

FROST MONEY LIMITED
TERMS AND CONDITIONS FOR CONSUMERS
ELECTRONIC MONEY ACCOUNTS
FASSET LABUAN LIMITED ("FASSET")
DISTRIBUTOR

BACKGROUND

This Agreement: This Agreement is with Frost Money Ltd, a company incorporated in England and Wales (company number: 12231881) with its registered office at "Ground Floor, 15 Wellington Road, Eccles, Manchester, England, M30 0DR" (hereinafter referred to in this Agreement as "Frost", "we" "us"). We are an Electronic Money Institution ("EMI") and are authorised by the Financial Conduct Authority (register reference 1020783) for the issuing of electronic money.

Our relationship with Fasset: As an EMI, we have appointed Fasset as a distributor. A distributor means a company who distributes and/or redeems electronic money on behalf of an EMI, in accordance with Regulation 33 of the EMRs. Fasset is not authorised to provide payment services.

Fasset acts exclusively as a distributor under Regulation 33 of the EMR 2011. It is not authorised to issue electronic money or provide payment services. Frost remains solely responsible for all regulated activities and customer funds.

Keel Money Ltd (registered in England and Wales with company number 15668701) provides non-regulated support services to Frost, including marketing, commercial operations, and sales activities. Keel has no involvement in any regulated activities, including but not limited to: the issuance or redemption of electronic money, payment initiation or execution, or the handling of client funds. All regulated services under the Electronic Money Regulations 2011 and Payment Services Regulations 2017 are provided directly by Frost.

AGREED TERMS

1. OUR TERMS

1.1. Interpreting this Agreement. In order to easily understand the terms of this Agreement, please first refer to clause 3 which, amongst other things, sets out the meaning of capitalised terms used in this Agreement.

1.2. Why you should read it? Please read this Agreement carefully before you agree to it, as its terms apply to the services provided by us. The Agreement explains many of your responsibilities to us and our responsibilities to you, how and when this Agreement can be terminated and the extent of our liability to you. If there are any terms that you do not understand or do not wish to agree to, please contact us. You should only complete the sign-on procedures and agree to the terms of this Agreement if you agree to be bound by this Agreement.

2. INFORMATION ABOUT US AND HOW TO CONTACT US

2.1. Who we are. We are Frost Money Ltd, an EMI as described above.

2.2. Communications between us are to be in English. This Agreement is concluded in England and all communications between you and us shall be in English only.

2.3. How to contact us. All queries should be directed towards Fasset. You can contact Fasset using details set out on footer of Fasset's website, or on the back of your card (if applicable).

2.4. How we may contact you. If we have to contact you we will do so as follows: in the first instance via Fasset, except in urgent cases. If we have not been able to contact you through Fasset, or if the matter is urgent, we will contact you by writing to you at the email address(es), you provided when agreeing to this Agreement or by using any other contact details you have provided to us or have used in communications with us or with Fasset.

2.5. 'Writing' includes emails. When we use the words "writing" or "written" in this Agreement, this includes emails.

2.6. Some of the services we provide are subject to the Payment Services Regulations 2017. The Regulations regulate how Payments must be transmitted and provide protection for the clients of authorised payment institutions and electronic money institutions. Frost is responsible for all regulated activities under the applicable electronic money and payment services regulations. COMPANY, acting solely as a distributor, is not authorised under the Payment Services Regulations 2017 to provide payment services and does not do so.

3. INTERPRETATION

3.1. The definitions set out in this clause apply in this Agreement as follows:

"Agreement" means this agreement and the privacy policy.

"Consumer" means an individual who, in entering into this Agreement, is acting for a purpose other than a trade, business or profession.

"AIS" or "Account Information Services" means an online service to provide consolidated information on one or more payment accounts held by a payment service user with one or more payment service providers, as defined in the Payment Services Regulations 2017.

"Electronic Money" means electronically stored monetary value as represented by a claim against us.

"PIS" or "Payment Initiation Services" means an online service to initiate a payment order at the request of the payment service user with respect to a payment account held at another payment service provider, as defined in the Payment Services Regulations 2017.

"Regulations" means the Payment Services Regulations 2017 (SI 2017 No. 752).

"Related Payment Service" means a payment service (including PIS) that is directly connected to the use of Electronic Money held in your account with us.

"Safeguarded Account" means the bank account(s) belonging to us, which are separate to our own office bank accounts, into which we will receive money from you, or on your behalf, in return for the issuance of Electronic Money.

"Services" means the e-money account services.

"Unrelated Payment Service" means a payment service (including AIS and PIS) that is provided independently of and is not connected to the Electronic Money services provided under this Agreement.

