POLICY OF MEASURES SAFEGUARD OF THE FUNDS OF THE CUSTOMERS

FINPAY ELECTRONIC MONEY INSTITUTION , SAU

CONTROL OF CHANGES

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1. INTRODUCTION AND SCOPE OF APPLICATION

The purpose of this document is determine the policies and appropriate procedures that allow guarantee the protection and security to the customer funds deposited with the Entity, in compliance with the regulation applicable.

According to it established to the regard in the Law 21/2011 and RD 778/2012, FINPAY as an entity that provides services of issuing electronic money, must adopt the appropriate procedures and measures to safeguard the rights of property of the customers, and systems of security to preserve the integrity, availability, and confidentiality of information of their customers and account with a plan of continuity of business with plans of contingency for guarantee, in case of interruption of their systems and procedures, he maintenance of the service either, when If this is not possible, timely recovery of data and functions for resumption of their services.

This document lists the action measures and procedures internal to achieve in the subject of safeguarding of client funds.

There remain included within of its scope, all the funds that have a relationship with the benefit of the services of emission of money electronic transactions carried out by FINPAY to its clients, expressly mentioning the activities of administration and custody, regardless of the route through which it was generated the operational.

The services that FinPay is authorized to lend of accordance the following are authorized by the Bank of Spain:

(i) Electronic money. Issuance, distribution and reimbursement of electronic money ("Electronic Money Services").

(ii) Services of pay. Execution of operations of pay, included the transfer of funds, through a payment account with the user's payment service provider or another provider of

services of pay, including the orders permanent ("Payment Services").

2. PROCEDURE AND OBLIGATION TO SAFEGUARDING OF FUNDS

Royal Decree 778/2012, of May 4, on the legal regime of electronic money entities, establishes in its Article 16 the requirements of safeguard of the funds of the customers in the following terms:

> *Guarantee requirements. 1. Electronic money institutions shall safeguard the assets received in exchange for electronic money. issued either for the benefit of services of pay not linked to said issuance, subject to the procedure provided in the article 21.1.a) of the Real Decree-law 19/2018, that prescribes the deposit of said assets in account separate either investment in safe, low-interest assets risk. (…)*
>
> *(..) they will consider assets insurance, liquids and of low risk for the purposes of it provided saying article: to) Deposits the view in credit institutions subject to prudential supervision and domiciled in Member States of the European Union. The denomination of these deposits must do mention expressly refers to their status as "customer balances of an 'electronic money entity'". The entities of money electronic they will watch Because, within the framework of the provisions of Article 16 bis of Law 21/2011, of 26 July, the conditions of such deposits do not contravene it provided in the article 21.1.a) of the Real Decree- Law 19/2018, of November 23*.

The safeguarding obligation only applies to "protected assets", which turn out to be customer funds held by the Entity.

FINPAY does not execute operations of pay no linked to the broadcast of money electronic.

In consequence, the funds entered by the customers in his money electronic account are object of safeguard from the moment of their receipt without there being, therefore, periods of execution of payment operations in which the funds are not adequately safeguarded of accordance with the present Policy.

These relevant funds are: The amounts received from a user for the issuance of electronic money and the execution of transfers until their effective reimbursement.

To the effects of guaranteeing the protection of the funds and cash of clients in the development of the activities contemplated by the regulations current, the beginning rectors that they base the safeguard of funds are the following:

- Distinguishing a client's own funds from those of other funds clients and of the FINPAY.

- To guarantee the accuracy and consistency of the electronic money issued and of the funds and cash received of customers, so as well as those resulting from the execution of payment operations.

- Guarantee that the assets of the customers deposited with a third (ie) entity of credit) he distinguish of the assets and financial instruments of said credit institution and other assets and financial instruments of FINPAY, requiring the credit institution to use accounts with a different name in its accounting, that allow differentiate the check of safeguard of other accounts that operate in regime general.

To complyin addition to the above, FINPAY has established a structure of accounts separate (own) and of safeguard) and in his system

Computer a record of accounts of assets that allows differentiate the funds by account own of the funds of the customers, and inside of these identify the funds of each of them through the registered sub-accounts by FINPAY.

