OPTIMAL CURRENCY FRAMEWORK TERMS AND CONDITIONS FOR PRIVATE CUSTOMERS

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1 ABOUT US

1.1 We are Optimal Currency Limited (referred to in this document as "we" or "us"). We are a private limited company registered in the UK (United Kingdom) our company number is 11627191. Our head office and registered address is 13 Upper High Street, Thame, OX9 3ER. Our website address is www.optimalcurrency.co.uk. Our contact number is 01296 767444. Our website has full contact details and a contact form. We are a Payment Institution authorised and regulated by the Financial Conduct Authority ("FCA") in the UK (Firm Registration Number 830790).

1.2 We provide foreign currency exchange (FX) and Payment Services (the "Services").

1.3 Your use of the Services as part of our ongoing relationship is governed by these terms and conditions from the moment the agreement is formed between us and you ("you" or "your") on these terms (see clause 2.4.2).

1.4 Capitalised terms shall have the meaning provided to the relevant term in Clause 13 (Definitions and Interpretations).

2 ABOUT THE SERVICES

2.1 We undertake to provide the Services described below, the main characteristics of which are the conversion of one currency into another where either: you are both the transmitter and receiver of funds or where you nominate a third party to send or receive the funds. These are Foreign Exchange and Payment Services. The Payment Services we can provide you with are a Payment Account or Money Remittance, in line with your requirements.

2.2 A Payment Account with us is an account held in your name through which you will be able to place funds, withdraw funds and execute and receive payment transactions to and from third parties. A Payment Account with us is not any of the following: a savings account, a credit card account where funds are usually paid in for the sole purpose of repaying a credit card debt, a current account, a mortgage account, or an e-money account. Opening a Payment Account with us means that we will allocate you a named account with a unique vIBAN.

2.3 Money Remittance is a simple payment service where you do not use a named vIBAN account with us.

2.4 Opening an Account with Optimal Currency:

2.4.1 After you have asked us to open an Account and agreed to these terms by digitally accepting them on the application form on our website (at which point a binding contract is formed), we will proceed to take steps to verify your identity. This is so that we can be sure we are entering into an agreement for bona fide reasons.

2.4.2 In the event that we are not able to satisfy ourselves that we have sufficient information, or if the information provided otherwise precludes us from proceeding, we will inform you that we have not been able to open an account for you and, to the extent that we can do so lawfully, will advise you of the reason(s) why.

2.4.3 Following the satisfactory completion of identity checks we will set up your Account on our system and inform you that your account is open.

2.4.4 Your Account with Optimal Currency is not a Bank Account, and as such the funds are not protected through the Financial Services Compensation Scheme. Please see section 5 for information on the safeguarding and segregation of customer funds. To open an Account with us you must confirm that you have read, understood, and agree to these terms.

2.5 We will act at all times in accordance with the provisions of the second Payment Services Directive, the Payment Services Regulations (2017) and the guidance provided by the FCA in their document entitled “Payment Services and Electronic Money – Our Approach”.

2.6 Trading

2.7 We offer two types of FX Trade: Spot Trades and Forward Trades. The Forward trades we offer are not for investment purposes and as such are known as an unregulated non-MiFID Forward contract. We do not offer any form of speculative trading or trading for investment purposes.

2.8 A Spot Trade is a standard contract to exchange currency with settlement within a few days (normally same day, next day or two Business Days) of the Trade.

2.9 A Forward Trade is a currency Trade in which we will secure an exchange rate now with the settlement date of the Trade being set on a pre-determined future date of more than two Business Days, and less than two years, after the Trade date.

2.10 When we enter into any trade with you, you must give us a Payment Order. This means you are required to tell us where you wish to transfer funds to, where the funds will come to us are from and the reason for the payment.

2.11 When we enter into a Forward Trade, we will require you to maintain Margin Deposit funds with us to cover the cost of currency movements and the cost of the Margin Deposit that we have to provide to our bank or Liquidity Provider, during the period up to settlement. This is usually between 5% and 10% of the contract and needs to be sent to us within 2 business days of booking the contract.

2.12 The Margin Deposit provided by you may, at the company's discretion, be either:

(a) Held in a Segregated Account with our Principal Banking Partner; or

(b) Held in a Segregated Account with the Liquidity Provider through whom the relevant forward contract is booked.

