



Principles for the execution of orders in financial instruments
Fair Pricing Policy for Retail Clients in the Trading of Fractional Shares
(Tokenized Stocks)

According to Art. 64 Delegated Regulation 2017/565 in conjunction with Section 82 WpHG, financial services companies offering proprietary trading are obliged to apply guidelines on the execution of orders in financial instruments and to take all sufficient measures to achieve the best possible result for their clients. With the following policies CM-Equity AG ("CME") informs about the measures and means taken to achieve the best possible execution of client orders.

Since fractional shares ("Tokenized Stocks") are over-the-counter ("OTC") derivatives and can only be traded through the CME, our fair pricing principles apply instead of the best execution principles when trading Tokenized Stocks. These principles do not create a duty of confidentiality or any other obligations other than the specific regulatory obligations binding on us or the obligations agreed upon between us.

These fair pricing principles apply whenever CME offers to buy or sell Tokenized Stocks on behalf of its clients as part of proprietary trading.

Proprietary trading within the meaning of this Fair Pricing Policy means the continuous offering of the purchase and sale of financial instruments at prices set by CME itself for its own account using its own capital (Section 1 (1a) sentence 2 no. 4 letter a KWG).

All transactions (purchases as well as sales) shall be settled exclusively directly with CME via the FTX platform. No orders can be placed via e-mail or any other means of communication. In this context, CME is always the counterparty of the customer transactions. CME executes the trades based on the quote with the customer as principal. Thus, the customer must conclude each transaction with CME and cannot conclude a transaction with a third party.

Tokenized Stocks offered are a bilateral transaction between CME and the customer. When placing an order via the FTX platform (www.ftx.com), the customer gives his express consent to the execution of the order outside an organized market.

CME does not execute a direct hedging transaction (hedging) for the executed transactions, but passes on the executed orders 1:1 to Digital Asset AG (DA AG). DA AG performs hedging for all executed transactions for the underlying instruments or derivatives of the underlying assets traded on an exchange.

Since CME acts as counterparty to all trades, which are bilateral trades between CME and the client, there is no aggregation, allocation or reallocation of the client and/or orders.

All trade activity is automated, which ensures expeditious and fair processing of client orders relative to other orders or CME's own trading interests. All orders are promptly and accurately entered and

allocated in strict sequential order unless the characteristics of the order or prevailing market conditions make this impracticable.

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

The Client acknowledges that the price offered by CME may differ from a price available or that has been available elsewhere.

Pricing:

The quoted price for a particular transaction is calculated automatically based on the price of the applicable underlying financial instrument. The two quoted prices are:

- Bid price (Bid), at which the customer can sell the respective financial instrument
- Ask price (Ask), at which the client can buy the respective financial instrument.

CME receives the prices from an independent third-party reference source. This third-party provider obtains the price data directly from the relevant exchanges. Based on this price data, CME provides the respective bid and ask price itself in an automated systematic manner.

The prices offered are updated at regular intervals, thus ensuring quasi-real-time pricing, subject to the limits of technology and Internet connections.

Ensuring fair pricing:

In order to check the appropriateness of the price offered to the customer, CME obtains market data from third-party providers at regular intervals. These are used to calculate the price of the respective OTC derivative and, if possible, subjected to a comparison with similar or comparable products before pricing. This is to ensure that the data obtained remains competitive.

In addition to quality checks carried out in advance, regular quality checks are also carried out retrospectively to ensure that the Fair Pricing Policy can be implemented throughout and that regulatory requirements and obligations are met. These reviews include, but are not limited to, review of system settings/parameters, retrospective comparison of prices to comparable products, ensuring CME systematically establishes prices, and reviewing the speed of price updates.

CME publishes a report once a year no later than 30.04. with information on the achieved execution quality and quality of fair pricing on the website www.cm-equity.de.

Important notes:

Margin trading on the client side is not possible.

In times of low or no liquidity, a trading halt or suspension of trading in equities serving as underlying for the underlying Tokenized Stocks, we reserve the right not to execute the client order.