This structure of funds by account own and by account of customers, it is held in one or more credit institutions (according to the register of entities) internal updated in each moment), located in he European Economic Area and multi-currency, or designated in euros and/or in any other foreign exchange accepted in each moment by FINPAY (e.g., dollars), (in forward, the "Entity of Credit" either "Depositary").

In addition, and to the effects of differentiating the funds own of FINPAY of the of their customers, FINPAY has open accounts operational differentiated from the accounts of safeguard for the payments and collections relatives to the normal traffic of the company.

3. ACCOUNT SAFEGUARD

3.1 Shape of Safeguard the funds

Royal Decree 736/2019, of December 20, establishes measures on payment entities and electronic money entities (EMEs), developing aspects specifically of the Law 21/2011 and details different options for safeguard the funds of the customers.

So same in the Art. 21 of the Real Decree-law 19/2018, of 23 of November specify the ways in the that is possible to safeguard the funds.

In the case of FINPAY, the shape of safeguarding the funds of their customers is:

Segregation of Assets

- The funds are maintained in accounts separate of the own accounts of the entity.

- The accounts are open in one or several Entities of Credit.
- The entity's accounting must accurately reflect the separation between assets of customers and own assets.

3.2 Selection of the entity depositary

In the frame of the operational of emission of money electronic, FINPAY must deposit the funds whose tenure ostentatious by account of their customers, in accounts open with a entity of credit, to condition of that act with the due competence, attention and diligence in the selection, designation and review periodic of that Depositary.

In compliance with it former FINPAY, in the choice of the Depositary, has taken in consideration the following:

- It must be an entity of authorized credit in the European Economic Area.
- It must be an entity of recognized prestige.
- It must count with high volumes of custody in their reference markets .
- It must count with the enough experience and solvency to level world.
- It must comply with the related market requirements and practices with the tenure of said funds.

The procedure of assessment and revision of the quality of the services The Depositary's role is fulfilled by FINPAY's Regulatory Compliance Function.

The results of the evaluation are submitted to the Finance/Reporting Department. will be in charge to determine the suitability of the Depositary proposed and authorize his choice of the change of Depositary.

The procedure of assessment and revision of the quality of the services of the Depositary HE will having in account it willing in he corresponding contract that FINPAY have signed with each entity depositary and it

established in the EBA/GL/2019/02 Guidelines on outsourcing, of the Authority Banking European.

3.3 Characteristics of the account safeguard

The Real Decree-law 19/2018, of 23 of November, of services of pay and others measures urgent in subject financial, demands that the entities paid and of money electronic protect the funds that receive of third parties in a separate account, in the that the funds enjoy of a right absolute separation.

This is, that in case of contest of FINPAY, the funds that HE they are found in bliss account No HE they will consider property of FINPAY and the creditors of this won't be able to apply them to the collection of their credits.

The safeguard account is a special current account whose the purpose is to separate the funds of clients who use the services of FINPAY. By This reason in this account:

- Commissions will not be charged, by it that FINPAY must always have another current account open at the Credit Institution other than the safeguard account, or reach another agreement on the collection of fees. with the Entity of Credit that No implies he post commissions in the same. The commissions accrued in the account safeguard HE will owe in this account linked and never in the check of safeguard.
- Debts will not be offset against the account of safeguard.
- FINPAY only will be able provide of the funds deposited in the account of safeguard through you execution of transfers according to the operations of pay ordered by their customers. No will be able perform operations of cash in office, through ATM automatic,

direct debits, emission of checks, promissory note either securities values either, in general, any other different to orders of transfers.

- They cannot be offered as collateral for asset transactions (pledge).
- The account of safeguard he will identify as account that maintains balances to favor of customers of FINPAY, and in the same no he will pay amounts that do not belong to the customers - including interest that can generate positive account balances - nor will amounts be charged that No correspond to the customers, regardless of the concept of that hE try.

3.4 Management of Funds: Conciliation Daily

The conciliation between the funds of the account safeguard and he equivalent of money electronic issued he performs daily (days (skillful) to end to detect possible discrepancies and the same be resolved efficiently.

- Reconciliations are performed for each open safeguard account by FINPAY.
- If it detects a deficit in the funds of the customer in the conciliation, the responsible of the conciliation identifies he reason of the discrepancy and introduce funds for eliminate he deficit it before possible.
- If it identifies a surplus, the have to identify the reason, he Amount and withdraw funds to eliminate the surplus as soon as possible. The surplus situation must be reported to Bank of Spain it before possible. A time deducted saying excess, it is verified that FINPAY always maintains sufficient funds for continue fulfilling their requirements of capital and equity.