2.12.1 Margin Use and Location. The Margin Deposit may move between the institutions listed in 2.12 during the life of the Forward Trade. We will not notify you of any change in the location of your Margin Deposit, although we maintain a daily internal record of where it is held. You acknowledge and agree that Margin Deposit may be transferred to, and used by, our Liquidity Provider to meet our obligations in relation to the Forward Trade entered into on your behalf.

2.13 In the event that there is a significant adverse market movement we may require you to provide Additional Margin. This will only be requested should concern arise that, if the Forward Contract were to be terminated, we would incur losses in unwinding the Forward Contract that would exceed the amount of Margin Deposit you have already provided to us. In this case, you must send us the Additional Margin required to cover your position. This Additional Margin request, sometimes known as a 'margin call', may be made by telephone, email or text/WhatsApp.

2.14 In the event that you are unable to, or no longer wish to, continue with a Forward Trade you can ask us to buy back the funds. In these instances, we will calculate the current value of the currency purchased by comparing to the current market rate. We will try to reasonably off-set losses due to the revocation, but you are ultimately responsible for all of the costs, expenses and losses that we may incur as a result of cancelling a Forward Trade.

2.14.1 No Profit on Close-Out. In the event that the cancellation (close-out) results in a favourable movement, we are not able to assist you in making a profit on the Trade as we are not authorised to assist you in speculating. In such circumstances, the gain will be used to offset any amounts you owe us, or we will return the original funds received from you in the selling currency.

2.15 We may enter into Trades with you by accepting your verbal instruction over a telephone or on receipt of an instruction by verified email.

2.16 We are under no obligation to accept any instruction(s) and may in certain circumstances refuse to do so without giving a reason. We will not be liable to you, or any other party, for any loss or damages resulting from our refusal to accept an instruction.

2.17 All Trades are allocated a unique reference number which we will provide to you on the Trade Confirmation. At the time of the Trade, whether the trade is taken via email or over the phone, we will provide written confirmation of the Trade date, the bought and sold currencies, the bought and sold amounts, the agreed rate, the settlement date, any Margin Deposit requirement (for Forward Trades only), full details of any charges which may be applicable and full settlement details to send the sold funds to.

2.18 After the Trade we will confirm the full details by means of an email or a link to our customer portal.

2.19 Once we have confirmed the Trade in writing, you can only amend or cancel it if we expressly agree and you agree to pay our reasonable costs to undo the Trade.

2.20 You accept that because of the nature of the currency markets you do not have any right under the Financial Services (Distance Marketing) Regulations 2004 to cancel any Trade. You may however close out a Trade prior to the settlement date by giving us notice. In such an event, you will be liable for all of the costs, expenses and losses that we may incur, including any action we may need to take or have already taken to cover or reduce our exposure, as a result of entering into a Trade with you.

2.21 Any excess amount held by us in respect of a Trade shall be returned to you after deducting all other sums due to us. In these circumstances however, due to our regulatory permissions, we are not able to pay you any amounts that might be realised as a result of a favourable currency rate movement.

2.22 The funds you are sending to us must arrive on or before the settlement date we have agreed in advance. We only accept funds by bank transfer and cannot in any circumstances accept payment in cash.

2.23 In the event that funds are not received before the settlement date we may have to take action and reserve the right to reverse the Trade. In these circumstances you will be liable for any losses incurred.

2.24 When we receive your funds we will either send out the corresponding funds on the same day or if there is a delay for any reason, such as: a delay whilst the Trade settles; a delay requested by you; or a delay caused by the AML process; then we will, in the intervening period, ensure your funds are held in an appropriate account according to the safeguarding requirements.

2.25 Assuming there is no delay we will send your funds so that they should be received on the same day although in some cases there may be a delay due to international holidays and cut-off times for destinations where the time is in advance of UK time.

2.26 We will not hold funds on account for you for more than thirty (30) days. Any Trade you place must be for a specified reason with a Payment Order and the full amount of currency purchased must be transferred to your nominated beneficiary(s).

2.26.1 Selling Currency. If you wish to monitor the currency market before entering a Trade to sell currency that has been sent to your account, you can hold the selling currency with us for up to thirty (30) days. After thirty (30) days, a Trade must be placed, or the funds will be returned to the account from which they were sent. We will need a Payment Order from you detailing where we will be transferring your purchased currency in order to hold your selling currency for up to thirty (30) days.