3.2. Clause headings shall not affect the interpretation of this Agreement and references to clauses are to the clauses of this Agreement.

3.3. Any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

3.4. Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.

3.5. A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time and reference to a statute or statutory provision shall include all subordinate legislation made from time to time.

4. TERM AND BECOMING A CLIENT

4.1. How can you agree to this Agreement? You can agree to this Agreement by checking the box on Fasset application online confirming that you agree to the same, or by otherwise confirming your agreement to the same or availing of the Services.

4.2. When will you become a client of ours? You will be bound by this Agreement once you have agreed to it as set out above and this Agreement shall remain in force until terminated in accordance with its terms.

5. SERVICES

5.1. As part of the Services, we shall issue you with Electronic Money upon receipt of money from you or a third party on your behalf, store your Electronic Money and redeem Electronic Money upon your express instruction and in accordance with this Agreement. For the avoidance of doubt, Fasset does not at any point handle client funds, nor does it have any role in authorising, initiating, or executing payment transactions. Fasset's activities are strictly limited to distribution and/or redemption of electronic money as permitted under Regulation 33 of the EMRs.

5.2. Our Services do not include the provision of advice. We do not offer advice under this Agreement on any matter including (without limit) the merits or otherwise of any currency transactions, on taxation, or markets.

5.3 Unrelated Payment Services. Frost may offer Account Information Services (AIS) and Payment Initiation Services (PIS) to you as Unrelated Payment Services. These services are: (a) provided directly by Frost and not through Fasset; (b) entirely separate from and independent of the Electronic Money services provided under this Agreement; (c) not connected to or dependent upon your holding of Electronic Money with us; (d) subject to separate terms and conditions which you must accept before we can provide such services; and (e) provided under Frost's separate regulatory permissions for payment services.

For the avoidance of doubt, when you use Unrelated Payment Services, these do not involve the holding, use, or management of your Electronic Money held with us under this Agreement.

Examples of AIS offered as an unrelated payment service: seeing your external bank account balances and transactions in our app.

Examples of PIS offered as unrelated payment service: using our tech to pay your household utilities directly from your bank account

5.4 Related Payment Services. In addition to Unrelated Payment Services, Frost may also offer Payment Initiation Services (PIS) as a Related Payment Service where: (a) the payment initiation directly relates to payments from your Electronic Money account held with us; (b) you specifically request or authorise such payment initiation in connection with your Electronic Money; (c) the service facilitates payments using the Electronic Money in your account; and (d) additional terms specific to Related PIS are accepted by you.

Related PIS remains a regulated payment service provided by Frost under the Payment Services Regulations 2017, but differs from Unrelated PIS in that it specifically connects to and facilitates the use of your Electronic Money held with us.

5.5 Consent and Additional Terms. Whether for Unrelated Payment Services or Related Payment Services: (a) you must provide explicit consent before we provide any such services; (b) you must accept additional service-specific terms and conditions; (c) Fasset has no involvement in the provision of these payment services;

and (d) these payment services are subject to separate regulatory requirements under the Payment Services Regulations 2017.

6. ISSUING ELECTRONIC MONEY TO YOU

6.1. Where we receive money from you or on your behalf, this money will be held by us in the relevant Safeguarded Account in exchange for the issuance by us to you of Electronic Money. Your funds will not be used by us for any other purpose and in the unlikely event that we become insolvent, your e-money is protected in an UK or EEA-authorised credit institution or the Bank of England.

6.2. When we issue you with Electronic Money, us holding the funds corresponding to the Electronic Money is not the same as a Bank holding your money in that:

(i) we cannot and will not use the funds to invest or lend to other persons or entities;

(ii) the Electronic Money will not accrue interest, and

(iii) the Electronic Money is not a deposit and is therefore not covered by the Financial Services Compensation Scheme but it is held by us and protected in the relevant Safeguarded Account.

6.3. You may hold Electronic Money and we may hold funds corresponding to your Electronic Money indefinitely. However, if we hold Electronic Money for you for more than two years without any activity on the account, we shall use reasonable endeavours to contact you to redeem the Electronic Money and return the corresponding funds to you. If we are unable to contact you, we may redeem the Electronic Money and send the corresponding funds, less any of our costs incurred, to the last known bank account we have on file for you.

6.4. We accept no responsibility in the event that you send money to the incorrect account.

6.5. We do not accept cash or cheques. We accept monies via a variety of methods of electronic funds transfer to our bank account, the details of which we shall provide to you upon request.

7. GENERAL LIMITATION OF LIABILITY

7.1. Where we and another person (such as a payment services provider) are liable to you in respect of the same matter or item, you agree that our liability to you will not be increased by any limitation of liability you have agreed with that other person or because of your inability to recover from that other person beyond what our liability would have been had no such limitation been agreed and/or if that other person had paid his or its share.

