

Assessment Period 2 (October 1st, 2019 – December 31st, 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

Our detailed Product plans and Build to date support these ambitious release dates, and we remain on track to meeting this commitment. We recognise that given certain delays to our Build to date, there is now some risk attached to meeting these commitments according to the specified timetable. However, we are working hard to mitigate this risk.

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.

We are on track to meeting this commitment: Joint product proposition as offered to FIs reflect a fully API-based service, and discussions with target FIs reflect confidence that the SME offer will be in line with the commitment of a more flexible service at a lower cost.

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.

We can confirm that Form3 will provide £6.6m of its own funds to accelerate the product Build, speed of roll-out and the achievement of benefits to UK SMEs.

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”.

We are on track to meeting this milestone and can confirm that our sales and marketing strategy as articulated in this commitment has been effective to date. We remain committed to this milestone, however recognise there is some risk attached as we have been somewhat delayed to date in the recruitment of the specified number of professionals meeting the standards we require.

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.

Albeit at an early stage, we are on track to meeting this commitment. We are in discussions with 16 FIs and will commence the Pilot during Q1 2020 with a minimum of 1 FI.

Commitment 7:

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

We remain committed to fully transparent reporting against our Public Commitments.