Risk Factors Comparison 2024-02-23 to 2023-02-28 Form: 10-K

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Investing in our common stock involves a high degree of risk. You should carefully consider the risks and uncertainties described below, together with all of the other information in this Annual Report on Form 10- K including " Management' s Discussion and Analysis of Financial Condition and Results of Operations, " our ~~Consolidated~~ **consolidated** ~~Financial~~ **financial** ~~Statements~~ **statements ,** and the accompanying notes included elsewhere in this Annual Report on Form 10- K **,** before making a decision to invest in our common stock. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties that we are unaware of or that we deem immaterial may also become important factors that adversely affect our business. If any of the following risks occur, our business, financial condition, operating results, and future prospects could be materially and adversely affected. In that event, the market price of our common stock could decline, and you could lose part or all of your investment. Summary of Risk Factors Some of the material risks that we face include: • **We operate in a highly competitive and evolving market and may be unable to compete successfully against existing and future competitors which employ a variety of existing business models and technologies or new innovations; •** If we ~~fail~~ **are not able** to ~~retain~~ **innovate, improve existing products, and develop new products that achieve market acceptance,** ~~or~~ **our** ~~grow~~ **growth** ~~our customer base~~ , ~~number of payment corridors, or scope of send and receive countries, our~~ business ~~and~~ **,** operating results ~~will~~ **, financial condition, and future prospects could** be ~~harmed~~ **materially and adversely affected** ; • We partner with third parties to support fulfillment of our service, including risk management, payment processing, customer support, **cloud hosting,** and disbursement, which exposes us to risks outside our direct control; • **Cyberattacks** ~~If we are not able to innovate~~ , ~~improve existing products, and develop new products that achieve market acceptance, our growth, business, operating results, financial condition and future prospects could be materially and adversely affected; • Cyber- attacks, data security~~ **cybersecurity** breaches **, service outages** , or other similar incidents could result in serious harm to our business, reputation **,** and financial condition, including by triggering **regulatory action or** a breach of our agreements with significant partners that we rely on to deliver our services; • We are subject to privacy **and cybersecurity** laws across multiple jurisdictions which are highly complex, overlapping, frequently changing, and which create compliance challenges that may expose us to substantial costs, liabilities, or loss of customer trust. Our actual or perceived failure to comply with these laws could harm our business; • Use of our platform for illegal or fraudulent activities could harm our business, reputation, financial condition, and operating results; • ~~Our platform is susceptible to fraud, and our business, reputation, financial condition and operating results could be harmed as a result; •~~ Failure to comply with sanctions laws, anti- terrorist financing laws, anti- money laundering laws **,** and similar laws associated with our activities outside of the United States, and anti- corruption laws could subject us to penalties and other adverse consequences; • We are exposed to the risk of loss or insolvency if our disbursement partners fail to disburse funds according to our instructions or were to become insolvent unexpectedly or funds are disbursed before customer funds are guaranteed to be sufficient; • If there is any material change of service terms or loss of coverage in our payment processors and disbursement network, our business could be harmed; • If our disbursement partners do not provide a positive recipient experience, our business would be harmed; • ~~We may~~ **Risks associated with operations outside the United States and foreign currencies could adversely affect our business, financial condition, results of operations, and cash flows; • If we** fail to maintain ~~an~~ effective ~~system of~~ internal ~~controls~~ - **control** over financial reporting **in the future, the accuracy** and **timing of our financial reporting** may ~~not~~ be **adversely affected** ~~able to accurately and timely report our financial results~~ ; • If one or more of our counterparties, including financial institutions, aggregators, and local cash pick- up institutions where we have cash on deposit, or our lenders and potential hedging counterparties, default on their financial or performance obligations to us or fail, we may incur significant losses; and • **Our customers and business** ~~Fluctuations in currency exchange rates could harm our operating~~ **operations** ~~results and financial~~ **are exposed to macroeconomic** ~~condition~~ **conditions and geopolitical forces in developing regions and regions that account for a significant amount of our send volume, which exposes us to risk of loss** . Business and ~~Strategic~~ **Industry** Risks **We operate in a highly competitive** ~~If we fail to retain or grow our customer base, number of payment corridors, or scope of send~~ and ~~receive countries, our~~ **evolving market and may be unable to compete successfully against existing and future competitors which employ a variety of existing** business **models** and **technologies** ~~operating results will be harmed. We must continually retain and grow our~~ - **or new innovations. The market for remittances is** ~~base of customers, number of payment corridors and the scope of our~~ global ~~networks to grow our business. Our ability to do so depends on the quality and successful execution of our business strategy~~ , **highly competitive, and fragmented