7.2. Where any loss, liability, cost or expense (a "Loss") is suffered by you for which we would otherwise be jointly and severally or jointly liable with any third party or third parties, the extent to which such Loss shall be recoverable by you from us (as opposed to any third parties) shall be limited so as to be in proportion to the aggregate of our contribution to the overall fault for such Loss, as agreed between all of the relevant parties or, in the absence of agreement, as determined by a court of competent jurisdiction. For the purposes of assessing the contribution to the Loss in question of any third party for the purposes of this clause, no account shall be taken of any limit imposed or agreed on the amount of liability of such third party by any agreement (including any settlement agreement) made before or after such Loss occurred or was otherwise incurred.

7.3. Nothing in this Agreement limits or excludes our liability for death or personal injury caused by our negligence or for any damage or liability incurred by you as a result of fraud or fraudulent misrepresentation by us or to the extent that the liability may not be excluded or limited by any applicable law.

8. COMPLAINTS

8.1. If you feel that we have not met your expectations in the delivery of our Services, in first instance contact Fasset using the contact email address for complaints through help@fasset.io. If Fasset does not deal with your complaint adequately, please contact us via email to complaints@frost.app.

8.2. We have internal procedures for handling complaints fairly and promptly in accordance with the Financial Conduct Authority's requirements. A copy of our complaint's procedure is available upon request.

8.3. If you are an eligible complainant, you may be able to take your complaint to the Financial Ombudsman Service should you not be satisfied with our final response. Eligibility criteria and information on the procedures involved are available from <http://www.financial-ombudsman.org.uk>. In addition, please note that disputes may be submitted for online resolution to the European Commission Online Dispute Resolution platform.

9. ESTABLISHING YOUR IDENTITY

9.1. To comply with the requirements of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, the Proceeds of Crime Act 2002 and EU Wire Transfer Regulations (Regulation (EU) 2015/847) and related regulations, it may be necessary to obtain from you, and retain, evidence of your personal identity (or directors or partners of your business and/or your ultimate beneficial owners) in our records from time to time. If satisfactory evidence is not promptly provided to us, we cannot accept your instructions.

9.2. We may keep records of the contents and results of any searches that we carry out on you (or directors or partners or shareholders of your business) in accordance with all current and applicable laws. You acknowledge that us carrying out an electronic verification check or, if required, a credit reference agency check will leave a soft footprint on the individual or entity's credit history. You warrant that you have obtained the consent to such checks being carried out from each such individual officer and shareholder.

9.3. We are obliged to report any reasonable suspicions about activities on the electronic accounts to the regulatory authorities. This may affect our relationship with you so far as confidentiality is concerned. If we are required under legislation (including the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and the Proceeds of Crime Act 2002) to refrain from communicating with you and/or proceeding with your instructions, we can accept no liability for the consequences of being prevented from doing so.

10. TERMINATION

10.1. When we may terminate or suspend this Agreement:

a. We can terminate this Agreement at any time:

- i. if you breach this Agreement; and/or
- ii. if we suspect that you are using the Services for any illegal purposes.

b. We may suspend or terminate your access to the Services where we have reasonable grounds for concern relating to: (i) the security of your account(s), whether or not you have informed us of a security breach; and/or (ii) the suspected unauthorised or fraudulent use of your account(s).

c. If Fasset notifies us that their agreement with you has terminated we can terminate this agreement with immediate effect.

d. If you terminate your agreement with Fasset or that agreement is terminated, we can terminate this agreement with immediate effect.

e. If you do not pay your statement balance off completely in every 180 day period, we may terminate this agreement.

10.2. When you may terminate this Agreement. You can terminate this Agreement at any time and for any reason by cancelling your agreement with Fasset. We may contact you to confirm your request.

10.3. Effect of Termination. Upon the effective date of termination:

- a. you will no longer be able to avail yourself of the Services;
- b. we shall redeem any Electronic Money we hold for you and send the equivalent funds to a bank account in your name, unless agreed by both parties, less any monies which are due and owing to us, where relevant.

10.4. After termination, you may contact us using the contact details set out in clause 2.3 to redeem any Electronic Money you still hold with us.

11. CONFIDENTIALITY

11.1. We undertake that we shall not at any time, disclose to any person any of your confidential information, except in the following circumstances:

- a. to our employees, officers, representatives or advisers who need to know such information for the purposes of exercising our rights or carrying out our obligations under or in connection with this Agreement. We shall ensure that our employees, officers, representatives or advisers to whom we disclose your confidential information comply with this clause; and
- b. as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority.

