

## **CONSENT ORDER**

### **WISE US, INC.**

**WHEREAS**, Wise US, Inc. f/k/a TransferWise, Inc. (“Wise”) is Delaware corporation with headquarters in New York, New York, and an assigned NMLS identifier number of 1351219.

**WHEREAS**, the States of California, Minnesota, Nebraska, New York, Texas, and the Commonwealth of Massachusetts (individually, a “Participating State,” and collectively, the “Participating States”) have each agreed, through their respective state money transmission regulatory agencies (individually, a “Participating Regulator,” and collectively, the “Participating Regulators”), to negotiate and enter into this Consent Order (hereinafter referred to as the “Order”).

**WHEREAS**, the Participating Regulators are respective members of the Conference of State Bank Supervisors (“CSBS”) and the Money Transmitter Regulators Association (“MTRA”) and have agreed to address enforcement concerns with Wise in a collective and coordinated manner. The Participating Regulators and Wise are collectively referred to herein as the “Parties.”

**WHEREAS**, Wise is licensed as a money transmitter under the respective laws of each Participating State.

**WHEREAS**, from on or about January 29, 2024 through on or about February 15, 2024, the Participating Regulators commenced a scheduled regulatory multi-state examination (the “Multi-State Examination”) of Wise covering the period of July 1, 2022 to September 30, 2023, in order to ascertain Wise’s compliance with applicable State and Federal laws and regulations. The Multi-State Examination was conducted by the State Money Transmission Regulators from California, Colorado, Minnesota, Nebraska, New York, Texas, Washington, Wyoming, and the Commonwealth of Massachusetts. The Multi-State Examination of Wise was conducted pursuant to their respective statutory authorities, and in accordance with the protocols established by the Protocol for Performing Multi-State Examinations as well as the Nationwide Cooperative Agreement for MSB Supervision. The Report of Examination was issued on August 20, 2024, and identified compliance violations of State and Federal law primarily related to the adequacy of Wise’s Bank Secrecy Act/Money Laundering/Countering the Financing of Terrorism Program (“AML/CFT Program”). The Report of Examination cited Federal and state-specific compliance violations, including, but not limited to, failure to provide for an independent review of the AML Program on a frequency commensurate with services provided; deficiencies identified in Wise’s

processes for investigating and reporting suspicious activity, including the failure to timely file suspicious activity reports (“SAR”); transaction monitoring data integrity issues; failure to timely correct past deficiencies detected in prior examinations and independent audits; and violations related to the Consumer Financial Protection Bureau’s Remittance Transfer Rule.

**WHEREAS**, based on the findings in the Report of Examination, the Participating States engaged in direct discussions with Wise’s Board of Directors (the “Board”) and senior management to identify steps Wise should take to improve compliance, manage risk, and otherwise to ensure safe and sound operations as part of the Multi-State Examination resolution process.

**WHEREAS**, Wise has represented that they have undertaken significant remediation efforts to prevent similar deficiencies from reoccurring, including procedural enhancements related to data integrity, customer due diligence, and documentation and commenced a lookback exercise on previously closed accounts.

**WHEREAS**, Wise enters into this Order solely for the purpose of resolving disputes with the Participating Regulators concerning the conduct described in the Report of Examination and does not admit any wrongdoing, allegations or implications of fact and does not admit any violations of applicable laws, regulations or rules governing the conduct and operation of its money transmittal business, including related to its AML Program. Wise acknowledges that the Participating Regulators have and maintain jurisdiction over the underlying dispute and therefore have the authority to fully resolve the matter.

**WHEREAS**, Wise acknowledges that the Participating Regulators are relying, in part, upon Wise’s representations and warranties stated herein in making their determinations in this matter. Wise further acknowledges that this Order may be revoked, and the Participating Regulators may pursue any and all remedies available under the law against Wise if the Participating States later find that Wise knowingly or willfully withheld information from them.

**WHEREAS**, Wise represents that it has implemented, and will continue to maintain, procedures designed to ensure that Wise has complied with all regulatory requirements discussed in the Report of Examination.

**WHEREAS**, the Participating Regulators have legal authority to initiate administrative actions based on the conduct described in the Report of Examination.

**WHEREAS**, the intention of the Participating Regulators in effecting this settlement is to solely resolve the violations described in the Report of Examination. The Participating Regulators

reserve all of their rights, duties, and authority to enforce all statutes, rules and regulations under their respective jurisdictions against Wise regarding any money transmission activities and/or other activities outside the scope of this Order.

