

Flow Traders B.V.
Terms of Business

Introduction

We are Flow Traders B.V., an investment firm registered with and regulated by the Dutch Authority for the Financial Markets (*Autoriteit Financiële Markten*). This license allows us to deal for our own risk and on our own account only. The principles set out below follow directly from our regulatory status and shall govern our relationship regardless of other contractual provisions.

In our transactions with you we act as a principal only, for our own risk and on our own account. We do not provide any agency, investment service or any ancillary service as defined under MiFID II to you, nor are we an Advisor, Manufacturer or Distributor in the sense of MiFID II. We will not hold or manage client money or client assets as defined in MiFID II.

It may be the case that you are acting for or on behalf of underlying third parties. In that case we identify you as our trading counterparty. No relationship with, or responsibilities, obligations or liabilities in respect of, such underlying third parties is implied unless we agree to separately accept them as our counterparty. You alone shall be responsible for deciding to enter into a transaction with us and whether you are allowed to do so under applicable laws, regulations or other provisions. You alone shall be responsible for accepting the relevant elements of a transaction, including the instrument, quantity and price. When a person reasonably appears to be your authorized representative, we rely on such appearance to enter into binding transactions with you without further inquiry.

Trading

We trade with you on a Request-for-Quote basis ("**RfQ**"): you have the sole discretion to accept or reject our quotes by interacting with them, shopping around, or abandoning the prospective transaction. Neither we nor you are obliged to enter into any transaction with each other. Our quotes are specific in terms of instrument, quantity and price. A transaction materializes if a quote is accepted by the recipient of such quote. We do not handle or execute your orders; we trade on a principal basis.

Trading Financial Instruments

We quote listed, and otherwise transparent financial instruments for which prices are generally available on other venues. As we trade with you as principal and do not provide you with any agency, investment or ancillary service as defined in MiFID II, we will not undertake a suitability and/or appropriateness assessment on you or any instrument we trade with you. In summary, you do not legitimately rely on us when trading RfQ, and best execution does not apply.

Where relevant and unless explicitly agreed otherwise, we classify you as eligible counterparty. You have the right to request a different categorisation. However, if you request categorisation as a professional or retail client, we may not be able to continue our relationship with you. When you are our approved counterparty for trading Financial Instruments (as defined in MiFID II), unless agreed otherwise, we may trade with you as our counterparty OTC, in our capacity of Systematic Internaliser or on trading venues (such as MTFs). We submit all transactions that materialized to our clearing member for settlement on the basis of delivery-versus-payment in accordance with relevant market conventions and our standard settlement instructions (as provided to you) unless agreed otherwise. Please refer to our Systematic Internaliser disclosures for more information, available online via <https://www.flowtraders.com/what-we-do/institutional-trading/disclosures/>, as updated from time to time.

Trading FX and precious metals

When you are our approved counterparty for trading FX and/or precious metals, we can trade with you directly or via a platform. When trading with you directly we do so on a disclosed basis. Where we trade with you on a platform, we do so either fully disclosed or semi-disclosed, based on your preference or that of the platform. Although trades are given up to our prime broker, we trade in a principal capacity when dealing with you and do not act as agent or in any other advisory or ancillary capacity. We will settle our transactions with you through our prime broker in accordance with relevant market conventions and give-up agreement unless agreed otherwise. With respect to FX, we adhere to the [FX Global Code of Conduct](#). Please refer to our FX disclosures for more information on our FX trading, available online via <https://www.flowtraders.com/what-we-do/institutional-trading/disclosures/>, as updated from time to time.

Trading digital assets

When you are our approved counterparty for trading digital assets, we may trade with you OTC. We will settle our transactions with you on free-of-payment basis, which entails that we deliver our cash or digital asset leg of the transaction to you following receipt of your cash or digital asset leg of the transaction. You alone shall be responsible for the timely and correct communication of your relevant public key or standard cash settlement instructions to us for settlement purposes. You alone shall be responsible that trading is in accordance with laws and regulations applicable to you and you have the necessary approvals (regulatory or otherwise) to trade in digital assets.

