K33 Order Execution Policy

At K33, we want our clients to understand how their trades are executed and how we ensure fair, transparent and reliable outcomes. Our Order Execution Policy explains how we source prices, how trades are carried out, and the measures we take to protect client interests. The summary below provides a clear overview of our approach.

Order execution arrangements and procedures

K33 executes all client orders outside a trading platform, where we operate a request-for-quote (RFQ) model. Through this model K33 acts as the direct counterparty to the client and simultaneously hedges each trade with external liquidity providers. This ensures transparent pricing, market-neutral execution and full control over the trading process.

Our Order Execution Policy sets out how we ensure that client orders are handled fairly, promptly and in the client's best interests. It includes:

- **How prices are sourced**: Quotes incorporate real-time market pricing, execution costs and our disclosed markup. Clients receive a firm, all-inclusive price before trading.

- **How execution takes place**: All trades are executed outside a trading platform, including through over-the-counter (OTC) arrangements.

- **Best execution standards**: We take all necessary steps to obtain the best possible result for clients, considering price, costs, speed, likelihood of execution and other relevant factors.

- **Guidance vs. advice**: K33 may provide limited guidance on execution-related matters - such as order types, timing or trade structure. This guidance is strictly operational and does *not* constitute investment advice under MiCA. Clients remain solely responsible for their investment decisions.

- **Controls and confidentiality**: Internal controls prevent the misuse of client order information. Staff are prohibited from exploiting pending orders, and access to sensitive data is restricted.

- **Monitoring and review**: We regularly assess our execution arrangements, price fairness and liquidity providers to ensure good client outcomes. Material updates to the policy are published on our website and communicated to clients.

Execution process in simple terms

Our execution process is designed to provide transparent pricing, fair treatment and full client control:

1. **Requesting a quote**: Clients request a quote through our interface or API.

2. **Price sourcing**: We source real-time prices from trading partners and calculate execution costs, including our discretionary markup.

3. **Firm quote**: Clients receive an all-inclusive, transparent price with no hidden fees.

4. **Accept or decline**: Clients decide whether to accept the quote; the trade only proceeds if the client agrees.

5. **Hedging**: If accepted, K33 immediately executes a corresponding hedge with a liquidity provider to eliminate market risk.

6. **If the hedge fails**: In rare cases where we cannot hedge (e.g., extreme volatility), the order is rejected and no trade occurs.

7. **Settlement**: After the trade is confirmed, K33 settles with its partners on a post-trade basis.

Before using our services, our clients have to confirm that they have received clear information about our execution arrangements, including the fact that all orders are executed outside a trading platform, and that they consent to this method of execution. We obtain explicit client consent as part of onboarding.