

TRUSTLY'S MERCHANT ACCEPTANCE POLICY



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Introduction

This document briefly summarizes what types of Merchant businesses Trustly will and will not accept for boarding, as well as licensing requirements and geographic restrictions for offering Trustly's payment service. The document provides a brief overview of our acceptance policy; however, all Partners should also familiarize themselves with Trustly's AML/CFT Requirements for Partners, which can be found on our Partner portal.

Prohibited lines of business

Currently, Trustly policy does not permit the processing of any of the transaction types below:

- adult entertainment (businesses where revenue is gained in part or whole from explicitly sexual material, including, but not limited to content (images and other media)), escort services, etc. If unsure whether a business might be considered as such (e.g. dating sites) please turn to us first to have it reviewed.
- marijuana dispensaries and related businesses,
- Pseudo-pharmaceuticals,
- illegal drugs and drugs paraphernalia,
- weapons and munitions (ammo, equipment, explosives), except for sports and antiques/collectors' items,
- pyramid selling, Ponzi schemes or other "get rich quick" schemes,
- fortune tellers, mediums and other services speculating around supernatural phenomena,
- distributing items protected by copyright law (licensed software, file sharing, music, etc.) without a valid license/authorisation in place in the form of an IPR statement;
- shell banks as defined under FATF recommendations;
- computer (including remote) tech support/performance optimisation/virus removal solutions (sellers/authorised resellers of downloadable and installable antivirus software fall outside of scope of this prohibition);
- "Asset-holding vehicles": trusts, foundations (apart from charity foundations), private wealth management structures.
- Merchants selling Nazi or fascist memorabilia or militaria, both replicas and original artefacts

Additional Collecting Partner-specific restrictions

- Collecting Partners wishing to board money remittance Merchants must hold a valid banking license in accordance with local requirements from applicable EU/EEA authorities;
- Non-Profit Organizations/NGOs (e.g. charities, foundations) can not be boarded via Collecting Partners/in a Collecting set-up
- Merchants considered "investment" Merchants (most commonly MCC 6211 or 6012: Most often FX traders, CFD and securities brokers, crowdfunding and crowdlending services, investment funds, trust providers or managers, or providers of investment advice):
 - need to be screened by Trustly KYC team prior to enabling the processing services
 - those found to be Investment Merchants:
 - need to be boarded on individual processing accounts, not via Master Processing Accounts/Express Merchant Onboarding.
 - will be reviewed in-depth via i) [supplementary CFD questionnaire](#) and ii) an additional evaluation against a special controls checklist to determine whether the merchant falls within Trustly's risk appetite.
- A PSP boarded by a Collecting Partner of Trustly's must act exclusively as a PSP and not as an end Merchant. Additionally, such boarded PSPs must always provide information to Trustly about the end Merchants selling goods or services to end-consumers. This can be achieved either by setting up an individual processing account for such end Merchants (required for gambling operators and financial

services merchants) or providing information over API in SenderInformation[] or RecipientInformation[] attributes.

What licenses are required?

Merchants using Trustly's service must be in possession of a valid license or Registration when required by applicable law, or alternatively, such regulated merchants must hold a valid exemption to possessing an otherwise required license. Partners holding client relationships with such merchants shall ensure that required licenses are in place for all relevant markets where Trustly's service is provided. For example, if a non-EU financial institution wishes to target EU customers in a particular member state, it is the Partner's obligation to ensure that the merchant has the necessary authorisation or exemption to do so.

While licenses can be passported across the EU, exemptions cannot. If client's business model was exempted from regulation in one member state, it may require some form of supervision in another state.

Trustly will always control validity and applicability of licenses, etc, when there is a direct service agreement in place between Trustly and the Merchant (i.e., for all gambling merchants and for all Partner Merchants using a Technical Partner to access Trustly's service).

For gambling operators Trustly will only accept licenses issued in EU/EEA, Gibraltar, Isle of Man and Alderney. Gambling will require a direct contract between the operator and Trustly, and validity and applicability of licenses will be verified by Trustly according to our KYC procedures.

Collecting Partners will conduct the due diligence on their Merchants, and Trustly will not check the Merchants' licenses during the initial review; however, Trustly reserves the right to verify Merchants' licenses at a later stage, and we may contact Partners for further verification if we have questions or doubts.

Below are generic guidelines on the business models most commonly requiring licenses. These guidelines are meant to help you determine whether license registration or exemption may be required for individual Merchants' business models.

- Electronic money business (also featuring prepaid cards) -- Electronic money institution license/registration
- Provider of payment services (including marketplaces unless falling under exemptions under PSD2), remittance -- Payment institution license (covering all applicable activities);
- Money remittance business (see restricted lines of business) -- Requires full authorisation rather than registration.
- Investment services (leveraged trading, CFD, brokerage accounts, etc.) -- Investment firm license (MiFID regulated)
- Insurance -- Insurance license
- Loan origination -- Credit institution, registration with the relevant authority or exemption (e.g based on maximum loan value).
- Crypto exchange platforms with a valid European license: investment firm, payment institution or an e-money institution. -- Note: additional contractual, Due Diligence, boarding and KYC requirements apply to Collecting Partners and Crypto exchange platform merchants. Please contact your Partner Account Manager for additional details. .

In what countries can Partners sign up merchants?

Technical Partners

Only merchants from the following jurisdictions can be boarded by Technical Partners:

- European Union
- Norway

Collecting Partners

Non-EU Merchants can be boarded by EU licensed Collecting Partners under individual processing accounts and after receiving approval from Trustly, or via [Trustly's Express Merchant Onboarding](#) setup.

Sanctions regime

No Merchants may be boarded for Trustly's service by any partner if the Merchants are registered or based in any of the jurisdictions listed in the below sanctions list issued by the European Commission.

<https://www.sanctionsmap.eu/#/main>