

Risk Appetite Statement

(Prohibited and accepted activities guidelines)

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Purpose and Scope

BANXE LTD (hereinafter BANXE) performing its activities as a Distributor of Tompay LTD (hereinafter Issuer) that is authorised by the Financial Conduct Authority as an Electronic Money Institution under the Electronic Money Regulations 2011 (931509). BANXE is committed to ensure that its activities comply with legal, regulatory as well as ethical standards, at all times.

Therefore, Prohibitions or Restrictions apply in relation to certain activities, businesses, flows and/or transactions (hereinafter, collectively, “Activities”) that may be carried out by BANXE, its Partners as well as by their customers “End-users”.

BANXE reserves the right to amend this list, at its or Issuer entire discretion, on the basis of legal or regulatory requirements as well as the evolution of BANXE’s own risk appetite.

These Guidelines apply prior to the establishment of a business relationship (refusal to enter in business relationship) as well as during the business relationship (blocking of wallets or accounts, and termination of business relationships).

Not sure whether BANXE can support your business? Please contact one of our experts to see if we’re the right fit for your project.

Zero tolerance

BANXE has no appetite to engage in any of the following Activities:

- a) Activities that are carried out by, or on behalf of, entities or individuals included in international sanctions list, as they apply to BANXE. Such lists may consist of general embargoes on countries, ows, transaction types and parties, but also of lists of individuals, entities or countries involved or potentially involved with acts of terrorism or financing thereof;
- b) Activities that are illegal in the jurisdictions where BANXE operates or may plan to operate, including Activities that may appear legitimate but are established to circumvent legal or regulatory prohibitions or restrictions;
- c) Activities that would require that BANXE provides services to individuals or entities established in jurisdictions from the “prohibited” list that is identified by BANXE in accordance with its risk appetite.
- d) Any other Activities that are carried out for the purpose of or in conjunction with money laundering or terrorism financing, including the facilitation thereof.

Prohibitions and Restrictions

- BANXE defines additional criteria (“Prohibitions” and “Restrictions”) that apply to certain Activities.
- Prohibitions cannot be lifted. Restrictions to certain high risk Activities may be lifted or reduced at BANXE’s Authorised Management discretion and on a no-commitment, case-by-case basis.
- Prohibitions and Restrictions may apply also in those cases where Activities are conducted on an ancillary or accessory basis.
- BANXE’s appetite for Activities may evolve with time. Certain Prohibited or Restricted Activities may have been accepted in the past and some of them still be supported by BANXE, with no obligation on BANXE to immediately terminate the relevant business relationships.

- The list of Prohibitions and Restrictions constitutes a reference framework and should not be considered as being exhaustive.

1. Prohibited Activities

The following Activities are prohibited. This list may also include prohibited Activities as imposed by the Issuer, Card Schemes or BANXE's banking partners.

1.1. Adult and sexually oriented

- a) Adult entertainment, pornography or related digital or non-digital contents, adult dating, adult pay-per-view, adult webcams**

The definition includes any type of adult entertainment and related, including activities, businesses or transactions that facilitate such prohibited activities.

- b) Prostitution, escort services, non-therapeutic massage services**

This includes any assimilated or potentially assimilated services, such as adult clubs, strip clubs, cabarets, etc.

- c) Underage porn or assimilated**

This definition includes any written, audio or visual contents, services, hosting, facilitation thereof, with no limitations in scope, semantics or context.

1.2. Activities that may be illegal, or subject to specific regulations or licenses

- a) Weapons (war) including Firearms**

Any sale, trading, renting, borrowing, financing or related activities, businesses or transactions are prohibited. Business industries which take any part in production or sale of firearms, their parts, explosives, gunpowder or ammunition.

- b) Counterfeit, unlicensed or smuggled goods**

Any type of related activities, businesses or transactions.

- c) Drugs, legal or illegal; narcotics, psychotropic substances, cannabis and derived substances, drug paraphernalia**

Any type of related activities, businesses or transactions, unless underlying goods qualify as pharmaceuticals or parapharmaceuticals and therefore are subject to relevant applicable rules.

- d) Cyberlockers, IPTV**

Anonymous file storage service providers, download websites, IP based TV channel streaming websites.

- e) Data (including personal or sensitive data) sale/purchase**

Any sale, purchase, sharing, facilitation of personal or sensitive (including, potentially personal or sensitive) data on a B2B/B2C and C2C regardless of the underlying business model.