**WHEREAS**, Wise hereby knowingly, willingly, voluntarily, and irrevocably consents to the execution of this Order pursuant to the authority vested in each Participating Regulator and agrees that it understands all of the terms and conditions contained herein. Wise acknowledges that it has full knowledge of its rights to notice and a hearing pursuant to the laws of the respective Participating States. By voluntarily entering into this Order, Wise waives any right to notice and a hearing, and review of such hearing, and also herein waives all rights to any other judicial appeal concerning the terms, conditions, and related obligations set forth in this Order. However, this waiver shall not be interpreted to waive any subsequent rights available to Wise, in relation to any disagreement that may arise amongst the Parties around compliance with or alleged violations involving this Order, and any term, condition, or related obligation therein. Wise further acknowledges that it has had an opportunity to consult with independent legal counsel in connection with its waiver of rights and with the negotiation and execution of this Order, and that Wise has either consulted with independent legal counsel or has knowingly elected not to do so.

**WHEREAS**, Wise represents that the person signing below is authorized to execute this Order and to legally bind Wise.

**WHEREAS**, in that the Parties have had the opportunity to draft, review and edit the language of this Order, the Parties agree that no presumption for or against any party arising out of drafting all or any part of this Order will be applied in any action relating to, connected to, or involving this Order. Accordingly, the Parties agree to waive the benefit, if any, of any State statute, providing that in cases of uncertainty, language of a contract should be interpreted most strongly against the party who cause the uncertainty to exist.

**NOW, THEREFORE**, this Order having been negotiated by the Parties in order to resolve the issues identified herein and in the Report of Examination, without incurring the costs, inconvenience and delays associated with protracted administrative and judicial proceedings, it is by the Participating Regulators listed below hereby **ORDERED**:

## **I. JURISDICTION**

1. That pursuant to the licensing and supervision laws of the Participating States, the Participating Regulators have jurisdiction over Wise as described herein and may enforce the terms of this Order thereon unless otherwise stated in this Order.

## **II. APPLICABILITY**

2. That the provisions of this Order and any Exhibits incorporated herein shall apply to Wise's money transmission activities.

## **III. RISK AND COMPLIANCE PROGRAMS**

3. That Wise shall implement, or continue implementing, as applicable, measures to comply with its obligations under this Order and will hereafter continue to comply with all regulatory requirements including establishing, implementing and maintaining an updated AML/CFT compliance program commensurate with the financial services provided by Wise. Wise represents that they have taken significant steps to enhance its AML/CFT compliance program and the updated AML/CFT compliance program shall include, but shall not be limited to, ensuring compliance with all State and Federal laws and regulations applicable to a Money Transmission corporation having the size, complexity and overall risk profile of Wise. Wise shall review its policies and procedures on a frequency commensurate with the company's risk profile, but at least annually.

4. *AML/CFT Monitoring.*

- a. Within 90 days of the effective date of this Order, Wise will review and adjust its AML/CFT monitoring systems and procedures to detect suspicious activity in a timely manner.
- b. Within 90 days of the effective date of this Order, Wise will enhance policies and procedures for closed accounts closed by Wise, which will allow for timely filing of a SAR if suspicious activity is determined.
- c. Wise further agrees to perform a lookback review of closed accounts from March 1, 2023, to March 1, 2025 and determine whether activity observed warranted the filing of a SAR, and file them as required under the Financial Crimes Enforcement Network's (FinCEN) regulation 31 CFR 1022.320. The lookback will focus on:

(1) customers deactivated during the March 1, 2023 to March 1, 2025 timeframe; (2) deactivations for previously unreported suspicious activity in accordance with 31 CFR 1022.320; (3) customers with activity, in aggregate, greater than \$2,000; and (4) deactivations that did not have a previous SAR filing. Within 30 days of completion of the lookback, Wise shall share the results of the lookback with the Participating Regulators.

- d. Within 90 days of the effective date of this Order, Wise will strengthen due diligence procedures in order to reduce exposure to AML/CFT risk.
- e. Wise will ensure adequate levels of personnel and resources are available to manage the amount and complexity of case alerts to ensure timely SAR filings.

5. *Data Integrity:* Within 90 days of the effective date of this Order, Wise shall institute a more robust program to ensure customer information is accurate, complete, valid, and properly reflected in regulatory reporting as required under the FinCEN regulations, as detailed in the Report of Examination.