12. DATA

12.1. How we may use your personal information. We will only use your personal information as set out in our privacy policy which can be found <https://frost.app/privacy-policy>.

13. GENERAL

13.1. Recording of telephone conversations. We may record telephone conversations with or without use of a warning tone and we may use these recordings as evidence for a particular purpose or in relation to disputes as well as for our ongoing quality control and training programme. We may also maintain a record of all emails sent by or to us. All those recordings and records will be maintained at our absolute discretion and are our property and can be used by us in the case of a dispute. We do not guarantee that we will maintain such recordings or records or be able to make them available to you. You consent to the use and admissibility of any such recording as evidence in any dispute or anticipated dispute between the parties which relates to the dealings between the parties.

13.2. Ensuring this Agreement is legally enforceable. For a contract to be legally enforceable, there needs to be an offer, acceptance and consideration. This Agreement constitutes our offer to make the Services available to you and you agreeing to this Agreement constitutes your acceptance of this offer. In order to ensure that this Agreement is legally binding, upon you becoming a client, you promise to pay us the sum of one-Pound sterling, upon demand from us, as consideration.

13.3. Even if we delay in enforcing under this Agreement, we can still enforce it later. If we do not insist immediately that you do anything you are required to do under this Agreement, or if we delay in taking steps against you in respect of your breach of this Agreement that will not mean that you do not have to do those things and it will not prevent us taking steps against you at a later date.

13.4. What if something unexpected happens? We shall have no liability to you under this Agreement if we are prevented from or delayed in performing our obligations under this Agreement, or from carrying on our business, by acts, events, omissions or accidents beyond our reasonable control, including, without limitation, strikes, lock-outs or other industrial disputes (whether involving us or any other party), failure of a utility service

or transport or telecommunications network, act of God, war, riot, civil commotion, malicious damage, compliance with any law or governmental order, rule, regulation or direction, accident, breakdown of plant or machinery, fire, flood, storm or our default of sub-contractors, provided that you are notified of such an event and its expected duration.

13.5. If a court finds part of this Agreement illegal, the rest will continue in force. Each of the sub-clauses and clauses of this Agreement operates separately. If any court or relevant authority decides that any of them are unlawful, the remaining sub-clauses and clauses will remain in full force and effect.

13.6. We are not partners and neither of us may act as the other's agent. Nothing in this Agreement is intended to or shall operate to create a partnership or joint venture between you and us, or authorise either party to act as agent for the other, and neither party shall have the authority to act in the name or on behalf of or otherwise to bind the other in any way (including, but not limited to, the making of any representation or warranty, the assumption of any obligation or liability and the exercise of any right or power).

13.7. We can make amendments to this Agreement. We shall have the right to make such amendments to this Agreement, via Fasset, as are necessary to comply with any laws and regulations that are applicable to the performance of our obligations under this Agreement where such laws and regulations are implemented and/or amended after the date of this Agreement. Such amendments may be made at any time upon as much notice as possible to you and shall take effect following such notice, if any. If you object to the proposed amendments, you have the right to terminate this Agreement without charge before the date proposed by us for the entry into force of the changes. You will be deemed to have accepted the proposed amendments unless you notify us and terminate this Agreement before the date proposed by us for the entry into force of the changes. If no objection is received from you, such amendments shall take effect from the date specified by us but may not affect any rights or obligations that have already arisen and will not be retrospective.

13.8. What happens if you are jointly a client of ours with another person? Where you comprise two or more people, each person will be jointly and severally liable to us in respect of all obligations contained in this Agreement.

13.9. Can you obtain a copy of this Agreement or additional information? You may request and we shall provide a copy of this Agreement and any information set out in Schedule 4 of the Regulations (if relevant) at any time prior to termination of this Agreement.

13.10. We may transfer this Agreement to someone else. We may transfer our rights and obligations under this Agreement to another organisation without your consent. We will always tell you in writing if this happens and we will ensure that the transfer will not affect your rights under this Agreement.

13.11. You need our consent to transfer your rights to someone else (except that you can always transfer our guarantee). You may only transfer your rights or your obligations under this Agreement to another person if we agree to this in writing.

13.12. Nobody else has any rights under this Agreement. This agreement is between you and us. No other person shall have any rights to enforce any of its terms.

13.13. Which laws apply to this Agreement and where you may bring legal proceedings. This Agreement and any disputes or claims arising out of or in connection with this Agreement or its subject matter or formation (including non-contractual disputes or claims) are governed by, and construed in accordance with, the laws of England. You irrevocably agree that the courts of England have exclusive jurisdiction to settle any dispute or claim or other matter that arises out of or in connection with this Agreement or its subject matter or formation (including non-contractual disputes or claims).