The conciliation expected in this paragraph is checked by a different person is the that the ha done.

Reconciliation is automatic with the approval of the Head of Management of Technology/Operations and he check by the responsible of the Financial/Reporting Department.

A record is kept of each reconciliation carried out and the reconciliation work performed is documented through a record of each conciliation (with number of record and detail).

FINPAY guarantees the accuracy of internal records of funds received and held by its clients, carrying out reconciliation processes through the internal computer application available at any given time the reconciliation processes described below:

- Daily (days (skillful) HE reconciles the information received of the Entity of Credit regarding the accounts of safeguard, to end to verify the consistency with the sub-accounting records established by FINPAY in that the details he amount of electronic money issued for each customer.

- In case of detecting incidents derivatives of the comparison balances of the accounts of safeguard with the registered by FINPAY is document in a report, explaining the differences and resolution dates.

  There can only be two exceptions to the coincidence in the conciliation (which are not qualify as "incidents" by form part of the operational FINPAY standard payment):

(i) Emission of money electronic. The emission of money electronic it is carried to cape by Finpay in the day D, being "D" he day natural in the fact that HE receives he file AEB43 of the bank in he that HE maintains the check of safeguard specifically.

  The bank, for its part, sends the AEB43 file to Finpay on D+1 (natural), being "D" he day skilled in he that he bank receives the funds from customer (by example, the bank receives the funds a Friday,

send the file to Finpay on Saturday and Finpay issues the electronic money he Saturday).

(ii) When a customer requests an electronic money refund, Finpay orders the transfer:
   - the application that receives a day skilled, he following business day to the of reception of the application;
   - If the application is received on a non-business day, it will be considered received the following day skilled and Finpay orders the transfer on the business day following the "receipt consideration" date.

For these purposes, the Electronic Money Entity maintains records and accounts necessary for distinguishing in any moment and without delays the funds of the customers of FINPAY.

The daily conciliation performs of manner automatic through the platform managed by FINPAY, however, is monitored to ensure there are no discrepancies. between the funds received and reconciled by part of the responsible for the Address of Technology/Operations.

3.5 Communication and follow-up continuous of relevant aspects in subject of Safeguard.

FINPAY informs its clients, through its contract, Terms and Conditions document / General Conditions, of the relevant aspects of this policy.

Furthermore, the fund safeguarding procedure used by FINPAY is listed in the Special Register of electronic money entities of the Bank of Spain.

Finally, if a client requires more information regarding any specific point of this fund safeguarding policy, such requests will be channeled through the Regulatory Compliance Function.

In the event of significant changes to this policy, FINPAY will inform its customers through its publication in the web.

3.6 Balance handling No identified

FINPAY No wait that with his operational exist balances without identify, but of be so, in the process of conciliation he will identify as “pending assign". Daily, He will observe Yeah there are funds earrings to allocate. If outstanding balances have been identified to a customer, these he will maintain together with the rest in the safeguard account, although they will be recorded as "unidentified balances". The necessary steps will be taken to determine which client these balances correspond to on the date they are identified. FINPAY will identify in a term maximum 15 days the balances without identify.

4. ORGANIZATIONAL STRUCTURE AND CONTROLS

FINPAY has a defined control structure regarding its safeguard account(s).

Daily operations are carried out by the people responsible for the Technology/Operations Department and the Finance/Reporting Department.

Likewise, Compliance Function is responsible for periodically monitoring the suitability of the established measures and identifying potential areas for improvement that may need to be addressed. to the Organ of Administration of FINPAY.

4.1 Those responsible for coordination and implementation of the measures of Safeguard of Funds

The Internal Control and Communication Body (ICCB) oversees the safeguards. The functions performed by the Regulatory Compliance Function are:

- Review and monitor the implemented systems and processes to ensure compliance with the safeguarding rules.
- Coordinate with the designated officials the proper application of the Safeguard measures.
- Inform of any infringement to the director general of FINPAY so that HE values by this, they will adopt the appropriate measures and be brought to the attention of the Administrative Body if appropriate.
- Check and supervise the agreements of safeguard.
- Collect and review the results derivatives of the annual audit by the Function of Audit Internal Medicine account of Safeguard. No additional external audits are carried out.
- Consider recommendations to the Organ of Administration over the mitigation of the main one's risks of safeguarding.
- Ensure that safeguard mitigation controls are included in FINPAY's risk framework.
- Review and assist in updating policies and safeguarding procedures.

