

Restricted and Prohibited Business Guidance (Client Version)

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Data Classification: Private and Confidential

Prohibited Customer Types

| Customer Types | Nature/Definition |
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| Shell Banks | <p>A Shell bank is a bank that has no physical presence in the country in which it is incorporated and licensed, and which is unaffiliated with a regulated financial group that is subject to effective consolidated supervision.</p> <p><i>'Physical presence'</i> means management located within a country. The existence simply of a local agent or low-level staff does not constitute physical presence.</p> |
| Individuals or entities who intend to set up anonymous accounts or accounts in fictitious names | Anonymous accounts are not supported; if an account is tokenized/numbered, sufficient personnel should have access to owner identity information so as to ensure appropriate CDD and oversight is maintained on such accounts. |
| Unregistered Charities | This includes both exempt and excepted charities that are not registered, licensed, regulated or supervised by an official authority/commission. |
| Bearer share companies (and operating as such), except for those that are publicly traded on a recognized exchange. | Bearer share companies issue shares whereby the ownership is assigned to whoever has physical possession of the share certificates. |
| Businesses involved or linked to illegal / unlawful activity | Unlawful/Illegal includes but is not limited to: Money Laundering, Terrorist Financing, Human Trafficking, Political Corruption, and illegal Wildlife Trafficking |
| Individuals or entities sanctioned by applicable law and/or regulations. | The group will not establish a relationship with any individual or entity that is sanctioned. |
| Banking or Financial Services | <ul style="list-style-type: none"> • Banks and other Financial Institutions, for example investments and securities • Lending (whether regulated or unregulated) • Debt Collection Agencies • Payment Service Providers • Money Service Business • Cash Intensive Businesses |

Prohibited Industries, Activities and Transaction Types

| Customer Types | Nature/Definition |
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| Adult Entertainment and Prostitution | <ul style="list-style-type: none"> • Adult entertainment (including audio-visual, videography and literary) • Dating services • Escort services • Pay-per view • Pornography • Sex toy shops (both physical and online) • Sale, purchase and/or advertising of sexual services, sex chat lines or chatrooms, erotic or pornographic images or video downloads or tokens. |
| Gambling or Online Gaming or Casinos | <ul style="list-style-type: none"> • The use of or participation in illegal gambling houses, • Sports or event-based betting • Casino games (whether digital or physical) • Online Loot Boxes • Payments involving internet gambling services (e.g., daily fantasy sports, online poker) • Transactions in brick and mortar casinos and betting machines • Payments involving electronic gaming platforms that facilitate the purchase of virtual gaming assets • Raffles for monetary or material prizes (including sweepstakes) |
| Political organizations or Government embassies/ Government IDs and licenses | <ul style="list-style-type: none"> • Political donations • Payments to embassies, consulates and diplomatic missions embassies or • Payments for replicas and novelty Government Issued IDs and particularly counterfeit products. |
| Narcotics, non-prescription products, and drug paraphernalia | <ul style="list-style-type: none"> • Chemicals or plants that emulate a banned substance • Cannabis/CBD/THC products • Dispensaries (online or physical) • Drug paraphernalia • Equipment for making drugs • Illegal drugs |

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| | <ul style="list-style-type: none"> • Online pharmacies • Research chemicals • Items described in a way that suggests a product will have drug-like effects (for example, a "legal high") • Hallucinogenic or wild mushrooms • Hoodia plants • Human Growth Hormone (HGH) • Khat plants • Marijuana, including cannabis seeds • Methylenedioxymethamphetamine (ecstasy) • Steroids or listings that state the item has the same results as steroids. • Drug paraphernalia. Examples of items concerned with drugs paraphernalia include but are not limited to: certain pipes - made from a variety of materials including; water pipes, chamber pipes, electric pipes etc. • Complete disposable syringes and needles. |
| Firearms, weapons, explosives and dangerous materials | <ul style="list-style-type: none"> • Weapons of any kind (including knives, swords, novelty blades, firearms, or projectile launchers) • Components of weapons (includes part kits and 80%-gun parts) • Gunpowder/fireworks/explosive powders • Nuclear, biological, flammable or chemical goods • Acids or alkalis |
| Weaponry or defence equipment | <p>Services involving the sale of weapons or knives. Examples include:</p> <ul style="list-style-type: none"> • Knives • Blowpipes • Crossbows • Throwing stars and similar weaponry • Leaded canes, staffs, crutches or sticks • Nightsticks, truncheons, batons, police riot batons • Plastic, brass or other metal knuckledusters • Weapons which discharge noxious liquids or gases such as tear gas or pepper spray dispensers. |
| Ponzi/ pyramid selling schemes | <p>These are also known as:</p> <ul style="list-style-type: none"> • Matrix selling • "Get rich quick schemes" • Network marketing |

