

Important Trading and Pricing Information

M1 Finance (“M1”) offers a unique platform for individual investors that uses trade windows in order to keep customers invested based on the allocations they choose for those securities in their investment pie(s). The **trade window** is the window of time each day the market is open when M1 makes trades for user accounts, typically in the morning, though in some cases we may open and use a second trade window in the afternoon. An **investment pie** is a collection of up to 100 slices where any slice is a stock, ETF, or another Pie. At M1, a customer’s portfolio is a collection of one or more pies.

Keep in mind that different platforms may offer their own unique trading and pricing features, and that there are trade-offs to consider before deciding where and how to invest.

Some of the elements of M1’s investment platform include:

Orders Not Held

The primary method by which customers provide instructions to M1 regarding the securities they want to buy or sell in their account is by constructing investment pie(s). When customers subsequently make changes to the allocation of the securities in a particular pie, or simply request to buy or sell a security, the corresponding trades will execute on the next trade window available to them.

In order to do this, M1 customers should note that all instructions are considered **"not held" orders**.

- Typically, a “not held” order provides the broker-dealer with price and time discretion in handling the order, whereas a broker-dealer must attempt to execute a “held” order immediately.
- M1 exercises time and price discretion with regard to execution. The exercise of time and price discretion has a direct impact on trading and the fill prices the customer can expect to receive.

Before adding or withdrawing funds from an account, making changes to a pie, or placing orders to buy or sell specific securities through the M1 platform, customers are encouraged to consider the extent to which they wish to control price per share and time decisions within their personal trading and investment strategy. Customers who determine such control to be important to their strategy are further may need to consider alternative investment platforms for those strategies.

Additional Trade Windows

In addition to its customary Morning Trade Window, M1 may open an additional trade window in the afternoon for specific account exceptions, when additional account validations are required, or as part of operating any of its products or services.

The use of trade windows once or sometimes twice each day to process customer orders is a key element of the investing platform at M1. The allocation or percentage of each security customers choose in a pie serves as their instructions to M1 when subsequent deposits or withdrawals are made in the account in the future. The benefits of trading in this manner - including efficiencies and cost savings - are some of the reasons M1 customers enjoy investing accounts with no trade fees or commissions and no minimum balance requirements. For some investors, however, once or possibly twice-a-day trading may not be in line with their investment strategy.

Learn more about [trade windows](#).

Same Day, Same Security, Different Price

M1 customers may experience different prices for the same security executed on the same day. Our order handling methodology differs between buy and sell orders.

- All buy orders for a specific security are aggregated and then placed with our clearing firm. However, if shortfalls occur we may place a second buy order during the trade window or open an additional trade window to purchase additional shares. Each scenario may result in different fill prices.
- Sell orders are handled slightly differently than buy orders by aggregating orders dealing in dollars separately from orders dealing in shares and placing them as separate orders with our clearing firm.

Learn more about [order fulfillment](#) and [trade pricing](#).