applicable regulations.

## 2. Definitions used in the Policy

- 2.1. **Client** – a natural or legal person to whom the Company provides services.
- 2.2. **CCO** (Chief Compliance Officer) – a person which ensures that the Company adheres and complies with the applicable regulations, internal policies, procedures, etc.
- 2.3. **CEO** (Chief Executive Officer) – a person accountable to the Management Board of the Company, who organizes day-to-day Business activities (including administrative tasks) of the Company within the limits of his / her powers.
- 2.4. **CFO** (Chief Financial Officer) – a person responsible for managing the financial actions and preparation of the financial documents of the Company.
- 2.5. **Business** – the Company's economic-commercial activities and operations, including provision of crypto-assets services.
- 2.6. **Management Board** – collegial management body of the Company.
- 2.7. **Senior Management** – members of the Management Board and the CEO.
- 2.8. **Employees** - all employees in the Company working under labour contracts and / or other agreements, including the Senior Management of the Company.
- 2.9. **Execution** – refers to a set of actions / procedures aimed at fulfilling the request of the Client to buy, sell or transfer of crypto-asset on the Client's behalf, including the following: the conclusion

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of agreements on behalf of the Client to purchase or sell one or more crypto-assets or the subscription on behalf of the Client for one or more crypto-assets (including the conclusion of contracts to buy crypto-assets at the moment of their offer to the public or admission to trading).

- 2.10. **Execution Venue** – any intermediary and / or liquidity partner facilitating the execution of Orders on behalf of Clients and approved by the Company in accordance with the requirements outlined in this Policy.
- 2.11. **Order** – request made by the Client, provided through the Company’s application or website, to buy, sell or transfer crypto-assets on the Client’s behalf according to the terms stipulated in that specific request.
- 2.12. **MiFID II** - Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.
- 2.13. **Service Agreement** – the contractual agreement between the Client and the Company governing the provision of Company’s services.
- 2.14. **Terms of Business** – terms and conditions governing the principles followed for the purpose of the services provided by the Company.
- 2.15. **API** - Application Programming Interface.

### **3. Responsibilities and Commitment**

- 3.1. The Company’s key responsibilities include:
  - 3.1.1. Maintaining transparent and fair Execution of Client Orders, ensuring that Clients’ interests are always prioritized.
  - 3.1.2. Continuously monitoring and adapting Execution strategies to reflect changes in market dynamics, liquidity and regulatory landscapes.
  - 3.1.3. Providing Clients with comprehensive information regarding Execution arrangements and updating them promptly on any material changes as indicated in point 4 of the Policy.
  - 3.1.4. Implementing robust monitoring mechanisms to assess the effectiveness of its Execution arrangements, conducting reviews at both daily and annual intervals as indicated in point 10 of the Policy.

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- 3.2. The Company operates exclusively with crypto-assets that have the highest market capitalization, strong Order book and executes only market Orders. These practices ensure that there is no potential for Employees to misuse information related to Client Orders.

#### **4. Client Awareness**

- 4.1. The Policy (or summary of it) is placed within the website (with a downloadable option) of the Company to ensure that any principles related to the Execution of Orders are disclosed to the Clients. Additionally, the Clients shall provide explicit consent to the Policy during onboarding along with the Terms of Business of the Company. Additional consent in terms of this Policy shall be obtained by the Clients at the moment of Order initiation.
- 4.2. Upon the placement of the Order, each Client is provided with a clear and concise information (i.e., in the form of pop-out disclaimer or other) regarding the risks, potential price changes of the Order until the Execution is finalized, applicable fees for the Order, estimated timeframe during which the Order will be executed, whether the Order is executed outside Execution Venue, where applicable, and other relevant information. At the same time, the Client shall also confirm its awareness and agreement on the Policy.
- 4.3. The Client is also clearly informed by the Company that the prices displayed in the Company's application and website are only indicative prices, which may be different from the actual Order Execution price and which are provided for information purposes only, as such are maintained from the Company's Execution Venues through a live stream with the Company's Execution Venues and depicts only predictive prices. The Company allows only market Orders to be placed for the Clients, but nevertheless, the Company always aim for the best Execution price for the Client, therefore, the actual price at which the Order on behalf of the Client will be executed will be available only upon the moment of actual Order Execution.
- 4.4. The Clients are informed promptly of any material Policy changes via email and via the Company's platform notifications, accompanied by a summary of changes and their potential impact.
- 4.5. The Clients are required to reaffirm their consent to the Policy whenever substantial updates or changes are made, particularly when driven by changes in regulatory requirements.
- 4.6. Any Orders may be executed only upon receipt of the Client's consent, as specified above.
- 4.7. The Company shall, upon the Client's request, demonstrate that the Client's Order was executed in accordance with this Policy. In order to do so, the Company maintains Execution logs received from Execution Venues in respect of each Client Order. Such logs are extracted and provided to the Client upon the Client's request or upon request of the supervisory authority to evidence that the Order was executed in compliance with this Policy and in a manner intended to achieve