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| | <ul style="list-style-type: none"> ● Franchise Fraud ● Chain Referral Scheme <p>Ponzi schemes are activities which are performed without due regulatory authorization or regulation which promise people or investors high returns or dividends that are not usually available through traditional investments. Payments are made to existing members through funds paid by new investors and generally fails or collapse when no more money is paid in but seems genuine but in fact all money is gone, and investors will not receive a return.</p> <p>Pyramid schemes are similar to Ponzi schemes in that although investors are encouraged to recruit more people and money by being paid commission when they do. The activity generally ignores the actual selling of a product or service, and would be prohibited if such person is carrying out a regulated activity without a license in the normal course of business, and concentrate on the commissions consumers could earn by recruiting new distributors – they may or may not involve the sale of products.</p> <p>Matrix schemes involve the exchange of money primarily for being added to a waiting list for a product, the person at the top of the list receives the product only after they have recruited a set number of people below them.</p> <p>The schemes above are generally unauthorized and/or unregulated activities which may ultimately constitute fraud through scamming. Whilst MLM activities may not be illegal, depending on the nature of the activities and marketing it may constitute an illegal activity, in particular in relation to activities that would normally require a license to conduct business.</p> |
| Timeshares or other property reservation payments | This includes both on and off plan property sale. |
| Unregistered Charity services | This includes both exempt and excepted charities that are not registered, licensed, regulated or supervised by an official authority/commission. |
| Virtual Currency Mining | Payments related to Virtual Currency Administrators or Miners (as defined in U.S. Department of the Treasury Financial Crimes Enforcement Network (FinCEN) Advisory in FIN-2013-G001) are prohibited |

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| Payments facilitating the sale/distribution or servicing of illegal products/services or unlawful activity | <ul style="list-style-type: none"> • Any service or product that is in violation of local or international laws or restrictions, or involves intellectual property or proprietary rights infringement • Any service or product that promotes hate, violence, racial intolerance, abuse, discrimination, or financial exploitation of a crime. • Dual-use goods • Education certificates from a non-certified provider • Essay writing providers • Fake IDs • Counterfeit or imitation goods • Sales of licensed media without authorization |
| Business practices involving modern slavery and/or human trafficking | Any form of services involving forced or compulsory labour (whether an adult or child), slavery, servitude, human trafficking and exploitation, supply chain services that may involve any of the items listed in this section, traffic or arranging of prostitution |
| Disclosure of 3rd party information or unauthorized File Sharing | Any transactions associated with services that show the personal information of third parties in violation of applicable law, it will not support the sale of e.g.: <ul style="list-style-type: none"> • Bulk email • Internet Protocol (IP) • Instant Messenger (IM) • ID Documents • Mailing lists that contain names, addresses, phone numbers, or other personal identifying information • Any tools or software designed predominantly to send unsolicited commercial messages (UCE or "spam") |
| Activities or transactions linked to wholesale cash distribution | Whether domestic and/or international, business or transactions which involves the distribution of cash including bank notes and coins services |
| Activities or payments that involve the use of an Informal Value Transfer System | A IVTS refers to any system, mechanism, or network of people that receives money for the purpose of making the funds or an equivalent value payable to a third party in another geographic location, whether or not in the same form. The transfers generally take place outside of the conventional banking system through non-bank financial institutions or other business entities whose primary purpose or business activity may not be the transmission of money. |
| Activities or transactions that appear to circumvent currency controls | <p>Currency controls, foreign exchange controls or currency exchange controls refer to restrictions applied by some governments to ban or limit the sale or purchase of foreign currencies by nationals and/or the sale or purchase of local currency by foreigners.</p> <p>Currency controls are mostly used by governments who fear that free convertibility could lead to unwanted currency appreciation or volatility, also known as 'trade competitiveness and macroprudential' objectives.</p> |

