

Assessment Period 1 (July 1st, 2019 – September 30th, 2019)

Form3 Ltd - £5M Grant

Commitment 1:

We will build the first API global transaction platform for UK SMEs, to be distributed through FIs, with functionality for the following services and to the following timescales:

Q1 2020: Commence pilot for Forex and Hedging services

Q2 2020: Commence providing multi-country Domestic Payment services

Q3 2020: Live Payments and Forex, and Currency Account services

Q4 2020: Live Fixed Forward services

Q1 2021: Live Window Forward services

Q2 2021: Live Trade Finance services

Update:

Form3 and Ebury are progressing the build of our joint proposition and remain confident we will deliver on this commitment, focusing currently on the activities required for Q1, Q2 and Q3 2020: We have commenced the build of the multi-country Domestic Payment services, Live Payments and FX and Currency Account services, and are in the process of selecting FIs to participate in the pilot for Forex and Hedging services.

Commitment 2:

These services will be available to UK SMEs on a much more flexible basis and at substantially lower costs than what is currently available to them. We will monitor the adoption of these services by tracking volume and value of payments, FX spot and FX Forward transactions processed.

Update:

Our initial discussions in the market following the grant award confirm our Business case and thinking that led to this very ambitious and highly innovative joint project. The proposition build and development has the SME customer at its heart, including our pricing strategy, as well as flexibility for the user in terms of product choice

Commitment 3:

Form3 will provide £6.6m of its own funds in order to accelerate the product build, speed of roll-out of services and the achievement of benefits to UK SMEs.

Update:

Form3 remain committed to our co-investment of £6.6m, which alongside the CIF grant of £5m will fund this ambitious and exciting project.

Commitment 4:

“Sales & Marketing resources (19 Executives) will be committed from Q3 2019, following the award in order to rapidly educate the market and prepare FIs in advance of service go-live”.

Form3 has proposed a change to this commitment which BCR has formally accepted. The rationale for this change is that Form3, working with Ebury, has established that the most suitable Sales &

Marketing strategy utilises a dedicated sales team, combined with support from the wider Form3 and Ebury sales teams already servicing the relevant Financial Institutions market. Utilising this model, Form3 and Ebury have already started educating the FI market in preparation for service go-live. Form3 remains fully committed to achieving the ambitious targets with respect to the number of FIs and SMEs.

Form3's new Commitment 4 is as follows:

"A Form3 Sales & Marketing team has been established and will grow to 7 executives by 2020. The dedicated team will be complemented by a Form3 general sales team (currently 10 strong and growing) and an Ebury sales team. Funds not deployed against the sales team build out will be allocated to technology delivery by June 2020".

Update against new Commitment 4:

The delivery of this important and ambitious project depends on the establishment of a highly effective sales team. Form3 is currently on track to having a dedicated sales team of 5 by end of 2019 and 7 by Q2 2020 in addition to utilising the general Form3 and Ebury sales teams.

Commitments 5 and 6:

We commit to offering the services provided through at least 5, 13 and 23 FIs by year-end 2021, 2022 and 2023 respectively.

The services offered will be available to at least 150,000, 390,000 and 690,000 UK SMEs by year-end 2021, 2022 and 2023, respectively.

Update:

Our initial discussions with the market, incl. Financial Institutions following the CIF grant award have confirmed the market appetite for the proposition, which inspired us to undertake this ambitious project in the first place. We remain confident we will offer the services through the number of FIs and SMEs as promised in our Public Commitments.

Commitment 7:

We commit to providing fully transparent reporting to the Independent Body against these commitments on a quarterly basis.

Update:

We appreciate the straightforward and constructive approach by the Independent Body, and remain committed to fully transparent reporting against our Public Commitments.