- f) Unregulated auctions**

- g) No-value-added services**

Resale of services without added benefit such as government offerings or sites which are deceptive or predatory towards customers.

- h) Manufacture of tobacco products**
- i) Psychic services, unlicensed therapists**

This includes any assimilated or potentially assimilated services (psychic, medium, astrology, divinatory arts, unlicensed therapists) exercising their services without a license or qualified professional training.

1.3. Unfair practices

- a) Multi-level, pyramidal, affiliate marketing activities or assimilated**

Any multi-level marketing schemes which may be associated with any unfair marketing or selling practices.

- b) Profiles: account sharing or renting on streaming platforms or similar (Netflix, YouTube, Spotify, etc.)**

Sharing or reselling/renting of profiles/accounts on media platforms may be illegal in certain jurisdictions and not acceptable under the Terms & Conditions of the concerned platforms.

1.4. Financial services

- a) Shell banks and shell corporations as well as other entities which provide services to shell banks and shell corporations.**
- b) Companies offering bearer shares**
- c) Debt collection services**

Debt collection services by agencies, liquidators, notaries, lawyers, etc.

- d) Financial services (unlicensed)**

Any type of financial services that are not carried out in accordance with applicable licensing/approval requirements.

- e) Binary options**

Binary options are a risky form of derivatives which often contain an "all or nothing" structure that give investors a 50 per cent chance of losing their entire investment amount and have short contract durations.

- f) Unlicensed Trading/Brokerage services**

Unlicensed Trading of bonds, shares, futures, securities, investments, hedging services, FX services or other financial products.

- g) Crowdfunding, crowd-lending/financing (unregulated)**

Non-regulated platforms that do not benefit from a formal licensing/approval including a fit and proper test of administrators, and that are not obliged entities under the relevant Member State AML laws and regulations.

1.5. Other high risk activities

- a) Donations: charities, NGOs, political parties or political activities**

Registered and legally operating charities and Non-governmental organizations. Donations/collections are not allowed in consideration of enhanced risks of terror financing, bribery and corruption. Acceptable exceptions

include accepted crowdfunding platforms, as long as the underlying users abide by the restrictions above, or special situations (humanitarian crises, well-known international organisations, locally known NGOs).

b) Timeshares

Property rental services with divided form of ownership and use rights.

c) Atomic Power

Business industries which has direct relations with atomic power supply, provision or storage.

d) Extractive industries

Business industries dealing with extraction of minerals from earth including drilling, pumping, quarrying and mining.

e) Embassies / Consulates

f) Auctions, Penny auctions

Penny Auctions (i.e. auctions where participants are required to advance a non-refundable payment to participate) and similar concepts are prohibited. Certain Auctions may be accepted under specific circumstances.

2. Prohibited Jurisdictions

BANXE or its Issuer may not make the Services available in all jurisdictions and may restrict or prohibit the use of the Services from, and by residents or nationals of, the below jurisdictions. BANXE reserves the right to update this list when it is necessary and at own or Issuer discretion.

Country	ISO 3166-1 alpha3	Country	ISO 3166-1 alpha3
Gibraltar	GIB	Afghanistan	AFG
United Arab Emirates	ARE	Morocco	MAR
Jordan	JOR	Myanmar	MMR
Turkey	TUR	Nicaragua	NIC
Mali	MLI	Pakistan	PAK
Albania	ALB	Philippines	PHL
Vanuatu	VUT	Senegal	SEN
Barbados	BRB	South Sudan	SSD

Burkina Faso	BFA	Syria	SYR
Cambodia	KHM	Uganda	UGA
Trinidad and Tobago	TTO	Yemen	YEM
Cayman Islands	CYM	Zimbabwe	ZWE
Haiti	HTI	Iran	IRN
Panama	PAN	North Korea	PRK
Jamaica	JAM		