2.26.2 Purchased Currency. Currency purchased in any Trade can only be held for thirty (30) days. If a transfer is not instructed within thirty (30) days of receipt of your funds, we reserve the right to exchange the purchased currency back into the original selling currency and send the resulting funds back to the original bank account. We will try to reasonably off-set losses incurred due to this action, but you are ultimately responsible for losses of any kind as a result of this action. In the event that there is a favourable market movement we are not able to assist you in making a profit as we are not authorised to assist you in speculating. In such circumstances the original amount of currency you sold will be returned.

2.27 Optimal Currency does not provide advice as to the merits of any proposed Trade. We may provide information about foreign exchange markets. The only advice we give will be on the process of purchasing currency and sending payments.

2.28 We are authorised to provide, and will provide, you with Payment Services in which you require us to transfer the funds you have purchased from us to a third party.

2.29 When you instruct us to pay out to a third party, we will Accept your completed Payment Instruction once your FX trade is settled.

2.30 Your Payment Instruction must include the full details of the beneficiary, including but not limited to, Bank Account Details (Unique Identifier), Name, Address, and the reason for the payment.

2.31 We will Accept your instruction via telephone, email or via our online portal. In each case we will carry out reasonable checks to ensure that the request is genuinely from you and is going to your intended recipient.

2.32 Once received and checked by us we will deem your instruction as consent to make the payment and as being authorised by you as the payer.

2.33 You may withdraw your consent to the Payment Instruction up until the end of the working day prior to the date it is due to be sent, after that time the Payment Instruction cannot be revoked.

2.34 Withdrawal of consent and any revocation of a Payment Instruction must be received and acknowledged by us before the end of the working day prior to the date it is due to be sent and for this reason we will only accept withdrawal of consent notification via telephone (on 01296 767444) or by email which must be sent to sales@optimalcurrency.co.uk.

2.35 When a Payment Instruction is to be revoked, the notification must include: details of the payee, the payee bank account, the reason for the Payment Instruction and the reason for the withdrawal of consent to the Payment Instruction.

2.36 It is vitally important that you provide us with the correct Unique Identifier for the payee's bank account as failure to do so may result in your payment not reaching the intended recipient.

2.37 If you provide us with an incorrect Unique Identifier for the payee's bank account, we will not be liable for any resulting loss although we will make reasonable efforts to trace any such funds on your behalf and notify you of our findings.

3 CHARGES, INTEREST, EXCHANGE RATES AND PRICING

3.1 We reserve the right to charge a reasonable fee (normally no more than £10 or currency equivalent) for each payment in which the value of the outbound payment is less than £50,000 or equivalent. Any such fees will be explained to you in advance of completing the Trade.

3.2 There may be third party fees e.g. charges made by the receiving party's bank. These are the responsibility of the receiving party and outside of our control.

3.3 We are not authorised to, and will not in any circumstances, pay interest on funds whilst they are held by us.

3.4 As we do not offer credit there will not be any circumstance in which we would expect to charge a customer interest.

3.5 We make our money by charging you a different exchange rate to the rate we can obtain from our providers, known as margin. We are able to obtain rates not generally available to the public by virtue of the volumes we transact on a daily basis.

3.5.1 The margin applied to each trade you instruct will vary according to the following factors:

- Currency pair traded
- Transaction amount
- Settlement timescale
- Contract type
- Market volatility.

3.5.2 Margin is applied to the interbank rate. The interbank rate is not available to consumers but is a rate charged by one bank to another. We do not buy at interbank rates for ourselves.

4 COMMUNICATIONS BETWEEN YOU AND US

4.1 We communicate with you by phone, email, post or via secure messages on our portal, accessed via our website.

4.2 When you communicate with us by phone we record the calls for purposes of quality control, assisting with the resolution of any disputes and to assist us in our obligations to detect and prevent financial crime.

4.3 All communications between us will be solely in the English language.

4.4 You have the right to download and, if required, print the latest framework contract from our website at any time or to request that a copy is sent to you via email or post.

