

Principles of Doing Business

Introduction

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

Relationship

In our transactions with you we always act as a principal, for our own risk and on our own account only. We do not provide any investment service or any ancillary service as defined under MiFID II to you. Entering into transactions does not constitute a client relationship for either party. None of the provisions of MiFID II relating to clients will apply to any transactions we enter into with you, including best execution, protection of your interests in respect of any element of any transaction, client categorization, conflicts of interest, conduct of business and client order handling rules.

When acting as a maker, we provide quotes and you have the discretion to accept or reject such quotes. Neither of us is obliged to enter into any transaction with the other. Quotes are specific in terms of instrument, quantity and price. A transaction materializes if a quote is accepted by the recipient of such quote. 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.

Although we observe due care in our communications, the information provided to you is not necessarily accurate or complete and you should verify all confirmations and statements. We rely on the correctness of your communications with us. However, we may cancel or amend the elements of a transaction in case of a manifest error or a (potential) violation of applicable laws or regulations or generally accepted market practices, regardless of cause. A cancellation or correction will be binding upon both parties.

Trading Financial Instruments

When you are our approved counterparty for trading Financial Instruments (as defined in MiFID II), unless agreed otherwise, we will trade with you OTC 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.

Trading FX

When you are our approved counterparty for trading FX, we can act as either taker or maker under the prime broker model. Although trades are given up to our prime broker, we always 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. We adhere to the FX Global Code of Conduct.

Trading cryptocurrencies

When you are our approved counterparty for trading cryptocurrencies, we will trade with you OTC. We will settle our transactions with you on free-of-payment basis, which entails that we deliver our cash or cryptocurrency leg of the transaction to you following receipt of your cash or cryptocurrency 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 (regulatory) approvals to trade in cryptocurrencies.

Post-transaction events

We will only 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.

United States Residents

If you are resident in the United States and you enter into transactions in securities as defined under the United States Securities Exchange Act (Exchange Act) with us as principal, 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 enter into transactions in securities as defined under the Exchange Act with us as agent for persons resident in the United States, 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.

Conflicts of Interest

When trading with you, Flow Traders may execute transactions with other counterparties or on any trading venue before, during or after your transaction in order to manage risk, source or provide liquidity or for other reasons. Although Flow Traders does not seek to trade unfairly or disadvantage you, such trading activity may conflict with your interests. For example, this may affect the price or size that we quote or whether we conclude a transaction. However, Flow Traders at all times seeks to act in a commercially reasonable manner.

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.

Miscellaneous

No party will hold the other party, or any of its employees, officers, contractors or affiliates, liable for any interest payable, penalties or damages (whether direct, indirect or consequential) or any expenses regardless of cause, except in case of fraud, willful misconduct or gross negligence regardless of cause.

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.

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.

Dutch law applies in respect of these provisions, any transaction with you and any non-contractual obligations. The courts of Amsterdam 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 <http://www.flowtraders.com/principles>. If you do not agree with these principles please notify onboarding@flowtraders.com immediately.