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the best possible result for the Client. The relevant Execution factors are further detailed in point **Error! Reference source not found.** of this Policy.

## **5. Execution Venues, Selection Criteria, and Monitoring**

- 5.1. The Company exclusively partners with Execution Venues authorized by competent authorities or relevant third-country authorities to ensure compliance with the applicable regulations.
- 5.2. The proposal to enter into an agreement with Execution Venue is made jointly by the CEO and CCO. The Management Board is responsible for approving the Execution Venues proposed by the CEO and CCO.
- 5.3. To achieve the best Orders Execution for Clients, the Company has selected the following Execution Venues for:
  - 5.3.1. The first Company's Execution Venue is the Payward Ireland Limited (Kraken), licensed as an Electronic Money Institution with the Central Bank of Ireland (Registration no. C453020) and is licensed as a Crypto Asset Service Provider (CASP) with the Central Bank of Ireland (Registration No. C468360) (hereinafter in this Policy referred as the "**Kraken**").
  - 5.3.2. The second Company's Execution Venue is the GC Exchange A/S, a company incorporated in Denmark (CVR 43088777), Amager Strandvej 390, 2770, Kastrup. GC Exchange A/S is authorized by the Danish Financial Supervisory Authority as a Currency Exchange (FTID 45020) and registered as a Virtual Asset Service Provider (FTID 17524) (hereinafter in this Policy referred as the "**GC Exchange**").
- 5.4. The Company may use both the Kraken and the GC Exchange for all types of crypto-assets (i.e., asset-referenced tokens, electronic money tokens, other crypto-assets that the Company supports), depending on specific Order's specification to ensure that the principles of best Execution, as outlined in point **Error! Reference source not found.** of this Policy, are fully satisfied.
- 5.5. The following details and information are assessed and maintained for each Execution Venue as part of the Policy:
  - 5.5.1. Clear identification of the Execution Venue (i.e., name, jurisdiction, company code, etc.);
  - 5.5.2. Documentation of regulatory approval;
  - 5.5.3. Types of transactions executed at each Execution Venue;
  - 5.5.4. Specification if the Execution Venues is available to natural and/or legal persons;

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- 5.5.5. Any operational or jurisdictional restrictions associated with the Execution Venue;
  - 5.5.6. Specification on whether access to the Execution Venue is direct or indirect.
  - 5.6. Execution Venues are selected based on the following key criteria:
    - 5.6.1. Assessment of whether the Execution Venue aligns with the regulatory standards and jurisdictional requirements of the Company's operations;
    - 5.6.2. The Execution Venues that provide clear and transparent pricing structures to facilitate competitive and fair transactions are selected as priority;
    - 5.6.3. Assessment of liquidity capacities of the Execution Venues to handle diverse Client Orders efficiently and minimize market impact;
    - 5.6.4. Evaluation of the Execution Venue's ability to process transactions swiftly to optimize Client outcomes;
    - 5.6.5. Assessment of the Execution Venues mechanisms in place to ensure secure transactions and dependable settlement processes;
    - 5.6.6. Consideration of the track record and performance history of the Execution Venue to mitigate operational risks;
    - 5.6.7. Evaluation of the Execution Venue's ability to maintain service continuity during adverse conditions or high transaction volumes;
    - 5.6.8. Assessment of the Execution Venue's capacity to minimize risks associated with trading and settlements;
    - 5.6.9. Assessment of the reputation of the Execution Venue.
  - 5.7. The performance of the Execution Venue is monitored daily through automated tools and live API connections to ensure adherence to the best Execution standards.
  - 5.8. Semi-annual reviews are conducted by CCO to reassess Execution Venue suitability, incorporating market changes, Execution Venue performance and Client feedback. The assessment also includes evaluation of whether there are any new Execution Venues acceptable and suitable for the Company, which would allow to achieve better Order execution results for the Clients.