5 SAFEGUARDING AND SEGREGATION OF FUNDS

5.1 Optimal Currency maintains relevant funds related to our payment services activities in a Safeguarded account held by our Principal Banking Partner. Customer funds are kept in a way that they do not commingle with the Firm's own money. Customer funds are also insulated against the claims of any other of Optimal's creditors. By doing this, Optimal provides assurance that it will not use customer funds to pay its own debts and obligations, and in the event of Optimal's insolvency, they will be used to repay Customers after applicable costs are deducted by the administrator or liquidator of Optimal during the insolvency process.

5.2 Customer funds are also protected from any interest in, recourse against, or right of set-off from the financial institution where Optimal holds customer funds. Optimal carries out internal and external audits to demonstrate that it is safeguarding customer funds in compliance with applicable regulations in the UK.

5.3 These safeguard measures only apply to funds related to Optimal's regulated payment services and do not extend to the Firm's unregulated offering of foreign exchange services.

5.4 It is important to note that Optimal is not a banking institution and does not provide banking services. The services the Optimal offers are not covered by the Financial Services Compensations Scheme (FSCS).

5.5 If Optimal were to go out of business, although payment services funds are safeguarded as per the requirement of regulation 23 of the PSRs 2017, it could take longer for monies to be refunded and some costs could be deducted by the administrator or liquidator of the Firm during the insolvency process so customer's might not get all their monies back.

5.6 Customer's can contact Optimal or check the FCA website (https://www.fca.org.uk/consumers/using-payment-service-providers) to find guidance in deciding whether the level of protection the Firm offers are appropriate in their circumstances.

5.7 If you send us funds to pay for a Margin Deposit, this money will not be safeguarded because it does not fall within the FCA definition of relevant funds. Optimal Currency will either hold those monies in an account specifically for this purpose ('Margin Account') with our Principal Banking Partner, or it will be lodged with the Liquidity Provider with whom your contract was booked with. In either case, the funds will not be in a safeguarded Customer account nor Optimal's operational bank account in which it holds its own funds. Margin Deposit funds will be held this way until the contract is settled.

5.8 On the day that your trade settles the Foreign Exchange conversion will be made as agreed. To make the conversion there may be a period (usually no more than four (4) hours, but potentially overnight) between us sending your funds to our broker, and us receiving your required currency back from our broker into our safeguarded Customer accounts. During this period, no money relating to your trade will be safeguarded by us.

5.9 In the event of suspected or actual fraud or security threat(s) we will, to the extent that we are permitted by law, immediately inform you via an email. In these circumstances we will 'freeze' your account which might result in a delayed payment if we have reasonable grounds to suspect that to continue the transaction would cause us to breach our regulations, or any other relevant legislation. You agree that you will not hold us responsible for any delay whilst we carry out our duties in respect of suspected or actual fraud or security threat(s).

5.10 You (or the payer in the event of a third party) will be responsible for any payment that we would reasonably expect was duly authorised by you.

5.11 In the event that we fail to comply with these Terms and Conditions by not exercising due care and skill then we are responsible for any foreseeable loss or damage incurred by you as a result of our failure to comply.

6 TERM AND TERMINATION

6.1 These terms will remain in effect until we need to make a change (for example as a result of new regulations) or they are terminated.

6.2 Whenever we make a change to these terms, we publish the latest version on our website.

6.3 We will record the version of these terms that you have agreed to and notify you if there is a newer version at a suitable time prior to your next Trade.

6.4 In the event that you do not accept the latest version you can terminate the agreement with immediate effect although once terminated we will no longer be able to accept Trade instructions from you.

6.5 Without affecting any other right or remedy available to us, we can terminate this agreement by giving you not less than two months written notice.

6.6 You can terminate this agreement at any time by giving us 30 days' notice by phone, email, or mail.

6.7 The termination of this agreement does not however affect your obligations to us to settle any outstanding (unsettled) Trades.

7 ANTI-MONEY LAUNDERING, SANCTIONS, CUSTOMER DUE DILIGENCE AND FRAUD

7.1 We are legally required to carry out sanctions and customer due diligence checks on you and any third parties that are associated with payments to and from your account.

7.2 You agree to provide the information we require and authorise us to make the checks using governmental and commercial referencing agencies. You further agree that we may keep our information, about you, up to date by refreshing this information on a regular basis.