6. *Independent Review:* Wise shall provide for an independent review of its AML/CFT program on a periodic basis, but at least annually, commensurate with the AML/CFT risk posed by its operations that adheres to internal policy timelines for such reviews in accordance with 31 CFR 1022.210(d)(4).

7. *Independent Validation:* Within 90 days of the effective date of this Order, Wise must engage a qualified, independent, and unaffiliated third-party to conduct an independent testing of the AML/CFT Program, which will include a quarterly written review and verification of all corrective action required in response to the deficiencies identified in the Report of Examination and a final report validating the completion of the corrective actions taken in response to the Report of Examination. Within 10 business days of executing the engagement letter, Wise shall provide a copy of said engagement letter to the Participating Regulators. The scope of the engagement must also include quarterly independent testing of transaction data to verify the effectiveness of Wise's internal controls and data integrity systems related to its AML/CFT Program. The independent third party must submit a copy of any reports issued to Wise in connection with this engagement directly to the Participating Regulators within 30 days of receipt of such reports.

8. Wise agrees to address all violations and take all required actions specified in the Report of Examination within the time frames contained therein. Wise further agrees to address and

implement all required actions described in the Report of Examination that are not specifically addressed by the provisions of this Order.

9. For two years following the effective date of this Order, Wise shall furnish written progress reports to the Participating Regulators by the 30<sup>th</sup> day after the end of each calendar quarter following the effective date of this Order. The progress reports shall detail the form, content, and manner of any actions taken to address each section of this Order, and will describe, in detail, any other AML/CFT compliance initiatives instituted during the calendar quarter and the results thereof. Each progress report submitted to the Participating Regulators pursuant to this section of the Order will be reviewed and signed by a duly authorized senior officer of Wise.

#### **IV. ADMINISTRATIVE PENALTY**

10. Wise shall pay an administrative penalty of 4.2 million dollars (\$4,200,000.00) to be divided among the Participating Regulators. Wise shall pay this administrative penalty by the means designated by each Participating Regulator prior to or on the Effective Date of this Order.

11. That in the event that Wise fails to submit any administrative penalty set forth in this Order, in the amounts specified herein and in accordance with the applicable deadlines, or if any transfer of any monetary amount required under this Order is voided by a Court Order, including a Bankruptcy Court Order, Wise agrees not to object to a Participating Regulator submitting a claim, nor attempt to defend or defeat such authorized claim, for any unpaid amounts against any surety bond that Wise may maintain in such Participating Regulator as a condition of maintaining a license under the jurisdiction of that Participating Regulator.

#### **V. ENFORCEMENT**

12. *No Restriction on Existing Authority.* That this Order shall in no way preclude any Participating Regulator from exercising its examination, investigative or enforcement authority under the laws of the corresponding Participating State in the instance a determination is made wherein Wise is found not to be adhering to the requirements of the Order, other than inadvertent and isolated errors that are promptly corrected by Wise, or involving any unrelated matter not subject to the terms of this Order.

13. *No Further Action.* No further action will be taken by the Participating Regulators against

Wise, Wise's agents or representatives, or Wise's current and former parent corporations or other forms of legal entities, direct and indirect subsidiaries, brother or sister corporations or other forms of legal entities, divisions or affiliates, and the predecessors, successors, and assigns of any of them, as well as the current and former directors, officers, and employees (collectively, the "Released Parties") for the conduct set forth in this Order, or in connection with the remediation set forth in this Order, provided that Wise demonstrates and provides evidence of reasonable good faith efforts to fully comply with the terms of the Order.

14. That, notwithstanding any other relief to the contrary, if Wise fails to comply with the terms and conditions of this Order, the Participating Regulators may pursue any action allowed by law concerning the conduct and compliance violations stated in the Report of Examination, such action including, but not limited to, suspension or revocation of a license issued by the Participating Regulator to Wise, imposition of a civil money penalty against Wise, or any other remedy allowed by law. The Parties agree that the failure of Wise to comply with any term or condition of this Order with respect to a particular State shall be treated as a violation of an Order of the State and may be enforced as such. Moreover, Wise acknowledges and agrees that this Order is only binding on the Participating Regulators and not any other Local, State or Federal Agency, Department or Office.

## **VI. GENERAL PROVISIONS**

15. *Effectiveness.* That this Order shall become effective upon execution by all of the named Parties (the "Effective Date").

16. *Public Record.* That this Order shall become public upon the Effective Date.

17. *Binding Nature.* That the terms of this Order shall be legally binding upon Wise's officers, owners, directors, employees, heirs, successors and assigns. The provisions of this Order shall remain effective and enforceable except to the extent that, and until such time as, any provisions of this Order shall have been modified, terminated, suspended, or set aside, in writing by mutual Order of the Participating Regulators acting collectively or severally.