- Mitigate the decrease in funds by identifying and subsequently improvement of the control's relatives to the procedure's liquidation.

Additionally, the person in charge of the head of the Financial/Reporting Department is responsible for daily monitoring to ensure that safeguards for accounts opened with credit institutions are satisfactorily implemented and maintains direct contact with the Depositaries for guarantee that No HE den discrepancies between the deposited and reconciled funds.

4.2 Supervision Continued: Transparency and Reports

The responsibility last of the custody and administration of the funds from their customers assumes FINPAY, being the people designated the who are ultimately responsible for complying with this policy.

However, FINPAY's liability in relation to the sub-deposit does not extends to the damages, damages either losses that may occur with respect to the clients' funds and/or their returns as a result of bankruptcy or insolvency situations of the Depositary, unless it has not acted diligently in his selection and supervision of agreement with the aforementioned criteria for make sure of the experience and prestige in the Depositary market.

The deposit scheme that FINPAY maintains with the Depositories is provided for as an Annex to this Policy.

4.3 Policy of rights of access

The people that have access - together with the guy of access- to the accounts of safeguard are (regard of all the accounts of safeguard which FINPAY maintains):

Guy of Access	Departments/People
Access for operate the account (perform operations)	– D. Juan Antonio Soriano, Managing director. – Mrs. Raquel López, Responsible for the Financial/Reporting Department. – D. Vicent Roca, responsible of the Directorate of Technology/Operations.
Access of display	– D. Juan Antonio Soriano, Managing director. – Mrs. Raquel López, Responsible for the Financial/Reporting Department. – D. Vicent Roca, responsible for the Directorate of Technology/Operations.

4.4 accounts accountants

The accounts accountants of asset and passive that go to have the relationships with customer funds are as follows:

Asset – 572 Treasury

Passive – 561 Deposits of customers to CP

5. MANAGEMENT OF INSOLVENCY

If a case of insolvency occurs under the terms contemplated in the applicable legislation relating to FINPAY customer funds, he credit to favor of said customers by he money electronic

issued and the services of borrowed pay HE will attend with post to the assets and assets protected that have been segregated with priority over all other creditors.

No right of compensation or real security may be exercised over the common fund of assets.

The safeguard allows for the allocation of funds in safeguard accounts to the account holders in the event of FINPAY's insolvency, so that the liquidator can distribute them accordingly. Therefore, it is essential to ensure that reconciliations are performed to guarantee that customer funds are correctly accounted for and protected by the safeguard.

6. TRAINING CONTINUES AND AWARENESS

In the security environment of electronic money institutions, employee awareness and training is essential to ensure compliance normative, the protection of the funds of the customers and knowledge of the responsibilities specifically in the management of these funds.

Besides, the protection of the funds of safeguards are converted in a fundamental pillar to protect the entity against errors, theft, fraud, misuse improper losses.

The training program of FINPAY expects the training of the staff at least two times to the year, and with an elderly frequency Yeah out necessary in case of new threats as consequence of the implementation of new measures of security by part of FINPAY.

7. CONCLUSION

FINPAY, as a regulated financial entity, has the obligation to comply with current regulations and specific obligations in safeguarding of the assets of their customers (Law 21/2011, RD 778/2012 and Directive 2009/110/EC), for this reason, the This protocol is to protect customer funds in a rigorous and controlled manner.

This protocol includes clear separation of funds, regular reconciliations, careful selection of the custodian, and strict restrictions on the safeguard account.

This set of measures reflects the firm commitment of FINPAY to guarantee a higher level of protection for its clients' funds.

The measures established aim to strengthen regulatory compliance in this area and contribute to reducing security incidents, preserving the entity's reputation, and protecting the functioning of our operations.

Appendix

RELATIONSHIP OF ACCOUNTS OF SAFEGUARD

The following is indicated the relationship of accounts safeguard that the Entity maintains open in other entities: