FX RAILS AG

ACCEPTABLE USE POLICY

Company: FX Rails AG
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1. Introduction

This Acceptable Use Policy (“Policy”) sets out the rules and restrictions governing the use of services provided by FX Rails AG (“FX Rails”, the “Company”, “we”, “us” or “our”).

By accessing or using the Company's services, you (“Client” or “you”) agree to comply with this Policy, the applicable Terms and Conditions and all laws and regulations relevant to your activities and transactions.

You acknowledge that you are responsible for ensuring that your use of FX Rails services is lawful, including compliance with applicable sanctions, anti-money laundering, counter-terrorist financing, consumer protection and other regulatory requirements.

This Policy applies to natural persons and legal entities using FX Rails services and, where relevant, to transactions involving customers, merchants, counterparties, beneficiaries and other transaction participants.

FX Rails reserves the right to decline, suspend, restrict or terminate transactions or business relationships where an activity is prohibited under this Policy, falls outside the Company's risk appetite or cannot be subjected to satisfactory due diligence, subject to applicable law and contractual obligations.

2. Prohibited Activities

FX Rails does not knowingly permit its services to be used for unlawful, fraudulent, deceptive or otherwise prohibited purposes.

Clients must not use FX Rails services for transactions involving the following activities, goods or services.

2.1. Illegal and Fraudulent Activities

1. Illegal goods, services or activities prohibited under applicable law.
2. Money laundering, terrorist financing, proliferation financing or sanctions evasion.

3. Fraud, identity theft, phishing, scams or deceptive commercial practices.
4. Ponzi schemes, pyramid schemes and other fraudulent investment schemes.
5. Corruption, bribery or transactions involving proceeds of criminal activity.
6. Activities promoting, facilitating or instructing others to engage in illegal conduct.
7. Transactions intended to circumvent applicable sanctions, regulatory restrictions or financial controls.
8. Businesses or transactions where the source of funds, source of wealth, beneficial ownership or underlying commercial purpose cannot reasonably be established.

2.2. Prohibited Goods and Services

FX Rails prohibits transactions involving:

1. Stolen goods, including digital and virtual goods.
2. Counterfeit goods or goods infringing patents, trademarks, copyrights or other intellectual property rights.
3. Illegal drugs, narcotics, controlled substances or related paraphernalia.
4. Illegal or unauthorised pharmaceuticals.
5. Weapons, firearms, ammunition, explosives and other prohibited or unlawfully traded weapons.
6. Human trafficking, exploitation or forced labour.
7. Child sexual abuse material or any sexual content involving minors.
8. Illegal adult content or services.
9. Illegal wildlife trade or trade involving protected species.
10. Goods or services promoting racial hatred, intolerance, violence or unlawful discrimination.
11. Unlawful disclosure, sale or exploitation of third-party personal information.
12. Products or services identified by competent government authorities as unlawful or fraudulent.

2.3. Prohibited Financial Activities

The following activities are prohibited:

1. Unlicensed or unauthorised financial services where regulatory authorisation is required.
2. Unlicensed money transmission, payment services, foreign exchange services or virtual asset services.
3. Relationships or transactions involving shell banks.
4. Anonymous or fictitious accounts.
5. Unlicensed cryptocurrency exchanges, virtual asset service providers or fraudulent crypto investment schemes.
6. Cryptocurrency mixing or tumbling services and anonymity-enhancing services designed to conceal the origin or destination of funds.
7. Transactions involving illicit darknet marketplaces.
8. Financial transactions or arrangements intended to conceal criminal proceeds or evade applicable financial controls.

2.4. Gambling and Gaming

FX Rails prohibits transactions involving:

1. Illegal gambling, betting, lotteries or gaming activities.
2. Gambling services operated without all licences and authorisations required in the relevant jurisdictions.
3. Unlicensed casinos or gambling operators.

FX Rails does not provide services in connection with gambling, betting, sports betting, lotteries or other games of chance, whether or not licensed, and does not accept Clients active in the gambling or sports sector.

2.5. Additional Restricted Activities

The following categories, derived from the Company's general acceptable-use restrictions, are prohibited unless expressly authorised by FX Rails following an appropriate legal and risk assessment:

1. Transactions involving cigarettes or other tobacco products.
2. Transactions involving steroids or products posing an unacceptable consumer safety risk.
3. Transactions involving prescription drugs or regulated personal medical devices.
4. Transactions involving sexually oriented materials or services that are unlawful or otherwise unacceptable under the Company's risk policies.
5. Transactions relating to annuities, lottery contracts, layaway systems or offshore banking arrangements.
6. Transactions intended to finance or refinance debts funded by credit cards.
7. Sale of money orders or travellers' cheques.
8. Transactions involving the sale of goods before the seller has control or possession of those goods, where the arrangement presents unacceptable fraud or settlement risk.

FX Rails may apply additional restrictions to specific products, business models or transaction types based on applicable law, its risk assessment and the requirements of its banking and payment partners.

2.6. Non-Serviced Business Sectors

FX Rails does not establish business relationships with Clients active in the following sectors: adult entertainment; art and antiques; military and arms; gambling and sports; exotic animals.

