

Form3 Ltd - £5M Award**CIF Key Achievements to Date**

- In Q4 2021, Form3 delivered 'Payment System Orchestration' initiative in line with our Business Case.

Assessment Period 11 (January 1st, 2022 – March 31st, 2022)

These Public Commitments are based on Form3's Revised Business Case which was approved in April 2022. The former Public Commitments, including rationale for the changes can be viewed [here](#).

Original Commitment:**Commitment 1:**

We will build a Global Transaction Platform for FIs, with releases to the following timescales:

Release 1 – Q4 2021

- **SWIFT International Payments**
- **Payment System Orchestration**

Release 2 – Q1 2022

- **Correspondent Account Management**
- **Payment to FX Flow Integration**
- **Customer Beneficiary Management**
- **Simplified Party Screening**

Release 3 – Q2 2022

- **Enhanced SWIFT International Payments (Exception automation)**
- **Cut off Times Management**
- **Payment Constructor Model**

Rationale for change:

Form3 proposed a revised business case due to external challenges, a solution design phase that was longer than anticipated for our SWIFT interface, and delays to the implementation of physical infrastructure to deliver the solution. To avoid future delays, the revised case removes a feature (simplified party screening) with significant external dependencies on both customers and external providers. This is replaced by universal confirmations which offers greater benefits for FIs and SMEs as it enables compliance with CBPR+ scheme rules and confirmation when payments have credited the customer's account, which is otherwise not transparent to SMEs. The release plan has been restructured to align with our internal delivery plan, improve future quarterly reporting, and ensure delivery against public commitments.

New Commitment:**Commitment 1**

We will build a Global Transaction Platform for FIs, with releases to the following timescales:

Release 1 – Q4 2021

- **Payment System Orchestration (delivered Q4 2021)**

Release 2 – Q2 2022

- **SWIFT International Payments**

Release 3 – Q3 2022

- **Correspondent Account Management**
- **Payment to FX Flow Integration**

Release 4 – Q4 2022

- **Enhanced SWIFT International Payments (Exception automation)**
- **SWIFT GPI confirmations**

Release 5 – Q1 2023

- **Payments Rules**
- **Cut off Times Management**

Form3 is on track to deliver against its public commitment to build a global transaction platform for FIs and deliver the functionality for Releases 1-5 by the end of Q1 2023.

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, and FX spot transactions processed.

Form3 is on track to deliver this public commitment. Form3 remains committed to establishing a competitive commercial model allowing services to be provided to UK SMEs on a much more flexible and cost-effective basis. It has the tools in place to monitor adoption once it has the first customer confirmed for the service.

Commitment 3:

Form3 will provide £7.1m of its own funds in order to accelerate the product build, speed of roll-out and the achievement of benefits to UK SMEs.

Form3 remains committed to its co-investment of £7.1m alongside the CIF grant of £5m. Form3 has so far spent £2.79m of the targeted £7.1m of its own funds to support this ambitious and exciting project.

Commitment 4:

The Sales & Marketing resource for this project (supported by the overall Form3 Sales & Marketing infrastructure) will scale to an FTE equivalent of 3 by Q2 2021, and will increase significantly until year end 2024 to the project FTE equivalent of 6 resources.

Form3 is on track to deliver this public commitment. In Q1 2022, Form3's wider sales team is now advancing early-stage customer engagements.

Original Commitment:**Commitments 5:**

We commit to offering the services provided through at least 2, 8 and 17 FIs by year-end 2022, 2023 and 2024 respectively.

Rationale for change:

Due to the changes to initiatives and release plan outlined in our first public commitment, there is an impact on benefits realisation for the period of 2022-2025 where targets have been pushed to 2023-2025. This will result in offering the services to at least 16 FIs by year-end 2025 in line with the revision of public commitment 1.

New Commitment:

Commitments 5: We commit to offering the services provided through at least 16 FIs by year-end 2025.

We are on track to meet our revised public commitment.

Original Commitment:

Commitments 6:

The services offered will be available to at least 60k, 240k and 480k UK SMEs by year-end 2022, 2023 and 2024, respectively.

Rational for change:

Due to the changes to initiatives and release plan outlined in our first public commitment, there is an impact on benefits realisation for the period of 2022-2025 where targets have been pushed to 2023-2025. This will result in offering the services to at least 480k FIs by year-end 2025 in line with the revision of public commitment 1.

New Commitment:

Commitments 6: The services offered will be available to at least 480k UK SMEs by year-end 2025.

We are on track to meet our revised public commitment.

Commitment 7:

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

We value the open dialogue with the Independent Body and remain committed to providing fully transparent reporting.