3. Prohibited type of transactions or ownership

Transactions, activity, ownership or relations	Transactions in favor or benefit to/from any people, entities or asset currently subject to targeted financial sanctions imposed by the United Nations, US (OFAC), UK or EU.
Transactions, ownership	Transactions to/from jurisdictions or ownership, residency with/in jurisdictions from the “Prohibited” list identified by BANXE.
Transactions, ownership	<p>Transactions to/from Russian and occupied territories* or Belarus.</p> <p>Authorized person, Director and, or Beneficial owners, private persons individuals who ultimately, directly or indirectly own or control 25% or more of the shares or the voting rights or property of a legal company and are incorporated or residents in Russian and occupied territories* or Belarus</p> <p><i>*“Crimea region of Ukraine”</i>: the Crimea Region of Ukraine means the Autonomous Republic of Crimea and the city of Sevastopol, and includes their land areas and territorial sea. <i>“DNR region of Ukraine”</i>: the so-called Donetsk People’s Republic and the territory it controls in the Donetsk oblast of eastern Ukraine. <i>“LNR region of Ukraine”</i>: the so-called Luhansk People’s Republic and the territory it controls in the Luhansk oblast of eastern Ukraine.</p> <p>Presentment within the company structure of the PEP(s), PEP(s) associated/family member or a state-owned enterprise (SOE) with the strong links to Russia, Belarus - any amount of shares</p>
Transactions	<u>Transactions that are related to Prohibited type of Activities indicated by BANXE.</u>

4. Restricted Activities

The following categories of Activities are Restricted and can be accepted only on the basis of formal approval by BANXE's Authorised Management.

4.1. Cryptocurrencies, crypto-assets*¹

Any type of crypto-related activities, businesses or transactions, unless the platform is both licensed and regulated.

Cryptocurrencies, crypto-assets and assimilated Activities must be provided or conducted in association with a UK/EU-level financial regulated activity, such as: banking or credit institution, Payment or e-money institution, Asset Management, or anyway other financial service authorised pursuant to a EU directive.

When this is not available, national licenses may be considered as long as they include three key elements: i) effective supervision by a local regulator; ii) need to undergo a fit and proper assessment by a local financial regulator; iii) being obliged entities under national AML/CTF laws.

4.2. Betting, gaming, e-casinos, lotteries, skill games and assimilated*

Any type of related activities, businesses or transactions, even when the winnings have no immediate or obvious monetary value. That companies must an appropriate license and effective supervision by a local regulator and meets national AML/CTF laws in accordance to applicable EU Directives.

4.3. Financial services*

Any type of financial services including Trading and Brokerage services must be regulated with applicable licensing and approval requirements. That entities must have effective supervision by a local regulator and meets national AML/CTF laws in accordance to applicable EU Directives.

4.4. Money transfer and money remittance*

Any type of money transfer and/or money remittance services (MSBs), with an appropriate license or regulated as a Payment Services Provider.

4.5. Auctions

Auctions may be accepted under specific circumstances, including the holding of a valid license/registration in the jurisdiction of establishment, acceptability of types of goods sold and the target market of investors/bidders.

4.6. Precious goods

a) **metals, stones, or other precious materials including raw materials and natural resources (oil, natural gas, etc.) wholesale, trading, transportation thereof.**

Includes any marketplace, trading platform, trade financing activities, transport, etc. Excludes retail sales (e.g. gas stations, jewelers).

b) **watches, jewelries, art objects**

Only luxury items professional sellers issuing certificates and licenses.

¹ *Regulated only

4.7. Alcohol, alcoholic beverages, spirits

Retail sale of any such products.

4.8. Tobacco, e-cigarettes, other assimilated goods

The sale of such goods to the general public. Wholesale or trading may be acceptable subject to individual and specific approval.

4.9. Pharmaceutical goods and services

Online sale/trading of pharmaceutical goods, with or without prescriptions unless the seller is appropriately licensed and goods are authorised in the country of establishment of the platform and of the countries of establishment of buyers and sellers.

4.10. Para-pharmaceutical, dietary goods, fitness integrators not qualifying as pharmaceutical goods

Online sale, trading of goods not subject to prescriptions unless legally acceptable in the country of establishment of the platform and of the countries of establishment of buyers and sellers.

4.11. Travel agencies, online travel bookings, travel facilitators, carriers

4.12. Games competitions and tournaments where competitors may obtain winnings or other advantages as long as these have no immediate or obvious monetary value

4.13. Automotive parts and services

Industries dealing with automotive parts, services and accessories except sale of second-hand vehicles.

4.14. Used cars dealerships

Sale of second-hand vehicles.

4.15. Lawyers and notary services

4.16. Sale of real-estate or real-estate agents