3. Prohibited Countries and Territories

FX Rails does not establish business relationships with, onboard customers resident or incorporated in, or knowingly process transactions originating from or destined for

jurisdictions that are prohibited under its applicable sanctions obligations or internal risk appetite.

The following jurisdictions are prohibited under FX Rails' current risk appetite, irrespective of the scope of sanctions applicable to them:

1. Afghanistan
2. Belarus
3. Cuba
4. Iran
5. Myanmar
6. North Korea (Democratic People's Republic of Korea)
7. Russian Federation
8. Syria

FX Rails also prohibits transactions involving the following sanctioned or restricted territories, where applicable:

1. Crimea
2. Sevastopol
3. Donetsk
4. Luhansk
5. Kherson
6. Zaporizhzhia

This list is not exhaustive.

FX Rails also does not establish business relationships with persons domiciled or carrying on business in, and does not execute transactions to or accept transactions from, the following jurisdictions: Burundi, Central African Republic, Democratic Republic of the Congo, Guatemala, Guinea, Guinea-Bissau, Haiti, Iraq, Lebanon, Libya, Mali, Moldova, Nicaragua, Somalia, South Sudan, Sudan, Venezuela, Yemen and Zimbabwe.

FX Rails does not accept Clients domiciled in the United States of America or its territories or otherwise subject to taxation in the United States.

FX Rails will not process transactions involving any jurisdiction, territory, individual or entity where doing so would breach applicable Swiss sanctions, United Nations sanctions or other sanctions and regulatory requirements applicable to FX Rails or its banking and payment partners.

4. High-Risk Jurisdictions and Politically Exposed Persons

Jurisdictions identified by the Financial Action Task Force (FATF), the European Union or other competent authorities as presenting increased anti-money laundering or counter-terrorist financing risks may be subject to Enhanced Due Diligence, additional transaction monitoring, restrictions or rejection.

Inclusion on a FATF increased-monitoring list does not automatically result in prohibition.

FX Rails applies a risk-based approach and may impose additional restrictions depending on the nature of the Client, transaction, jurisdiction and applicable regulatory requirements.

Politically Exposed Persons (“PEPs”), their family members and persons known to be close associates are not prohibited solely on the basis of their status.

Business relationships and transactions involving PEPs are subject to Enhanced Due Diligence in accordance with applicable Swiss anti-money laundering requirements.

FX Rails may decline or restrict such relationships based on its risk assessment.

5. Sanctioned Persons and Entities

FX Rails does not provide services to or process transactions involving:

1. Persons or entities subject to applicable asset-freezing sanctions.
2. Persons or entities owned or controlled by sanctioned persons where applicable sanctions rules extend to such ownership or control.
3. Terrorist organisations or persons associated with terrorist organisations.
4. Entities established for the purpose of circumventing sanctions.
5. Virtual asset wallets or addresses designated under applicable sanctions or identified as owned or controlled by sanctioned persons.
6. Counterparties whose identity or beneficial ownership cannot be adequately established.

Clients, beneficial owners, counterparties and relevant transaction participants may be screened against applicable sanctions lists and other relevant watchlists.

6. Prohibition of Circumvention

Any attempt to conceal or misrepresent the true origin, destination, beneficiary, beneficial owner, purpose or jurisdiction of a transaction in order to circumvent this Policy is strictly prohibited.

Prohibited circumvention methods include the use of:

- Intermediaries or shell companies.
- Nominee arrangements.
- Third-party accounts.
- Alternative payment routes.
- False or misleading transaction descriptions.
- Misrepresented customer or merchant information.

Clients must not structure transactions or use other arrangements intended to bypass FX Rails' anti-money laundering, counter-terrorist financing, sanctions or fraud-prevention controls.

7. Compliance and Enforcement

FX Rails reserves the right, subject to applicable law and contractual obligations, to:

1. Refuse to execute or process a transaction.
2. Request additional information or documentation.
3. Apply Enhanced Due Diligence.
4. Suspend or restrict access to services.
5. Decline or terminate a business relationship.
6. Report suspicious activities to competent authorities where legally required or permitted.
7. Take other appropriate measures to prevent unlawful activity or mitigate financial crime and reputational risks.

FX Rails may decline any transaction that it reasonably considers potentially fraudulent, illegal, illicit or otherwise inconsistent with this Policy.

Where legally permitted, FX Rails may inform the Client of the reasons for a restriction or refusal.

Nothing in this Policy obliges FX Rails to disclose confidential monitoring procedures, sanctions-screening methodologies or information whose disclosure is prohibited by law.

8. Review and Amendments

FX Rails reviews its prohibited activities and jurisdictions at least annually and whenever material changes occur in applicable sanctions regimes, FATF publications, regulatory requirements or the Company's risk appetite.

FX Rails may amend this Policy or impose additional restrictions where necessary to comply with applicable legal or regulatory obligations or the requirements of its banking and payment partners.

The latest version of this Policy will be published on:

https://fx-rails.com/

9. Contact Information

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Email: info@fx-rails.com

For questions regarding this Acceptable Use Policy or whether a particular activity is permitted, please contact FX Rails before initiating the relevant transaction.