7.3 You agree to let us know if any information we hold on you is inaccurate or out of date.

7.4 We will use reasonable endeavours to carry out checks without delay however you accept and will hold us blameless for any delays that may be caused to a payment whilst we carry out these checks.

7.5 We record our telephone calls, and you agree that we can use the recordings for purposes of establishing what was said in the event of any ambiguity.

7.6 Authorised Push Payment (APP) Fraud and Reimbursement Scheme

7.6.1 What is APP Fraud? Authorised Push Payment (APP) fraud occurs when you are deceived into authorising a payment to an account that you believe belongs to a legitimate payee, but which is in fact controlled by a fraudster. Common examples of APP fraud include invoice scams, impersonation of trusted organisations, and romance or investment scams.

7.6.2 Your Responsibility. You are responsible for checking the accuracy of the Unique Identifier and beneficiary account details before you instruct us to execute a payment. We do not routinely verify the ownership or correctness of beneficiary accounts.

7.6.3 PSR Reimbursement Scheme. We comply with the Payment System Regulator's (PSR) reimbursement requirements. The rules cover fraudulent APP transactions, executed on or after 7 October 2024, by way of Faster Payments (FPS) or Clearing House Automated Payments (CHAPS) to a UK account, through your Optimal Currency:

- personal account; or
- business account, where your company generates an annual turnover of less than €2 million (approximately £1.7 million) and employs fewer than 10 members of staff.

7.6.4 Eligibility for Reimbursement. You will generally be entitled to a refund when:

- Money sent via a payment has been sent to the wrong account; or
- Money sent via a payment has been sent without your authorisation.

7.6.5 Exclusions. You will generally not be entitled to a refund if:

- payments are made to international accounts (or wallets), credit unions, municipal banks, or national savings banks;
- payments are made to an account which you control;
- you have misrepresented or falsified a claim;
- you have made a claim pertaining to circumstances in which you have been grossly negligent;
- you have reported fraud more than 13 months after the final payment to the fraudster;
- there are civil disputes, such as circumstances wherein you've made a payment to a business or individual and are unhappy with the product or service received; or,
- you've made unlawful payments for goods or services, i.e., where the payment which you have made is for an illegal item.

7.6.6 Reimbursement Details.

- If you suspect fraud, contact us immediately. You must notify us within 13 months of the date of the payment. If your claim is eligible, we will reimburse you for the funds lost up to a maximum of £85,000. We will aim to reimburse you within 5 Business Days, though more complicated cases may take up to 35 days to enable adequate investigation.

8 DATA PRIVACY

8.1 We will treat information we hold about you as follows:

8.1.1 we will process all data fairly and lawfully;

8.1.2 we will only process personal data for specified and lawful purposes;

8.1.3 we will endeavour to hold relevant and accurate personal data and, where practical, will keep it up to date;

8.1.4 we will not keep personal data for longer than is necessary;

8.1.5 our obligations under the Fourth AML Directive require that personal data be deleted after the expiry of a minimum retention period of five years;

8.1.6 we will keep all personal data secure;

8.1.7 we will endeavour to ensure that personal data is not transferred to countries outside of the European Economic Area (EEA) without adequate protection;

8.2 Should you require any further information about the way in which we handle your data you can view the details in our Privacy Policy which is published on our website.

9 COMPLAINTS PROCEDURE

9.1 If you have a complaint, then please speak to us first to see if we can put things right. Our senior staff will be made aware quickly of any complaint escalated to them and will want to resolve the situation without the need for any further action from you.

9.2 How to complain

9.2.1 If you want to make an official complaint then you can email us at complaints@optimalcurrency.co.uk. You can also make a complaint by other means such as phone but it's usually better to put the complaint in writing, so you have a record of what you have said.

9.3 What happens next?

9.3.1 Any complaints are logged into our system and allocated to a senior member of staff who has had no previous involvement in the subject of your complaint. The person handling your complaint will acknowledge it in writing, via post or email, within three (3) Business Days.

9.3.2 We aim to resolve your complaint and issue what is called a "final response" letter by the end of fifteen (15) Business Days after the day on which we received the complaint. Please note that in certain exceptional circumstances it can take up to thirty five (35) Business Days before the final response letter is sent. In this case we will send a letter clearly indicating the reasons for the delay in answering the complaint and specifying the deadline by which we will send the final response.

