



## **Prohibited Activities**

Grasshopper Bank N.A. prohibits certain activities to keep the Bank and its clients safe. These activities include a business purpose of or any entity with funds derived from or to be used for the following purposes:

- Cryptocurrency
- NFTs
- Gambling
- Shell Banks
- Hard Money Lenders
- Sanctioned and Prohibited Countries
- Cannabis
- Adult Entertainment
- Any illegal activity

## **Restricted Activities**

Grasshopper Bank N.A. restricts certain activities and business types to keep the Bank and its clients safe. These activities may require approval prior to onboarding and are subject to additional due diligence.

- Third Party Payment Processors
- Money Service Businesses
- Pawn Brokers
- Firearms/Weapons
- Non Bank Financial Institutions
- Foreign Financial Institutions
- Non-Profit Organizations
- Foreign Entities
- Religious Organizations



The prohibited and restricted activity types may be subject to change as deemed necessary by Grasshopper Bank N.A. The Bank reserves the right to decline or close a relationship upon review of activity that does not align with business or compliance objectives. Please see the Master Service Agreement for additional details.

## Frequently Asked Questions

### What types of cryptocurrency activities are prohibited?

#### Example of out of GHB scope for Cryptocurrency:

- Entity whose business purpose is to gather funds to send to a cryptocurrency exchange, broker, or investment service.
- Entity that receives funds from a cryptocurrency exchange or brokerage to distribute to other individuals or entities
- Any entity that is a crypto currency exchange or broker.
- Any company with revenue that has been significantly derived from cryptocurrency exchange or sale.
- Any company utilizing cryptocurrency as an asset management strategy

### What types of NFT activities are prohibited?

#### Example of out of GHB scope for NFTs

- Any entity that is a NFT marketplace, broker, or trader.
- Any entity that solely receives funds derived from NFT transactions
- Any entity with revenue that has been significantly derived from the sale, trade, or management of NFTs

### What types of cannabis activities are prohibited

#### Example of out of GHB scope for Cannabis

- Entity with business purposes of investing in or receiving investments from cannabis sales or cultivation.
- Entity is a real estate company whose properties consist of marijuana retailers or cultivators

### Can my investment fund target a prohibited industry?

No, a venture fund or investment fund target cannot be in one of the prohibited categories listed above.



## **What types of defense related entities and activities are restricted?**

All firearms, weapons, and defense related entities require additional due diligence and are subject to expanded approval prior to onboarding. This includes but is not limited to domestic firearm retailers, entities regulated by ITAR, and other defense related manufacturers.

## **I operate a regulated entity, does this require additional approval before I apply?**

Regulated entities may require additional due diligence prior to onboarding to validate proper licensing and compliance requirements. If you believe your entity is regulated, please contact [support@grasshopper.bank](mailto:support@grasshopper.bank) for additional onboarding and account maintenance requirements