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| | Currency controls often pose serious challenges to international companies, either by hindering cash transactions or by making it difficult to use financial instruments such as currency forward contracts to hedge FX risk |
| Activities or transactions relating to Virtual Currency Exchanges ¹ and/or Cryptoasset Exchange Providers ² or Custodian Wallet Providers ³ (that are direct customers), who are not duly licensed or are not subject to regulatory AML program requirements or not domiciled in a FATF member country. | Any activity relating to such matters need to ensure that such service, counterparty or customer is duly licensed under an appropriately recognized AML regime and be located in a FATF member country. |
| Activities or transactions that involve third-party payment processors that resell their services to a third-party | For example, agent or provider of Independent Sales Organization opportunities or gateway arrangements or payments related to the provision to banking services to Financial Institutions (aka nested/downstream correspondent banking services) not approved by Banking Partners and that do not have an AML and Sanctions Program in place. |

¹ as defined in U.S. Department of the Treasury Financial Crimes Enforcement Network (FinCEN) Advisory in FIN-2013-G001

² as defined in the Money Laundering and Terrorist Financing (Amendment) Regulations 2019

³ as defined in the Money Laundering and Terrorist Financing (Amendment) Regulations 2019

Restricted Business

These business types are deemed to carry a higher than usual degree of risk. Transactions and customers within the below industries may be supported but will be subject to prior approval from Compliance.

| Customer Types | Nature/Definition |
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| Nutraceuticals (Non-prescription products). | <p>Products that claim to provide medical or health benefits, products may include:</p> <ul style="list-style-type: none"> • Vitamins • Supplements • Detox and Weight loss products • Herbal and holistic remedies |
| Prescription drugs and devices | <p>Any business which engages in the production, sale or distribution of:</p> <ul style="list-style-type: none"> • Any medicinal product which does not have a marketing authorization for sale in the relevant jurisdictions. • Any substance in a form as requiring a prescription from, or supervision of, a licensed practitioner. This includes both Prescription and Pharmacy Only substances including, but not limited to: <ul style="list-style-type: none"> ○ Components of prescription or over-the-counter drugs unless the sale of such components without a prescription has been approved by the relevant authority ○ Repackaged over-the-counter medications. |
| Multi-level marketing | <p>Multi-level marketing schemes include any business in which a person receives proceeds from both his or her own sales, as well as those of recruited members.</p> <p>Where such activities represent are closely linked to Ponzi or Pyramid Schemes, they will be considered prohibited activities.</p> |
| Tobacco | <p>The Group will not violate industry laws or applicable regulations regarding the online sale of:</p> <ul style="list-style-type: none"> • Cigarettes • Cigars • Electronic cigarettes • Pipe tobacco • Snuff tobacco |
| Travel and tourism | <p>Travel and tourism is considered a high-risk industry.</p> |

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| Charities | <p>The group does not support payments involving unregistered charities.</p> <p>For consideration to be given the charity registration number must be obtained</p> |
| Precious metals | <p>Payments involving precious metals must be made to/from registered precious metal dealers.</p> <p>Payments involving precious metals dealers that purchase metals from pawnbrokers / unregistered dealers and other secondary sources are not permitted.</p> |
| Motor vehicles dealers or auctions | <p>Motor vehicle dealers or auctions are considered high value dealers and require further due diligence. This is because payments at auctions or for motor vehicles regularly involve cash.</p> <p>High Value dealers must have the appropriate registration/authorizations</p> |