



**Principles for the execution of financial instrument orders**  
**Fair Pricing Policy for private customers for trading in fractional shares,**  
**fractional coins and fractional precious metals**

According to Art. 64 of Delegated Regulation 2017/565 in conjunction with Art. 82 of the German Securities Trading Act (WpHG), financial services companies offering proprietary trading services are required to implement guidelines on the execution of financial instrument orders and to take all sufficient measures to achieve the best possible results for their clients. With the principles set out below, CM-Equity AG ("CME") provides information about the measures taken to ensure the best possible execution of customers' orders.

Since fractional shares, fractional coins and fractional precious metals are derivatives which are traded over the counter (OTC) and can only be traded via CME, our fair pricing principles instead of our best execution principles apply when trading in fractional shares, fractional coins and fractional precious metals. These guidelines neither establish a duty of confidentiality nor any other obligations other than the specific regulatory obligations applicable to us or the obligations agreed between us.

The fair pricing principles apply whenever CME offers fractional shares, fractional coins and fractional precious metals for sale or purchase on behalf of its clients within the scope of proprietary trading.

Proprietary trading within the meaning of this Fair Pricing Policy is the continuous offering of financial instruments for purchase and sale at prices set by the Bank itself for its own account and using its own capital (§2 sec. 2 no. 10 letter a WpIG (Wertpapierinstitutsgesetz)).

All transactions (purchases and sales) must be conducted directly with CME via the Vivid app. No orders can be placed via e-mail or other means of communication. CME is the counterparty to all customer transactions. CME executes trades with the customer as principal on the basis of the current (underlying) instrument price. Customers must therefore execute all transactions via CME and cannot execute any transactions via a third party.

The fractional shares, fractional coins and fractional precious metals offered constitute a bilateral transaction between CME and the customer. When placing an order via the Vivid app, customers give their express consent to the execution of the order outside an organized market.

For all transactions executed, CME carries out a hedging transaction by buying or selling the underlying exchange traded or OTC-traded instruments or derivatives of the underlying assets.

With CME being the counterparty to all bilateral trades between CME and the customer, no aggregation, allocation or reallocation of the customer and/or orders takes place.

All business activities are automated to ensure the prompt and fair processing of customer orders as compared to other orders or CME's own trading interests. All orders are logged promptly and accurately, and allocated in strict sequential order unless prevented by the characteristics of the order or the prevailing market conditions.



All executed orders as well as the 'profit and loss' associated with completed orders are immediately visible in the customer's account. As these processes are fully automated, all necessary measures are taken to ensure the quality of execution.

The customer acknowledges that the price offered by CME may differ from a price available elsewhere now or in the past.

**Pricing:**

The price indicated for a particular transaction is determined automatically on the basis of the price of the underlying financial instrument. The two prices indicated are:

- The bid price at which the customer can sell the respective financial instrument
- The ask price at which the customer can buy the respective financial instrument

CME obtains its prices from independent third-party reference sources. These third-party providers obtain the price data directly from the relevant exchanges for exchange-traded underlying assets or from third parties which follow a fair pricing policy that is compliant with European Standards. On the basis of this price data, CME sets the respective bid and ask prices itself in an automated and systematic manner. These bid and ask prices may obtain a spread.

The prices offered are updated at regular intervals to ensure quasi-real-time pricing for instant orders and are subject to the limitations imposed by technology and Internet connections. For recurring orders (Savings Plan), orders during workdays are executed with the last available ask price before market closes on the day before the order should be executed (T-1). For recurring orders during the weekend, the order is executed on the last available ask price before the market closes on Friday.

For more details regarding the relevant fees and costs of trading specific Financial Instruments, please see the [Vivid Services, Products, Costs & Risks Document](#) from CME/Vivid Invest.

The customer will be informed of these costs well before the initiation of a trade.

**Recurring Investments (Savings Pocket)**

In the case of recurring investments, where a client has set a recurring periodic (market) order schedule for a specific financial instrument transaction, orders will be executed by CME according to the available order execution schedule in the Vivid App against the best available price. Depending on the type of underlying financial instrument and the moment the order needs to be executed, a specific price will apply.

A recurring investment order might not be executed in case of insufficient funds on client side or technical issues preventing the order to be executed or (upcoming) corporate actions related to the underlying financial instrument. In all cases, a client will be notified of a non-executed order.

For more details regarding the relevant characteristics, fees and costs and risks in relation to recurring investments, please see the Vivid Services, Products, Costs & Risks Document from CME/Vivid Invest.

**Fair pricing guarantee:**

In order to validate that the prices offered to customers are appropriate, CME collects market data from third-party providers at regular intervals. These data are used to calculate the price of the



respective OTC derivative and, if possible, compared with similar or comparable products prior to setting the price. This is to ensure that the data obtained remain competitive.

In addition to quality checks carried out in advance, regular quality checks are also performed retrospectively to ensure that the Fair Pricing Policy can be implemented consistently and that the regulatory requirements and obligations are met. These checks include the verification of system settings/parameters, the subsequent comparison of prices with comparable products, the assurance of systematic price determination by CME and the verification of the speed of price updates.

By 30 April at the latest, CME publishes an annual report containing information on the quality of execution and the quality of fair pricing on its website: [www.cm-equity.de](http://www.cm-equity.de).

**Important information:**

Margin trading on the part of the customer is not available.

In the events of low or absent liquidity or a trading freeze or the suspension of trading in shares, ETFs, crypto assets or precious metals, that serve as the underlying assets for the underlying fractional shares, fractional coins or fractional precious metals, we reserve the right not to execute customers' orders.