

ONBOARDING OUTSOURCING POLICY

KEY PRINCIPLES

This policy applies where either the Supplier EEA or the Supplier UK outsources the onboarding of Merchants to the Client and can be enforced by either the Supplier EEA or the Supplier EEA against the Client, depending on which of the entities is outsourcing the onboarding.

1. DEFINITIONS

1.1 For the purposes of this Onboarding Outsourcing Policy, the following words and phrases will bear the following meanings:

“**Agreement**” means the agreement (including both the Key Terms and General Terms and Conditions), together with any schedules, annexes, policies, guidelines and procedures (as set out in the Key Terms and GTC) and amendments agreed in writing and executed by both parties from time to time. In the event of any conflict between the documents that comprise the Agreement, unless there is specifically a statement to the contrary in the General Terms and Conditions, the Key Terms shall prevail over the General Terms and Conditions which shall prevail over any schedules, annexes, policies, guidelines and procedures. Any amendments agreed in writing and duly executed by the Parties shall expressly state which paragraphs and clauses in which document they vary.

1.2 Capitalised terms which are not defined above shall have the meanings set out elsewhere in the Agreement.

2. OBLIGATIONS

2.1 The obligations set out in this policy shall apply retrospectively to all Merchants that are currently live on the Services and for all Merchants that will be set live in the future.

2.2 Before entering into any discussions with Merchants regarding the Services, the Client must have entered into a mutual non-disclosure agreement to ensure the Confidential Information the Client shares with the potential Merchant, including any of the Supplier’s Confidential Information is adequately protected.

2.3 Prior to setting any Merchant live on the Services, the Client is required to have in place a commercial contract between the Client and the Merchant that as a minimum addresses the following obligations:

2.3.1 There must be confidentiality provisions no less onerous than those between the Supplier and the Client as set out in clause 9 of the Key Terms.

2.3.2 Any material issues and or errors with the service experienced by the Merchant or caused by the Merchant must be reported to support@token.io as soon as possible and in any event within 24 hours of the Client becoming aware of the incident.

2.4 Prior to setting any Merchant live on the Services, the Client must have undertaken basic due diligence checks on each Merchant, which as a minimum includes checking the following: company registration check, sanctions screening, whether there are any politically exposed persons (“PEP”), identification verification of the ultimate beneficial owner, credit checks, financial crime checks and any negative statements appearing in the media. The results of these due diligence checks and all supporting documentation must be made available to the Supplier for audit purposes, and such checks should be undertaken at least annually.

2.5 As the Supplier is responsible for the regulated activity, the End User must understand that the Supplier is carrying out a regulated activity. The Client warrants that the End User will know at all times that the principal regulated party in the provision of the regulated activity is the Supplier.

2.6 All End Users must have a clear understanding of who they contact in the event of any dispute, error or problem with any transaction processed by the Supplier. The Supplier’s role in undertaking the regulated activity must be made clear to the End User.

- 2.7 The Client must ensure that each of its Merchants are committed to treating each End User fairly and consistently with respect to the following outcomes:
- 2.7.1 **Outcome 1:** End Users can be confident they are dealing with firms where the fair treatment of customers is central to the corporate culture.
- 2.7.2 **Outcome 2:** Products and services marketed and sold in the retail market are designed to meet the needs of identified consumer groups and are targeted accordingly.
- 2.7.3 **Outcome 3:** End Users are provided with clear information and are kept appropriately informed before, during and after the point of sale.
- 2.7.4 **Outcome 4:** Where consumers receive advice, the advice is suitable and takes account of their circumstances.
- 2.7.5 **Outcome 5:** End Users are provided with products that perform as firms have led them to expect, and the associated service is of an acceptable standard and as they have been led to expect.
- 2.7.6 **Outcome 6:** End Users do not face unreasonable post-sale barriers imposed by firms to change product, switch provider, submit a claim or make a complaint.
- 2.8 The Parties agree to work together to identify an End User's transactions and data. This could be achieved through a common transaction number that allows the Supplier to pull relevant records in order to delete data, transfer data or investigate a fraud/disclosure. The objective of the Parties is to reach agreement on the best way to manage this no later than thirty (30) days after the Agreement Date.
- 2.9 Client will permit the Supplier to undertake an annual audit of the Merchant onboarding activities to ensure compliance with the requirements of this policy ("**Onboarding Audit**") as well as an infrequent number of dip testing of Merchant / End User onboarding throughout each 12-month period ("**Adhoc Onboarding Audit**"), such number to be determined by the Supplier in its absolute discretion.
- 2.10 Where the Supplier identifies deficiencies or issues with Client's onboarding activities as set out in this policy, either as a result of the Onboarding Audit or any Adhoc Onboarding Audit or for any other reason, the Client warrants that it will take all necessary steps to remedy any deficiencies within thirty (30) days and shall provide evidence as so requested by the Supplier to demonstrate that the issue(s) have been resolved to the Supplier's satisfaction. If the Client fails to remedy any deficiencies within this thirty (30) day period, the Supplier may terminate the Agreement for material breach under [clause 15.1.1 of the GTC](#).