

ISXPay®: deposit taking via own BIC: ISEMCY22XXX**Highlights**

- IBAN based accounts now being issued, following successful testing and certification of Software
- Client Funds deposited with zero credit risk under EU's "Eurosystem" Central Banking system
- Bi-directional bank to bank transfers live on 04th December 2018 across EEA/SEPA and Switzerland
- eMoney Account (EMA) facilities connected to ISXPay card processing capabilities.
- \$4M FY2019 annualised contribution to Gross Profit based on approved customers to date

Brussels, 31st October 2018: iSignthis Ltd subsidiary, iSignthis eMoney Ltd, trading as ISXPay® ("the Company"), is pleased to announce that testing of its deposit taking facilities and software systems has been completed. The resultant International Bank Account Number (IBAN) accounts will shortly be online and IBAN accounts will be interbank network locatable via ISXPay's SWIFT / Bank Institution Code (BIC) ISEMCY22XXX.

ISXPay can from 4th December accept deposits directly as a monetary financial institution, with customers at other monetary financial institutions able to route funds directly to ISXPay eMoney accounts (EMA) holders, by referencing ISXPay's BIC ISEMCY22XXX, and the EMA customer's account name and IBAN.

The facilities allow the Company to;

- open Euro (€) denominated eMoney accounts (EMA), in the name of legal or natural persons
- allocate global network locatable international bank account numbers (IBANs) to those accounts
- electronically accept and transfer funds from/to any of the ~4200 SEPA¹ scheme connected banks and branches in the EU28, EEA including Norway, Lichtenstein, Monaco, San Marino, Iceland and Switzerland
- provide zero credit risk facilities to ISXPay depositing customers, under the Eurosystem of central banking
- utilise central banking to accept Euro (€) settlements from card and payment schemes, directly into its own ISXPay accounts, removing reliance on third party banks for ISXPay clearing and settlement processes.

The service is due to be live across the SEPA by no later than 4th December 2018, being the date the Pan European Clearing House (PEACH) will complete batch updates and broadcasts to its member banks. SWIFT and EPC² member banks have already been notified as at 26th October, as part of finalising the SEPA testing process, with ISXPay being network locatable and visible to some banks already.

Commercial Update & Model

The Company has completed due diligence on a number of corporate customers and will finalise the opening of approximately 25 corporate accounts this week and next, representing estimated annual gross profit contribution for the company in excess of \$4m. Further corporate applications are being processed.

The Company is focussed on servicing corporate customers initially with eMoney services, with EMA services to the general public by Q2 2019. ISXPay will also offer eMoney accounts in other currency denominations, and in particular USD\$, GBP£, HKD\$, SGD\$, CAD\$, AUD\$ and CHF, by Q2 2019.

Corporate EMA facilities are managed from our Cyprus office, via a private banking style relationship management, specifically tailored for our customers in the Adult, CFD, FX, spread-betting, Money Service, Remittance, Wagering and eGaming industries, and their affiliates.

Revenues are based upon the following fee structure;

- Service Fee - % Fee for all external inflows into the EMA account
- Service fee - Discounted % Fee for all internal EMA to EMA inflows
- Daily Holding Fee (Zero Credit Risk) - Overnight EURO LIBOR rate for balances held with Central Bank
- Payout Fee - Flat Fee for Outbound transfers via SEPA

iSignthis CEO, John Karantzis, said "ISXPay's ability to open IBAN based eMoney accounts is a game changer for payments in the EEA. AML regulated sector corporate customers now have a zero-credit risk option for deposits, connected to the ISXPay payment processing and Payidentity™ identity verification platforms. The integration of the Probanx.com CorePlus core banking module later this year will provide our customers with advanced online banking facilities, including for redemption of eMoney issued by ISXPay. Once accounts are established, funds can be transferred by our corporate customers and their retail customers, to and from ISXPay EMA IBAN accounts, just like a conventional bank. IBANs can now be linked to our card acceptance and alternative payment method services, providing a comprehensive transactional banking service for our merchants and corporate customers, and shortly also for retail customers."

¹ <https://www.ecb.europa.eu/paym/retpaym/paymint/sepa/html/index.en.html>

² <https://www.europeanpaymentscouncil.eu/what-we-do/sepa-payment-scheme-management>

About iSignthis Ltd (ASX: ISX | DE_FRA: TA8)

Australian Securities and Frankfurt Stock Exchange listed iSignthis Ltd (ASX: ISX | FRA: TA8) is the global RegTech leader in remote identity verification, payment authentication 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 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 4.2Bn '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' subsidiary, iSignthis eMoney Ltd, trades as ISXPAY®, and is an EEA authorised eMoney Monetary Financial Institution, offering card acquiring in the EEA, Australia and New Zealand. ISXPAY is a principal member of Visa Inc, Mastercard Worldwide 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.

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 and www.probanx.com

For investor information, please contact: iSignthis Ltd (ASX: ISX | FRA: TA8): investors@isignthis.com

Actual examples of interbank SWIFT messages to an IBAN at ISXPAY


