

## Bitcoin, Digital Currency and AML/CFT eKYC via Paydentity™

### Highlights

- **iSignthis welcomes Justice Minister's statement to include digital currency exchange sector into Australian Anti Money Laundering (AML) regulations**
- **iSignthis Paydentity service already providing identity verification eKYC and processing services to US and EU companies, including Coinify.com and Blockchain.info**

**Melbourne, 18<sup>th</sup> August 2017**- Australian Securities and Frankfurt Stock Exchange cross listed iSignthis Ltd (ASX : ISX / FRA ; TA8), the leading RegTech/KYC transactional banking technology provider ("the Company"), welcomes the announcement yesterday<sup>1</sup> by The Minister for Justice, The Hon Michael Keenan, MP of a bill to strengthen Australia's money laundering (AML) laws, including bringing bitcoin providers under the remit of AUSTRAC, the government's financial intelligence unit.

The Company is an EU regulated Monetary Financial Institution (SWIFT BIC ISEMCY21), that has been providing and continues to provide anti money laundering transaction monitoring, payment processing and remote enhanced due diligence / know your customer (KYC) for digital currency exchanges in both the US and the EU.

The Company is currently providing services to Coinify.com and Blockchain.info and is contracted to provide services to blockex.com / blockexmarkets.com, btcxe.com. and BuyCoinNow.com, amongst others.

The proposed Australian bill will align Australia with Japanese legislation and the proposed EU legislation, and we believe will bring important community benefits along with certainty to the digital currency sector. It will likely facilitate regulated growth for the sector, and for service providers such as the Company.

The iSignthis Paydentity™ solution brings together the conventional banking system, card payments, transactional monitoring and AML KYC such that digital currencies can be seamlessly integrated into the existing financial system, whilst meeting their AML regulatory requirements in the US, EU, Japan and shortly Australia. In contrast to highly localised services that focus principally on Australian residents, Paydentity™ provides global reach of up to 62% of the world's population<sup>2</sup>, allowing for rapid KYC on boarding of any 'bank verified' financially included person, this capability can in turn can provide Australian digital currency exchanges with global reach and scale opportunities, in the context of meeting their regulatory compliance requirements.

Further, our agreement with JCB International<sup>3</sup>, whereby we can accept payments from JCB cards for Fintech and digital currencies via Paydentity™, will bring further benefits to the digital currency community. The service is due to launch late September/ early October, and interest from digital currency exchanges and Fintech has been very strong.

The Company's processed payment transaction volumes associated with digital currency have grown by more than 250% between January 1st and June 30<sup>th</sup> 2017, and continue to experience rapid compound growth.

<sup>1</sup> <https://www.ministerjustice.gov.au/Media/Pages/Crackdown-on-money-laundering-and-terrorism-financing-17-august-2017.aspx>

<sup>2</sup> World bank 2015 Findex, <http://datatopics.worldbank.org/financialinclusion/>

<sup>3</sup> <http://www.asx.com.au/asxpdf/20170626/pdf/43k5l7fsx0l012.pdf>

### **About Paydentity**

Paydentity™ is the world's most advanced automated identity and payments platform, incorporating real time remote verification of end users domiciled in any FATF (Financial Action Task Force), MONEYVAL or equivalent low risk jurisdiction, leveraging verification of 'bank verified' payment instruments to establish identity. The Paydentity™ platform allows our merchants to on-board their customers at a much faster rate, whilst also increasing their overall customer reach.

The iSignthis® solution incorporates cascading KYC, which supplements UK residents data supplied from credit reference agencies, electoral roll and government public access data, with Paydentity™ data. This approach minimises customer friction for UK residents, by augmenting partial "1+1 matches" and "no match" customers with Paydentity payment instrument verification (PIV) and associated data and metadata, to deliver enhanced due diligence to satisfy the JMLSG (Joint Money Laundering Steering Group) and 4AMLD (Fourth Anti-Money Laundering Directive).

For customers domiciled in the rest of Europe or elsewhere in the world, where independent and reliable databases such as those found in the UK and Australia are limited, Paydentity™ provides our merchants with global reach and access to over 3.5Bn 'bank verified' potential customers, optimising customer on-boarding and conversions with marketing campaigns.

### **About iSignthis Ltd (ASX : ISX)**

Australian Securities Exchange listed iSignthis Ltd (ASX : ISX) as the global leader in remote identity verification, payment authentication and payment processing to meet AML/CFT requirements. iSignthis provides an end-to-end on-boarding service for merchants, with a unified payment and identity service via our Paydentity™ 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 3.5Bn 'bank verified' card or account holders, that can be remotely on-boarded to regulated merchants in as little as 3 to 5 minutes.

iSignthis Paydentity 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, trading as ISXPay®, is an EEA authorised eMoney Institution, offering card acquiring in the EEA, Australia and New Zealand.



Read more about the company at our website [www.isignthis.com](http://www.isignthis.com).

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