

Moorwand Safeguarding Statement

Moorwand is an authorised Electronic Money Institution (EMI), regulated by the Financial Conduct Authority (FCA) in the UK, it is authorised to provide payment services and issue electronic money (e-money), subject to the Payment Services Regulations 2017 and the Electronic Money Regulations 2011.

The e-money balance on your accounts is held by Moorwand at a bank. While this may sound similar to what a bank does when funds are received into a current account, Moorwand is not a bank and there are key differences you should be aware of:

- i) we do not take your money as a deposit to use for our own purposes, or lend to other customers; and
- ii) your e-money is not covered by the Financial Services Compensation Scheme (FSCS).

To ensure your money is safe, we hold your funds in segregated accounts, meaning it is separate from Moorwand's funds. It is also 'safeguarded', meaning there are assurances from the bank that in the unlikely event Moorwand was to go out of business the money is protected for the use of Moorwand customers and could not be used to offset any debt Moorwand may owe.

Safeguarding is a regulatory requirement for all EMIs designed to protect customers from the risk of losing funds. Funds are reconciled at least daily and we have to have an independent expert validate that we are meeting our obligations each year.

In the event of Moorwand becoming insolvent, an insolvency practitioner would be appointed to return the funds we have safeguarded to customers. This means you would get most of your money back, except for the costs deducted by the insolvency practitioner for distributing the money to our customers. In addition, due to the insolvency process, it could take longer for money to be returned to you than if the account was held by a bank.

More information about using a non-bank payment service provider and the protections they offer can be found on the FCA's website at

<https://www.fca.org.uk/consumers/using-payment-service-providers>