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- 5.9. Any identified deficiencies as per clause 5.7 and 5.8 are promptly addressed to the Senior Management of the Company, including the potential removal of underperforming Execution Venues and integration of new, compliant Execution Venues.
- 5.10. The Company does not receive any form of remuneration, discounts or non-monetary benefits in return for routing the Client Orders to specific Execution Venues. This ensures that all Execution decisions are made solely in the best interest of Clients, maintaining the highest standards of fairness and compliance with regulatory requirements.
- 5.11. The Company may execute Orders outside Execution Venues only with the Client's consent, as described in point 4.2 of this Policy, and when this approach is in the Client's best interest and adheres to the best Execution criteria.
- 5.12. The Company ensures that explicit consent for Orders executed outside trading platforms is obtained through a pop-out window. This window is displayed separately before the Execution of the Client Order, and the Client must provide confirmation in this regard. The Terms of Business detail the associated risks and benefits of such Executions. By signing the Terms of Business, the Clients provide documented approval and acknowledge their understanding of these arrangements.

## **6. Selection of Execution Venue for the Order Execution**

- 6.1. The Company executes all Client Orders as market Orders, meaning they are executed at the best available market price on the selected Execution Venues, which, in the Company's opinion, ensure the best results for the Client. When choosing a specific Order Execution Venue for respective Order, the Company takes into account the following factors:
- 6.1.1. **Price** of the crypto-assets to ensure the most competitive rates available and refers to the resulting price of the crypto-asset excluding the fees. The prices displayed in the Company's application and website are indicative only and may differ from the final Execution price which is obtained at the Order Execution moment with the Execution Venue. Price is widely regarded as the most critical factor in ensuring optimal results when executing the Orders, regardless of the Client's category or the characteristics of the crypto-asset. For the Execution of Client Orders, the Company relies on real-time BID/ASK quotes and market depth information provided by its approved Execution Venues. The Company continuously monitors such data to ensure that the indicative prices displayed in the application or website reflect the most up-to-date information available from the Execution Venues. Achieving the best possible price is a priority across all transactions for the Company. The actual Execution price may vary based on market conditions, liquidity and network congestion market demand, regulatory changes, and general market sentiment. While the Company endeavors to choose Execution Venues that provide the most competitive rates, it cannot guarantee that prices will always match or exceed those

P. 7 / 12

available on the whole market, because such prices may fluctuate between the time the Order of the Client is placed with the Company and the time it is processed and Executed within the Execution Venue. In periods of heightened volatility or reduced liquidity, the Execution of a transaction may be delayed or may not occur at all, which could result in a less favorable price than anticipated or a failure to Execute the Order at the desired level. Furthermore, as crypto-asset markets are decentralised and often fragmented, prices may vary between different platforms or exchanges (Execution Venues). The Company does not set these prices itself; the Company on its platform reflects the prices available on the relevant Execution Venues at the time of Execution.

- 6.1.2. **Costs** to minimize transaction fees and associated expenses. Costs, which form a significant portion of the total Order settlement amount, are the second most important consideration. The Company prioritizes Execution Venues with relatively low costs to minimize an overall transaction expense for the Clients. These costs directly influence the final amount payable by the Client.
- 6.1.3. **Speed** to reduce delays and ensure timely Execution of the Orders. The speed of Execution is especially critical in fast-moving markets, where rapid price fluctuations can significantly affect the Order's settlement amount. This factor is essential, as timely Execution can mitigate exposure to unfavorable price changes, regardless of the Client's category. Therefore, the Company always provides priority for the Execution Venues within which the Order of the Client can be Executed in the fastest manner.
- 6.1.4. **Likelihood of Execution and settlement** to assess the reliability of Order's completion. The Company prioritizes Execution Venues with the highest likelihood of successful Execution and settlement. Liquidity is a key factor when selecting the Execution Venue for respective Order, ensuring that Client Orders are executed reliably and efficiently.
- 6.1.5. **Order size and nature** to address specific requirements based on volume and characteristics of the Order. To minimize market impact, the Company may split large Orders into smaller tranches and select Execution Venues accordingly. Additionally, the Company may set minimum and maximum Order limits for specific crypto-assets based on market practices and associated costs. In any case, these measures are always taken with the Client's best interests in mind, ensuring that the size and scope of the Order do not compromise Execution quality.
- 6.1.6. **Conditions of custody** to evaluate the security and reliability of crypto-asset custody arrangements. All custody arrangements applied by the Execution Venues must adhere to the Custody and Administration policy of the Company, ensuring compliance with applicable regulations and safeguarding Client assets.

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- 6.1.7. **Other factors** relevant to the Order, for example, market impact (i.e., the effect that executing Client's Order, or showing it to market participants, might have upon the market), technical capabilities of a specific Execution Venue.
- 6.2. In case the Order of the Client can be executed on multiple Execution Venues, the Company applies criteria outlined in point **Error! Reference source not found.** of the Policy to identify the Execution Venue providing the best result for a specific Order. Assessment of the above factors when executing the Orders of the Clients shall be maintained for each specific Order.
- 6.3. Where the Company executes the Order on behalf of the Client who is a retail Client, the best possible result shall be determined in terms of the total consideration, representing the price of the crypto-asset and the costs relating to Execution, which shall include all expenses incurred by such 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.
- 6.4. For the purposes of delivering best possible result in accordance with the point 6.3 above where there is more than one competing Execution Venue to execute the Order for specific crypto-asset, 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 Policy that is 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.
- 6.5. In the event of receiving a notification from any Company's Execution Venue regarding maintenance work or inaccessibility, the Company routes Client Orders to an accessible Execution Venue, either Kraken or GC Exchange. If both Execution Venues are unavailable, the Company promptly notifies Clients and temporarily suspends Execution until operations are restored.
- 6.6. The Company employs automated trade monitoring tools that dynamically analyze and optimize Execution Venue selection for a specific Order based on real-time and retrospective data.

## 7. Type of Orders and the Process of Executing Clients' Orders

- 7.1. The Company executes all Client Orders as market Orders, i.e. at the best available market price at the selected Execution Venue at the time of Execution.
- 7.2. When executing Client Orders, the Company takes all sufficient steps to achieve execution under the best conditions for the Client, therefore, taking into account the following: Client category, price and execution costs of crypto-assets, the speed of Order Execution, the probability of Execution and settlement, order size and nature and other circumstances important for the Order Execution.

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- 7.3. The Orders are executed in the order they are placed, with earlier Orders being processed first.
  - 7.4. If Orders have different prices, price takes priority over the time they were placed.
  - 7.5. When determining the best possible result for the Client Order Execution, the Company considers the total amount payable by the Client, which consists of the price of the crypto-asset and the costs of executing the Order, as the main criterion.
  - 7.6. Speed of Execution, probability of Execution and settlement, Order size and nature, market impact and any other implied transaction costs may be preferred over direct price and direct costs, if they help to achieve a better outcome for the Client.
  - 7.7. The Company accepts Client Orders via online platform of the Company.
  - 7.8. Each Order received is listed within the systems of the Company by indicating the date of receipt of the Order, time tag and sequential ID.
  - 7.9. The Company executes the Orders immediately in accordance with the conditions specified in the Order, deviation from which is possible only if, in the event of certain circumstances, it is necessary to protect the interests of the Client, and the Company could not ask the Client in advance or did not receive an answer to its inquiry within a reasonable time.
  - 7.10. The Company always aims to execute the Orders in the most prompt possible way. However, Execution times may vary due to market conditions, system performance or other external factors.
  - 7.11. The Company, when transmitting Client Orders to Execution Venues for Execution, do not aggregate them with Orders from other Clients.
  - 7.12. The Clients of the Company are notified of Executed Orders through Company's application notifications by specifying Order details (i.e., price, costs, etc.) ensuring that the Clients can view and access any trade details anytime in their Client accounts.
  - 7.13. The Clients of the Company are provided with the applicable prices and rates (i.e., by displaying them on the website) in advance, which are not determined by the Company, but rather reflect the prices offered on the Company's Execution Venues at corresponding moment of time. In any case, the Company informs the Clients in writing that such prices or rates published on the website are indicative only and are subject to change at the actual finalization of the Execution of the Order, therefore such depicted prices may not match the final Execution price.

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- 7.14. The Company shall inform the Clients that Execution of Orders is subject to market risks, including but not limited to volatility, where sudden price changes may impact Execution outcomes and liquidity, where insufficient market depth may affect Execution of the Order. Therefore, the Company assumes no responsibility for any losses arising from such market conditions.

## **8. Client-Specific Instructions**

- 8.1. The Company does not accept or follow specific Client instructions. All decisions related to the Execution are made internally by the Company to ensure compliance with best Execution principles and regulatory requirements.

## **9. Cancellation of Client's Orders**

- 9.1. All Orders are final and non-refundable, whether before or after the Order is executed, unless otherwise specified in this section.
- 9.2. The Client may request to cancel an Order before it is executed. However, the Company reserves the right to refuse any such cancellation request at its sole discretion. If the Company fulfills Client's cancellation request, it does not imply that the Company will approve future cancellation requests under the same or similar circumstances.
- 9.3. If the execution of an Order is unsuccessful or if the Client's payment method does not have sufficient assets to complete the Order, the Client authorizes the Company, at its sole discretion, to either cancel the Order or use alternate assets available in the Client's account to complete the Order. This may include resolving any resulting shortfall or negative balance and deducting any applicable fees and taxes.

## **10. Monitoring, Quality assessment and Records Keeping**

- 10.1. The Company follows Execution quality on a regular daily basis through live API connections with Execution Venues to ensure a proper real-time monitoring of trade performance and flow. In cases of maintenance work or platform inaccessibility on the side of the Execution Venues, the Company is informed in advance via email notifications and/or their live status page. In case of such situation, principles set forth in clause 6.5 shall be followed.
- 10.2. The CFO is responsible for monitoring the financial flow of Clients' transactions on a daily basis. Findings or discrepancies identified during monitoring are recorded in internal registers for further review and action.
- 10.3. Comprehensive reviews are conducted annually by CCO to assess Execution arrangements, incorporating Client feedback, performance metrics, evolving market conditions and to assess,

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whether the Execution Venues provide the best possible result for Clients or whether they need to make changes to their Order Execution arrangements.

- 10.4. In case any deficiencies are identified, the CCO shall initiate respective process improvements, including re-evaluation of suitability of Execution Venues, initiation of Employees trainings and other means.
- 10.5. Annual reviews as per clause 10.3 or any deficiencies identified as per clause 10.4 shall be delivered to the Senior Management.
- 10.6. All data related to each specific Order is collected and recorded on internal systems of the Company.
- 10.7. The Company maintains and securely stores all data related to the assessment and execution of Client Orders for a minimum period of five (5) years. This includes real-time and retrospective analysis data, as well as information outlined in clauses 6.1, 6.2, 6.3 and 6.4, ensuring compliance with applicable regulations.
- 10.8. The Company shall, upon request by the competent authority, demonstrate that the Execution of Orders has been performed in accordance with this Policy, applicable regulations, and as set out in the Company's Record-Keeping Policy.
- 10.9. The Company summarizes and makes public on an annual basis, for each class of crypto-assets, the top Execution Venues in terms of trading volumes where the Company executed Client Orders in the preceding year and information on the quality of execution obtained.