We will have no responsibility for or liability with regard to any cash or assets we receive other than in respect of a transaction. Any such cash or assets will be returned to the sender, except to the extent we are precluded from doing so pursuant to any applicable anti-money laundering and anti-terrorism laws and regulations, at the cost and risk of the sender. We will not be responsible for any losses, liabilities, expenses or costs suffered by the sender in such case (including, but not limited to, any loss of such assets due to a Force Majeure Event (as defined below)).

Representations and Warranties

Anti-money laundering

In entering into transactions with us, you represent and warrant to us that:

- a) neither you nor any of your affiliates (or your respective beneficial owners) is the target of any economic, financial or trade sanctions or embargoes, export controls or other restrictive measures imposed by the United States of America (including those administered by the United States Department of the Treasury's Office of Foreign Assets Control), the European Union, any member state of the European Union, the United Kingdom (including those administered by HM Treasury), Jersey, the Cayman Islands, or the United Nations (collectively "**Sanctions**");
- b) you and your business are not owned (directly or indirectly) or controlled (directly or indirectly) by any individual, legal person or arrangement, government or organisation that is targeted by Sanctions; and

- c) in respect of the assets that are the subject of the transaction, you do not know or have any reason to suspect that:
- i. the assets are held or will be acquired for the benefit of or related in any way to transactions with, or on behalf of, any person subject to Sanctions, or,
 - ii. any person or entity subject to Sanctions has or will have any legal or beneficial interest therein.

U.S. Persons

If you are U.S. Person as defined in Rule 902(k) of Regulation S under the Securities Act of 1933 (the “**Act**”) and you, as principal, enter into transactions with us in securities as defined under the United States Securities Exchange Act of 1934 (the “**Exchange Act**”) (“**Securities**”), you represent and warrant that you are registered with the United States Securities and Exchange Commission (SEC) as a broker or dealer under Section 15 of the Exchange Act and under the securities laws of each state in which your activities require such registration. If you, as agent for persons resident in the United States, enter into transactions in Securities with us, you represent and warrant (i) that you are registered with the SEC as a broker or dealer under Section 15 of the Exchange Act and under the securities laws of each state in which your activities require such registration or that you are exempt from such registration pursuant to Rule 15a-6 under the Exchange Act; and (ii) that you have been duly and legally authorized by such persons resident in the United States to enter into transactions on their behalf.

Record of communications

We inform you that telephone conversations, chats, emails, instant messaging and any other electronic communications that result or may result in transactions may be recorded.

Post-transaction events

We will fulfil our own applicable post-trade obligations (including reporting, publication and tax obligations) in respect of relevant transactions and cannot be held responsible or liable for any of your obligations. Taxes will be paid or withheld by the relevant party as prescribed by applicable laws and regulations from time

to time. Any regulatory reports that relate to investment services are not applicable.

CSDR

Where we enter into transactions with you within the scope of article 5(1) CSDR², you agree to provide us a written allocation with all the information referred to in Article 2 of the Settlement Discipline RTS³ (such information, being the “**Relevant Information**”), each within the timeframes stipulated in such Article 2. You agree that where you send us such written allocations, this also constitutes written confirmation of your acceptance of the terms of the transaction. You may provide the written allocation (and written confirmation) by any communication procedure agreed between you and us. We shall confirm receipt of the written allocation (and written confirmation) within the timeframes required under Article 2 of the Settlement Discipline RTS. You shall not be required to provide the written allocation (and written confirmation) when entering into a transaction where you grant us access to, or otherwise make available to us, on an ongoing basis, the Relevant Information.