18. *Standing and Choice of Law.* That each Participating Regulator has standing to enforce this Order in the judicial or administrative process otherwise authorized under the laws and regulations of the corresponding Participating State. Upon entry, this Order shall be deemed a final order of each respective Participating Regulators unless adoption of a subsequent order is necessary under

the laws of the corresponding Participating State. In the event of any disagreement between any Participating Regulator and Wise regarding the enforceability or interpretation of this Order and compliance therewith, the courts or administrative agency authorized under the laws of the corresponding Participating State shall have exclusive jurisdiction over the dispute, and the laws of the Participating State shall govern the interpretation, construction, and enforceability of this Order.

19. *Titles.* That the titles used to identify the paragraphs of this Order are for the convenience of reference only and do not control the interpretation of this Order.

20. *Final Order.* That this Order is the final written expression and the complete and exclusive statement of all the agreements, conditions, promises, representations, and covenants between the Parties solely with respect to the subject matter hereof, and supersedes all prior or contemporaneous agreements, negotiations, representations, understandings, and discussions between and among the Parties, their respective representatives, and any other person or entity, with respect to the subject matter covered herein, excepting therefrom any proceeding or action if such proceeding or action is based upon facts not presently known to a Participating Regulator or which were knowingly concealed from a Participating Regulator by Wise. The Parties further acknowledge and agree that nothing contained in this Order shall operate to limit a Participating Regulator's ability to assist any other Local, State or Federal Agency, Department or Office with any investigation or prosecution, whether administrative, civil or criminal, initiated by any such Agency, Department or Office against Wise or any other person based upon any of the activities alleged in these matters or otherwise.

21. *Waiver.* That the waiver of any provision of this Order shall not operate to waive any other provision set forth herein, and any waiver, amendment and/or change to the terms of this Order must be in writing signed by the Parties.

22. *No Private Right of Action Created.* An enforcement action under this Order may be brought solely by the Participating Regulators. This Order does not create any private rights or remedies against Wise (or any of its affiliates or subsidiaries), create any liability for Wise (or any of its affiliates or subsidiaries) or limit defenses of Wise (or any of its affiliates or subsidiaries) for any person or entity not a party to this Order.

23. *Counterparts.* That this Order may be executed in separate counterparts, by facsimile or by PDF. A copy of the signed Order will be given the same effect as the originally signed Order.



24. That nothing in this Order shall relieve Wise of its obligation to comply with applicable State and Federal law.

It is so **ORDERED**.

**IN WITNESS WHEREOF**, in consideration of the foregoing, including the recital paragraphs, and with the Parties intending to be legally bound, do hereby execute this Order this 9<sup>th</sup> day of July, 2025.

**WISE US, INC.**

By: \_\_\_\_\_  
**Harsh Sinha**  
**President, Wise US, Inc.**

SETTLEMENT AGREEMENT AND CONSENT ORDER

WISE US, INC.

APPENDIX A: PARTICIPATING STATES

**California Department of Financial Protection and Innovation**

By: \_\_\_\_\_

Name: Mary Ann Smith

Title: Deputy Commissioner, Enforcement Division

Date: \_\_\_\_ July 9, 2025 \_\_\_\_\_

**Massachusetts Division of Banks**

By: \_\_\_\_\_

Name: Mary L. Gallagher

Title: Massachusetts Commissioner of Banks

Date: \_\_\_\_ July 9, 2025 \_\_\_\_\_

**Minnesota Department of Commerce**

By: \_\_\_\_\_

Name: Jacqueline Olson

Title: Assistant Commissioner of Enforcement

Date: \_\_\_\_ June 30, 2025 \_\_\_\_\_

**Nebraska Department of Banking and Finance**

By: \_\_\_\_\_

Name: Kelly Lammers

Title: Director

Date: \_\_\_\_ June 27, 2025 \_\_\_\_\_

**New York Department of Financial Services**

By: \_\_\_\_\_

Name: Alison L. Passer

Title: Deputy Superintendent, Consumer Protection and Financial Enforcement

Date: \_\_\_\_\_ July 9, 2025 \_\_\_\_\_

**Texas Department of Banking**

By: \_\_\_\_\_

Name: Charles G. Cooper

Title: Texas Banking Commissioner

Date: \_\_\_\_\_ July 9, 2025 \_\_\_\_\_