

## Paydentity KYC continues to drive applications

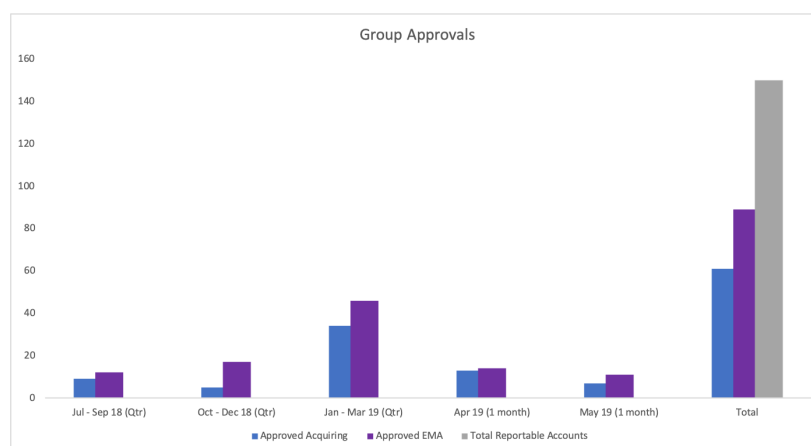
### Highlights

- Company's patented AML KYCC system continues to drive applications
- More than 150 applications now approved and reportable<sup>1</sup>
- Paydentity also used to identify directors and beneficial owners for KYB

**Melbourne, 16<sup>th</sup> June 2019:** iSignthis Ltd ("the Company"), is pleased to announce that it has now approved more than 150 reportable accounts<sup>1</sup>. The focus this last month has been on more complex and larger entities, in sectors adjacent to our CFD/FX core markets. Onboarding of approved merchants continues at a pace driven by the merchant integrating to our API's, consistent with our guidance and expectations.

The Company's Paydentity® service continues to be the key commercial driver for new business applications, whereby businesses seek to utilise iSignthis' patented Paydentity® technology to meet their Anti Money Laundering obligations, and in particular their Customer Due Diligence (CDD) requirements for both onboarding end users/consumers and business partners. **As an EU regulated entity**, our Paydentity® AML process has been submitted to our regulators, and it forms a key component of our Australian regulatory compliance approach.

CDD includes identification and verification not only of the end user or consumer, but also of other businesses in the value or delivery chain. For example, iSignthis performs CDD on its merchants, and under AUSTRAC and EU rules, we identify and verify the Ultimate Beneficial Owners (UBO's)<sup>2</sup> and Directors of each entity that we do business with, which is a part of our Know Your Business (KYB) process.



The KYB process must be employed by parties that stand in the value chain, between consumers and merchants, including iSignthis, and other regulated and unregulated entities that may provide payment, credit, buy now pay later, marketplace and emoney services. KYB is a requirement under EU and Australian regulatory requirements and is most often the slowest and most difficult component of new merchant acquisition. We utilise Paydentity to perform aspects of KYB, but also to allow us to Know our Customer's Customer (KYCC). iSignthis uniquely 'looks through' its merchant's transactions and identifies our merchants' customers to a CDD level, allowing both iSignthis and its merchants for whom it processes payment to meet their CDD requirements.

In Australia, Paydentity® meets the CDD requirements of the *Anti-Money Laundering and Counter Terrorism Funding Regulations*, allowing our merchants to benefit from our patented technology to take advantage of the Digital Safeharbour provisions, whilst we process payments on their behalf. The iSignthis KYCC process delivered via Paydentity® thus has the dual benefit of allowing our Fintech customers and merchants to comply with their AUSTRAC and/or EU regulatory requirements, whilst at the same time de-risking our own operations as we track money flow from the consumer through our systems and to the merchant.

<sup>1</sup> Under the terms of the Company's EU licensing, active accounts are reported to the Central Bank each month.

<sup>2</sup> <http://www.austrac.gov.au/meeting-beneficial-owner-obligations>

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**Australian Securities and Frankfurt Stock Exchange listed iSignthis Ltd (ASX: ISX | FRA: TA8)** is the global RegTech leader in remote identity verification and payment authentication coupled with deposit taking, transactional banking and payment processing capability. iSignthis provides an end-to-end on-boarding service for merchants, with a unified payment and identity service via our Payidentity™ and ISXPay® solutions.

By converging payments and identity, iSignthis delivers regulatory compliance to an enhanced customer due diligence standard, offering global reach to any of the world's 4.2Bn 'bank verified' card or account holders, that can be remotely on-boarded to meet the Customer Due Diligence requirements of AML regulated merchants in as little as 3 to 5 minutes. Payidentity™ has now onboarded and verified more than 1.6m persons to an AML KYC standard.

- **iSignthis Payidentity™** service is the trusted back office solution for regulated entities, allowing merchants to stay ahead of the regulatory curve, and focus on growing their core business. iSignthis' subsidiary, iSignthis eMoney Ltd, trades as ISXPay®, and is an EEA authorised eMoney Monetary Financial Institution, offering card acquiring in the EEA, and Australia.
- **ISXPay®** is a principal member of Visa Inc, Mastercard Inc, Diners, Discover, (China) Union Pay International and JCB International, an American Express aggregator, and provides merchants with access to payments via alternative methods including SEPA, Poli Payments, Sofort, Trustly, WeChat, AliPay and others.
- **UAB Baltic Banking Service, ("BBS")** a wholly owned subsidiary of iSignthis Ltd, provides API based access to SEPA Core, SEPA Instant and SEPA business schemes ("CoreConnect"), for neobanks, banks, credit unions and emoney institutions, and provides a bridge to the Central Bank of Lithuania's CENTROLink service. Document Management ("DocPlus") and Payment Management Systems ("PayPlus") form part of the product suite, with BBS contracted to deliver these services to a number of regulated entities.
- **Probanx Information Systems Ltd (Probanx®)**, a wholly owned subsidiary of iSignthis Ltd, is an international banking software company which has been serving the banking industry since the year 2000 by developing comprehensive banking software solutions to financial institutions around the globe. Probanx offers web-based banking solutions using the latest technology and international standard business rules. Our customers are located on five continents and supported from our technical centres in Europe and Australia. iSignthis' Probanx delivers core banking software, including a fully comprehensive and versatile banking solution for retail, corporate and private banks, emoney and payment institutions, offering capabilities that up until now were affordable only by large commercial banks.

Read more about the company at our website [www.isignthis.com](http://www.isignthis.com), <https://www.bbsservice.lt/en/> and [www.probanx.com](http://www.probanx.com)

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