

BLACK PEARL SECURITIES LIMITED

EXECUTION QUALITY & SURVEILLANCE STATEMENT

Entity: Black Pearl Securities Limited (Trading as BP Prime) | FRN: 688456 | Company No: 08823678

Registered Office: 28 King Street, London, EC2V 8EH, United Kingdom

Regulatory Framework: FCA Conduct of Business Sourcebook (COBS 11.2A) & Consumer Duty (PRIN 2A)

Data Source: EMirep Independent Execution Surveillance Report (August 2026 & YTD Review)

1. Executive Summary and Regulatory Framework

In accordance with FCA Conduct of Business rules (COBS 11.2A) and the Consumer Duty (PRIN 2A), Black Pearl Securities Limited ('BP Prime', 'the Firm') is committed to delivering best execution on a consistent basis across all retail and professional client orders. To ensure rigorous, objective oversight of trade execution, the Firm utilises EMirep—an independent third-party regulatory technology provider—to conduct continuous, tick-by-tick execution quality surveillance.

During August 2026, EMirep monitored 2,975 client orders (comprising both opening and closing transactions). The Firm achieved an outstanding overall compliance rate, with only 2 orders flagged (0.0672%), well within internal risk tolerances. The execution likelihood remained at 100.00%, and average execution latency achieved a rapid 10.04 ms.

2. Quantitative Execution Quality Benchmarks

Execution Criteria	Target Benchmark	August 2026	August Variance	YTD 2026	YTD Variance
Speed of Execution (Latency)	<= 100.00 ms	10.04 ms	-89.96 ms	15.14 ms	-84.86 ms
Likelihood of Execution	>= 99.00%	100.00%	+1.00%	100.00%	+1.00%
Negative Slippage (% of Trades)	<= 3.00%	0.0672%	-2.9328%	0.0986%	-2.9014%
Negative Slippage (% of Volume)	<= 0.002%	0.00000072 %	-0.001999%	0.00000271 %	-0.001997%
Positive Slippage (% of Trades)	Market Driven	0.00%	Neutral	0.0874%	Benefited Client
Positive Slippage (% of Volume)	Market Driven	0.00%	Neutral	0.00005582 %	Benefited Client
Quality of Pricing (% of Trades)	<= 3.00%	53.58%	+50.58%	54.03%	+51.03%
Quality of Pricing (% of Volume)	<= 0.009%	0.1851%	+0.1761%	0.0886%	+0.0796%

3. Detailed Analysis of Core Execution Factors

3.1 Execution Latency and Fill Speed

Execution speed averaged 10.04 ms in August 2026 and 15.14 ms year-to-date, comfortably outperforming the firm's 100.00 ms benchmark. Operating through in-house bridging technology connected to Tier-1 liquidity providers allows trades to execute virtually instantaneously, minimising market gap risk during fast-moving trading sessions.

3.2 Execution Likelihood and Market Access

A 100.00% fill rate was sustained across both August and the entire year-to-date period. This indicates complete market access with zero order rejections, dropped connections, or partial fills on client orders.

3.3 Slippage Symmetry and Order Protection

Negative slippage was negligible, impacting only 0.0672% of trades in August (and less than 0.10% YTD). In terms of traded volume, negative slippage accounted for an infinitesimal 0.00000072%. Over the year-to-date period, instances of positive slippage (0.0874%) closely tracked negative slippage (0.0986%), demonstrating that the pricing bridge operates neutrally and client fills receive positive price improvements when available.

3.4 Quality of Pricing Variance

The EMirep surveillance model flagged a variance in 'Quality of Pricing' (53.58% in August). This statistical flag is triggered when retail spread markups deviate from wholesale interbank midpoint feeds. Crucially, the aggregate volume affected remains nominal (0.185% in August and 0.088% YTD). Follow-up reviews confirm that retail client pricing remained within agreed commercial spread boundaries without execution defects.

4. Governance and Ongoing Best Execution Review

In accordance with COBS 11.2A.33R, BP Prime reviews its order execution arrangements at least annually and whenever a material change occurs. The Compliance Department and Executive Board review monthly EMirep reports to maintain counterparty accountability, optimise liquidity bridge routing, and ensure continuous adherence to the FCA Consumer Duty.