Clear communication

We communicate in a fair, clear and non-misleading manner. Although we observe due care in our communications, it is your responsibility to verify the accuracy of all confirmations and statements received. We rely on the correctness of your communications with us. However, we may cancel, amend or unwind any transaction (or certain elements thereof) in case of a manifest error, a Force Majeure Event, a Material Market Disruption Event or a (potential) violation of applicable laws or regulations, regardless of cause. A cancellation or correction will be binding upon both parties. These Terms of Business and any related regulatory disclosure are always available online via <https://www.flowtraders.com/what-we-do/institutional-trading/disclosures/>, as updated from time to time. You consent to receive information through this channel.

Conflicts of Interest

We act as a principal, for our own risk and on our own account only. We do not provide any agency, investment service or any ancillary service as defined under MiFID II to you. Certain conflicts of interest may exist between Flow Traders and you or between you and other of our counterparties. Although Flow Traders never seeks

to trade unfairly or disadvantage you, such trading activity may conflict with your interests. For example, we may execute transactions with multiple counterparties (including affiliated entities) with competing quotes. In addition, market circumstances may affect the price or size that we quote or whether we conclude a transaction. Furthermore, Flow Traders maintains policies relating to personal account dealing, gifts and entertainment, and conflicts of interest in order to prevent or mitigate any potential conflict of interest.

Complaints

Through its conduct and communications, Flow Traders is committed to always act in a professional, transparent and fair manner. Any complaints that might arise when trading with Flow Traders should be raised to complaints@flowtraders.com.

Costs and Charges

We respond to your request to trade with a net price, we do not charge commissions for trading with us, unless explicitly agreed otherwise on your request. We do not directly pass on to you any of our costs of trading.

Liability

No party shall hold the other party liable for any direct losses, liabilities, expenses, suits, demands and costs (including reasonable attorney fees), except in case of fraud, wilful misconduct or gross negligence, regardless of cause. Under no circumstances shall a party be liable towards the other party or any other person for indirect, consequential or special damages.

Force Majeure Event

In the event of any failure, interruption or delay in performance of our obligations to you under transactions resulting from acts, events or circumstances not reasonably within our control, including but not limited to a hacking incident or security breach ("**Force Majeure Event**"), we shall not be liable or have any responsibility of any kind for loss incurred or suffered by you. All of our obligations in connection with transactions subject to a Force Majeure Event shall be suspended for the duration of the Force Majeure Event and any such obligation that would, but for the Force Majeure Event, have fallen due shall not fall due for the duration of the Force Majeure Event.

Material Market Disruption Event

If there is any failure, interruption, impairment, pricing correction, trade cancellation or delay in performance (whether as a result of acts, events or circumstances outside our control, including interventions, acts or actions of trading venues, central counterparties or regulatory authorities, or severe market disruptions or otherwise), as determined in our discretion, of trade(s) we enter into with you or that we enter into to offset our risk related to a transaction with you, ("**Material Market Disruption Event**") then we may amend, cancel or unwind our transaction with you.

Privacy Statement

We may process personal information in order to enter into and process transactions with you and to facilitate any onboarding process with our affiliates, and for any other purposes as further described in our privacy statement (as amended from time to time) which is available at <https://www.flowtraders.com/privacy-statement>. Communications may be recorded, processed, stored and used by us for regulatory purposes.

Miscellaneous

No party will share or publicly refer to any information pertaining to past, present or future trading activities related to the other party or use the name or logo of the other party without prior approval unless obliged to do so by law or a competent authority. No warranty of accuracy is given and no liability in respect of any error or omission is accepted in respect of our communications with you. All intellectual property rights, including trademarks, are those of their respective owners. All rights reserved.

Governing law and jurisdiction

Dutch law applies in respect of these provisions, any transaction with you and any non-contractual obligations. The Amsterdam first instance court (*rechtbank Amsterdam*) in the Netherlands shall have exclusive jurisdiction. Whenever you engage into trading with us you agree to the principles set out above and revisions of these principles applicable from time to time available at <https://www.flowtraders.com/what-we-do/institutional-trading/disclosures/>. If you do not agree with these Terms of Business, please notify onboarding@flowtraders.com immediately.