9.4 The final response

9.4.1 If you are dissatisfied with our final response you may have the right to refer your complaint to the Financial Ombudsman Service (FOS) if you are an eligible complainant.

9.4.2 You can access a copy of the FOS explanatory leaflet on the following link: https://www.financial-ombudsman.org.uk/publications/consumer-leaflet.htm.

9.4.3 Please note that you will usually need to refer a complaint to the FOS within six months of the date of our final response.

10 YOUR OBLIGATIONS

10.1 You warrant and represent to us on a continuing basis that:

10.1.1 you have full authority to enter into these terms;

10.1.2 you have all the necessary consents to enter into this agreement with us;

10.1.3 you comply and will continue to comply with all laws and regulations relevant to this agreement;

10.1.4 the information you provide to us for our necessary compliance checks is, and continues to be, truthful and accurate;

10.1.5 you accept all risks associated with the ownership of purchased currency;

10.1.6 if and when you instruct us to undertake a Forward Trade with you it will be for a commercial purpose, that is for payment of goods or services and that you will not seek at any time to convert any of the funds back to the original currency.

10.2 You will help us to keep your account secure by:

10.2.1 keeping any password(s), or any other security details associated with your account with us, secure and private at all times.

10.2.2 contacting us as soon as possible if you become aware that anyone else has, by whatever means, obtained any of these security details. Any undue delay in contacting us may result in you being responsible for any losses incurred as a result of the misuse of your security details.

11 OTHER IMPORTANT TERMS

11.1 We agree to keep any information that is passed to us in confidence confidential, apart from where we are required to disclose information as required by law or by a regulatory authority.

11.2 We may transfer, or assign, our rights and obligations under these terms to another company. In such circumstance we will notify you in advance and you will have the option to close your account and terminate our agreement if you are not happy with our transfer proposal.

11.3 You are not allowed to transfer your rights or obligations under this agreement under any circumstance without our written consent.

11.4 We shall not be liable for the non-performance of our obligations nor the failure to execute any Payment Instruction if the execution of that Payment Instruction would cause, or be likely to cause, us to breach our regulatory obligations.

11.5 In no event shall we be liable to you for any consequential loss(es) as a result of a payment being delayed for whatever reason.

11.6 Nothing in these terms restricts any of your statutory rights.

11.7 These terms are governed by English law and should either party deem it necessary to bring legal proceedings they would be held in an English court.

11.8 To the extent that provisions of the PSRs 2017 can be disapplied, for example, for low-valued payments, these will be disapplied to our relationship with you.

12 FORCE MAJEURE

12.1 We will not be liable for performance delays nor for non-performance due to abnormal and unforeseeable causes beyond our reasonable control, the consequences of which would have been unavoidable despite all efforts to the contrary.

12.2 If, in circumstances described in 12.1, we are delayed or prevented from fulfilling our obligations under this agreement we will nonetheless take all reasonable steps to inform you and make reasonable efforts to resolve the situation quickly.

12.3 In the event such an occurrence prevents performance for a period in excess of thirty (30) days, then you may elect to terminate this agreement and any outstanding Trades by giving us notice by phone, email, Secure Email or post.

13 DEFINITIONS AND INTERPRETATIONS

13.1 In this document the following terms have the following meanings:

"Accept" or "Acceptance" means that we have accepted a Payment Order or Market Order from you to purchase currency on your behalf.

"Account" means your registered trading facility with Optimal Currency that will be referenced with an OCL number for example OCL0112345.

"Additional Margin" refers to Forward Trades and means an additional sum of money on top of the initial Margin Deposit payment which we may require in situations of significant market movement.

"Account Opening" refers to the process we go through to set up your account and carry out the necessary identity checks after you have applied for an account with us.

"AML or Anti Money Laundering" refers to the laws and regulations for the prevention of money laundering and terrorist financing.

"Business Day" means between 09:00h and 17:00h (UK time) on Mondays to Fridays excluding Bank Holidays.

"Customer Portal" means our secure online portal accessed via our website where you can view the details of your Payment Account, including, balances, transaction history and payment history.

"Forward" means a currency Trade in which we will secure an exchange rate now with the Value Date of the Trade set on a pre-determined future date of more than two Business Days, and less than two years, after the Trade date;

"FX or Foreign Exchange" generally refers to the exchange of one currency for another. When the only two parties to a Trade are you and us we use the term FX in this document to distinguish from PS or Payment Service.

