

RTS28 Lightyear Europe AS – 2022

Context

As part of our regulatory obligations, Lightyear Europe AS ('Lightyear' or 'we') summarises and makes public, on an annual basis, for each class of financial instruments, the top five investment firms and trading venues in terms of trading volumes where it transmitted client orders for execution and executed client orders in the preceding year and information on the quality of execution obtained. The information shall be consistent with the information published in accordance with the technical standards developed under Commission Delegated Regulation (EU) 2017/576 (i.e. RTS 28).

Lightyear's Order Handling and Execution

"(a) an explanation of the relative importance the firm gave to the execution factors of price, costs, speed, likelihood of execution or any other consideration including qualitative factors when assessing the quality of execution"

We publish our order handling and best execution policy on <https://golightyear.com/eu/best-execution> and it gives up to date details on how orders are handled by Lightyear. As part of this the execution factors are described:

"As part of taking all sufficient steps to obtain the best execution for the Customer, we consider the following execution factors and their relative importance:

1. **Price** – this is the price at which an Instrument is executed;
2. **Costs** – this includes implicit costs such as the possible market impact, explicit external costs e.g. exchange or clearing fees;
3. **Speed** – time taken to execute an Order;
4. **Likelihood of execution and settlement** – the likelihood that we will be able to complete an Order;
5. **Size** – the size of the Order executed for a Customer, accounting for how this affects the price of execution; and
6. **Nature of the transaction** or any other consideration relevant to the execution of the transaction – given that the particular characteristics of a Customer transaction can affect how execution is performed and the impact on the market.

Generally, the most important execution factor for Lightyear Customers will be the price at which the relevant Instrument is executed. However, in more illiquid markets, the primary execution factors may vary. Under such circumstances, likelihood of execution will become increasingly important."

Close links

(b) a description of any close links, conflicts of interests, and common ownerships with respect to any execution venues used to execute orders;

There were no close links with any counterparty in scope for this disclosure, with respect to any execution venue used to execute orders.

Specific arrangements with execution venues

(c) a description of any specific arrangements with any execution venues regarding payments made or received, discounts, rebates or non-monetary benefits received;

There were no specific arrangements with execution venues regarding payments made or received, or rebates.

(d) an explanation of the factors that led to a change in the list of execution venues listed in the firm's execution policy, if such a change occurred;

This is the first year of operating for Lightyear Europe AS. As such there are no changes compared to the last year as this is the first of this type of report. In 2022 Lightyear expanded its product offering to include European equities in addition to US equities, leading to expansion of execution venues to accommodate the new asset offering.

(e) an explanation of how order execution differs according to client categorisation, where the firm treats categories of clients differently and where it may affect the order execution arrangements;

The firm treated all customers as retail customers under MiFID2 in the period of this report.

(f) an explanation of whether other criteria were given precedence over immediate price and cost when executing retail client orders and how these other criteria were instrumental in delivering the best possible result in terms of the total consideration to the client;

The firm has used price & cost as the primary execution factors in execution.

(g) an explanation of how the investment firm has used any data or tools relating to the quality of execution, including any data published under Delegated Regulation (EU) 2017/575;

Lightyear uses a third party tool to evaluate best execution, and receives detailed reports from some counterparties to further aid in evaluating performance. This data includes execution compared against market benchmarks. Lightyear holds a monthly best execution committee where the quality of execution is monitored and reviewed and if necessary, actions are taken.

(h) where applicable, an explanation of how the investment firm has used output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU

Lightyear did not use the output of a consolidated tape provider established under Article 65 of Directive 2014/65/EU yet used other tools to evaluate best execution, including third party tools that compare performance of individual trades against market benchmarks.

Details of Execution Venues

Top 5 execution venues by class of instruments.

Class of Instrument	ETF				
Less than 1 trade?	No				
Top 5 execution venues	% of volume as percentage of equity class	% of orders as percentage of equity class	Percentage passive orders	Percentage aggressive orders	Percentage directed orders
Boerse Berlin Equiduct Trading – Berlin Second Regulated Market (LEI: 391200I7OS301UELZA68)	62.3%	59.1%	5.65%	94.35%	0%
Euronext Amsterdam (LEI: 724500V6UOK62XEZ2L78)	21.4%	20.2%	14.33%	85.67%	0%
CBOE Europe – BXE (LEI: 254900ERRPSKE7UZH711)	6.0%	11.5%	2.80%	97.20%	0%
Euronext Paris – (LEI: 969500HMSZOTCV65D58)	3.5%	2.5%	54.74%	45.26%	0%
CBOE Europe – DXE (LEI: 2549007JYITP7IIIMY80)	3.4%	3.7%	2.42%	97.58%	0%

Class of Instrument	Liquidity Band 1&2				
Less than 1 trade?	No				
Top 5 execution venues	% of volume as percentage of equity class	% of orders as percentage of equity class	Percentage passive orders	Percentage aggressive orders	Percentage directed orders
Alpaca Securities LLC (LEI: 9845006BZ9782C600323)	98.4%	98.4%	13.9%	86.1%	0%
CBOE Europe – DXE (LEI: 2549007JYITP7IIIMY80)	0.8%	0.7%	16.7%	83.3%	0%
Euronext Paris – (LEI: 969500HMSZOTCV65D58)	0.5%	0.2%	0.0%	100.0%	0%
Boerse Berlin Equiduct Trading – Berlin Second Regulated Market (LEI: 391200I7OS301UELZA68)	0.4%	0.8%	14.3%	85.7%	0%

Class of Instrument	Liquidity Band 3&4				
Less than 1 trade?	No				
Top 5 execution venues	% of volume as percentage of equity class	% of orders as percentage of equity class	Percentage passive orders	Percentage aggressive orders	Percentage directed orders
Alpaca Securities LLC (LEI: 9845006BZ9782C600323)	99.9%	99.5%	1.86%	98.14%	0%
Boerse Berlin Equiduct Trading - Berlin Second Regulated Market (LEI: 391200I7OS301UELZA68)	0.1%	0.4%	0.0%	100%	0%
CBOE Europe - DXE (LEI: 2549007JY1TP7IIMY80)	0.0%	0.0%	20.0%	80.0%	0%
Euronext Amsterdam (LEI: 724500V6UOK62XEZ2L78)	0.0%	0.0%	0.0%	100%	0%

Class of Instrument	Liquidity Band 5&6				
Less than 1 trade?	No				
Top 5 execution venues	% of volume as percentage of equity class	% of orders as percentage of equity class	Percentage passive orders	Percentage aggressive orders	Percentage directed orders
Alpaca Securities LLC (LEI: 9845006BZ9782C600323)	99.1%	99.2%	23.2%	76.8%	0%
Boerse Berlin Equiduct Trading - Berlin Second Regulated Market (LEI: 391200I7OS301UELZA68)	0.7%	0.7%	28.4%	71.6%	0%
CBOE Europe - DXE (LEI: 2549007JY1TP7IIMY80)	0.1%	0.1%	51.8%	48.2%	0%
Boerse Berlin Equiduct Trading - Freiverkehr - (LEI: 391200I7OS301UELZA68)	0.0%	0.0%	0.0%	100%	0%
Euronext Amsterdam (LEI: 724500V6UOK62XEZ2L78)	0.0%	0.0%	0.0%	100%	0%