"Instruction" means a request from you to us to enter into a Trade for the sale and purchase of currency.

“Liquidity Provider” is an institution that provides Optimal Currency with currency. At time of writing, these are Sucden Financial and Banking Circle.

“Margin Deposit” or “Initial Margin Deposit” means an advance payment (akin to a deposit) normally payable when entering into a Forward Trade.

“Market Order” refers to either a Limit Order or a Stop Loss Order. A Limit Order is an instruction from you to execute a Trade at rate of exchange set by you, that is higher than the current market level. A Stop Loss Order is an instruction from you to execute a trade at a rate of exchange set by you that will be triggered if the market falls to that level. An Order is ‘good’ until filled by us or cancelled by you during our office hours. The Trade will take place when the interbank rate is at a figure which accounts for our associated costs and margin in offering the customer rate set by you.

"Money Remittance” is a payment service for the transmission of money where funds are either received from you for the sole purpose of transferring a corresponding amount to a payee or funds are received on behalf of and made available to the payee.

“Nominated Account” means the bank account that you have nominated for us to which we send the proceeds of a currency Trade.

“Payment Account” means an account held in the name of one or more customers through which customers are able to place funds, withdraw funds and execute and receive payment transactions to and from third parties, including the execution of credit transfers. A Payment Account with us is not any of the following: a savings account, a credit card account where funds are usually paid in for the sole purpose of repaying a credit card debt, a current account, a mortgage account or an e-money account.

“Payment Instruction” means a request from you to us to make a duly authorised payment to yourself or your nominated third party including full bank account details of the Nominated Account.

“Payment Order” means an instruction given to us by you, usually given simultaneously when placing an FX Trade, including the source of funds, destination of the purchased currency and the reason for the transfer.

“PS or Payment Service(s)” means we are providing you with a Payment Service, in accordance with the Payment Services Regulations (2017), when there is a third-party beneficiary or a third-party payee.

“PSD or Payment Services Directive” refers to the Payment Services Directive (currently in its second form known as PSD2) which is an EU Directive, administered by the European Commission to regulate payment services and payment service providers throughout the European Union (EU).

“PSRs or Payment Services Regulations” refers to the Payment Services Regulations which are UK legislations. HM Treasury transposed PSD2 into UK legislation in the Payment Services Regulations 2017 (PSRs 2017) and these were published on 19 July 2017. The Financial Conduct Authority (FCA) monitor and enforce compliance with most parts of the PSRs 2017.

“Payment Transactions” are those transactions that include a “Payment Service”.

“Principal Banking Partner” means our primary financial institution who we hold our Segregated and Safeguarded client bank accounts with.

“Safeguarded Accounts” are designated bank accounts used to hold customer funds separately from the firm’s own funds in order to protect client’s money in the event of our insolvency. Optimal Currency holds Safeguarded Accounts with Banking Circle.

“Segregated Accounts” refers to bank accounts in which we hold Customer money relating to Payment Services, and are always kept separate to Optimal’s own funds. A segregated account is <u>not</u> necessarily a ‘Safeguarded Account’.

“Services” means the Services provided under the agreement between you and us.

“Settlement” refers to the completion of a contract when all parties have been paid.

“Spot” refers to a standard Trade to exchange currency with settlement within a few days (normally two Business Days) of the Trade date.

“Trade” means a foreign exchange conversion where one currency is sold in exchange for another with an agreed Settlement date. A Trade can be on either a Spot or a Forward basis.

“Trade Confirmation” is the evidence provided by Optimal Currency that describes the details of the Trade after it has been agreed.

“Unique Identifier” is the identifier to be provided by you, the customer, for a Payment Instruction to be properly initiated or executed. For example, for a transfer to a UK bank, the payee bank’s sort code and account number might be specified as the Unique Identifier and for a transfer to a French bank the payee bank's International Bank Account Number (IBAN) and Bank Identification Code (BIC) might be specified as the Unique Identifier.

"vIBAN" stands for Virtual International Bank Account Number. Each vIBAN is unique and individually allocated per customer, and all vIBAN's are linked to Optimal Currency's Customer bank accounts.