and includes a mix of traditional and digital players. This includes monoline remittance companies** as well as **more platform-based** ~~market and may be unable to compete successfully against existing and future~~ competitors **that offer multiple financial services,including** ~~which employ a variety of existing business models and technologies or new innovations.The market for~~ remittances **.These competitors** ~~is global,highly competitive,and fragmented and includes~~ - **include** ~~a mix of traditional and digital players,including~~ traditional banks,digital- first cross- border payment providers,online- only banks,and cryptocurrency providers.Some of the competitors are significantly larger than we are,have longer operating histories,have more scale and name recognition,and more resources to deploy.We also compete against smaller,country- specific companies,banks,and informal person- to- person money transfer service providers that may have more ability to effectively tailor products and services,marketing **,** and regulatory compliance to local preferences and requirements. ~~For example,some~~ **Some** of these competitors may introduce new products or services that render us unable to retain our existing customers or attract new customers at prices that are consistent with our pricing model and operating budget **.In addition,these competitors use a**

variety of funding,money measurement and pricing methodologies which may be more attractive to customers in some geographies or demographics .Our pricing strategy for our cross- border payments may **also** prove to be unappealing to our customers **for other reasons** , ~~and our competitors could choose to~~ **too** ~~bundle certain products and services that are competitive with ours~~ .If this were to occur,it is possible that we would have to change our pricing strategies or reduce our prices,which could harm our revenue and operating results.In addition,the broader financial services sector is experiencing rapid evolution in technologies and there has recently been significant advancement in the development of neobanking ~~and the exchange of digital assets,or cryptocurrency~~ ,as well as other real time payment technologies. ~~In particular,the advancement in the development of cryptocurrencies has led to new entrants in the market for remittances and financial services more generally and could materially impact the remittance and financial services industry in the future.~~ Any failure to timely anticipate changes in customer behavior related to new payment technologies, ~~including a preference by our customers for cryptocurrency usage,~~ or to successfully integrate such technologies into our services **,** could **harm our ability to compete and** result in a loss of customers and corresponding loss of revenue ~~.We have grown rapidly in recent years and have limited operating experience at our current scale of operations~~ .If we are **not** ~~unable~~ -- **able** to ~~manage~~ **innovate,improve existing products,and develop new products that achieve market acceptance,** our growth ~~effectively~~ , ~~our~~ business ~~and~~ **,** operating results ~~may~~ **,financial condition,and future prospects could** be materially and adversely affected. **Our products and services rely on a technology- driven platform that requires innovation to remain competitive.Our process for innovation is complex and relies upon both internally developed and third- party technologies and services,including machine learning,cloud- based,and other emerging technologies.** We ~~also~~ may not be able to ~~sustain~~ **make product** ~~our~~ - **or** ~~growth rate in~~ **technological improvements as quickly as our competitors and / or as demanded by our customers,or to market them effectively,which could harm our ability to attract or retain customers.This includes** the **incorporation** ~~future.We have experienced rapid growth in recent periods in both our headcount and transaction volume,both~~ of **artificial intelligence (AI) technologies.In addition,we continue to develop new products and services** which ~~place substantial demands on~~ **require ongoing investment.It is possible that these new products may not return our investment** ~~our~~ - **or be profitable,** ~~management and operational resources.We will need to continue to improve our~~ - **or may experience disruptions in development** ~~operational,financial,and management controls and our~~ - **or availability** ~~reporting systems and procedures to manage this growth.For example,~~ in the **market** ~~previous four years,our headcount grew from over 750 employees~~ as **a result** of **a variety of** factors outside our control, **which may have** ~~including the macroeconomic context, geopolitical forces, evolving consumer preferences, and~~ - **an adverse effect** ~~regulatory costs and requirements in key jurisdictions. It also will depend~~ on ~~the quality~~ **our business** and **financial results. See** ~~speed of competitor innovation and marketing and~~ the ~~reliability and quality~~ **section titled “ Risk Factors — General Risks. ” Additionally, the majority** of **our customers access our products through our mobile website and mobile app, and we must ensure that our offerings are optimized for mobile** ~~services~~ - **devices** ~~provided by the~~ **and that our mobile apps are interoperable with popular** third **- party mobile operating systems such as Google Android** ~~parties that we partner with to provide our integrated service. These areas are all complex~~ and **Apple iOS** ~~evolving regularly and any significant failure to anticipate and successfully manage these areas in relation to either traditional or emerging developed to developing corridors could significantly impair our ability to retain and grow our base of customers or the scope of our send and receive markets~~ . If we are unable to ~~retain~~ **successfully** and ~~grow~~ **in a timely fashion innovate and improve** our ~~base of~~ **existing products that achieve market acceptance, and continue to deliver a superior** ~~customers~~ - **customer experience,** ~~or~~ **our growth** ~~the scope of our send and receive markets~~ , ~~our~~ business ~~and~~ **,** operating results ~~may~~ **, financial condition, and future prospects could** be **materially** ~~a loss of customers~~ and **adversely affected** ~~corresponding loss of revenue~~ .We have grown rapidly in recent years and have limited operating experience at our current scale of operations.If we are unable to manage our growth effectively,our business and operating results may be materially and adversely affected.We also may not be able to sustain our growth rate in the future.We have experienced rapid growth in recent periods in ~~both~~ our headcount **,licensing portfolio,geographic footprint,** and transaction volume, ~~both~~ **all** of which place substantial demands on our management and operational resources.We will need to continue to improve our operational,financial,and management controls and our reporting systems and procedures to manage this growth. **Further** ~~For example~~ , ~~in the previous four years,our headcount grew from over 750 employees~~ as ~~of the beginning of 2019,to over 2,700 global employees as of December 31,2022,and~~ we ~~expect our headcount to~~ continue to grow **,our business becomes increasingly complex and requires more resources** . ~~Additionally~~ **We have expended and anticipate continuing to expend** , **significant resources on expanding our infrastructure,streamlining our business and management processes,and other operational areas.Continued growth could strain our existing resources and** we **could experience operating difficulties in managing** ~~may not be able to hire new employees quickly enough to meet~~ our ~~needs or we may fail~~ **business across numerous jurisdictions.Failure** to effectively **scale could** ~~integrate,develop harmed~~ -- ~~significant capital expenditures and other resources on expanding our IT infrastructure,streamlining our business and management processes,and other operational areas.Continued growth could strain our existing resources and we could experience operating difficulties in managing our business across numerous jurisdictions.Failure to effectively scale could~~ harm our future success,including our ability to retain and recruit personnel and to effectively focus on our growth strategy.For example,our controls,policies **,** and procedures,including with respect to accounting,risk management,privacy, ~~data security~~ **cybersecurity** ,client on- boarding,transaction monitoring **,** and reliance on manual controls,among other compliance matters,remain under development and may not be consistently applied or fully effective to identify,monitor **,** and manage all risks of our business as we continue to scale rapidly.If we do not inform,train **,** and manage our employees properly,we may fail to comply with applicable laws and regulations,which could lead to adverse regulatory action.Moreover,the process by or speed with which our internal controls and procedures are implemented or adapted to changing regulatory or commercial requirements may be inadequate to ensure full and immediate compliance,leaving us vulnerable to inconsistencies and failures that may have a material adverse effect on our business,results of operations **,** and financial condition.If our controls,policies **,** and procedures are not fully effective or we are not successful in identifying and mitigating all risks to which we are or may be exposed,we may suffer uninsured liability,harm to our reputation **,** or be subject to litigation or regulatory actions that could materially and adversely affect our business,financial condition **,** and results of operations. ~~If~~ **You should not rely on our growth rate in the number of customers,revenue,or send volume for any prior quarterly or annual periods as any indication of our future revenue,revenue growth,or other metrics of our financial performance** . We partner with third parties to support fulfillment of our service, including risk management, payment processing, customer support **, cloud hosting** , and disbursement, which exposes us to risks outside our direct control. We partner with a variety of third parties to fulfill our services. For example, we integrate third- party technologies into our proprietary KYC and risk management systems and information security program **,** and we also partner with an extensive network of third parties to deliver payment processing for customers and disbursement of funds to recipients. In addition, in certain markets there is a limited number of third- party service providers capable of processing payments on our behalf. Any failure or disruption to the services provided by these third parties could cause disruption or delay the delivery of our services and negatively impact our customer experience. For example, any natural disaster that affects the ability of our payment processors to process funds could cause delays to our disbursement process and thereby negatively impact our customer experience and cause our express or economy delivery guarantees to fail. Additionally, if a payment processor experiences a service outage or service interruption that results in our being unable to collect funds from customers, our liquidity could be harmed and we may not meet our capital **or other regulatory** requirements. Our third- party partners also support our business operations and processes, including customer support services, from their various locations around the world. If such third- party partners choose to cease or otherwise become unable to provide the business process support services for which they are contracted by us, we risk having delays in customer service or other interruptions in our business operations, which can have a detrimental effect on our reputation and ultimately lead to a loss of customers. In addition, some of these third parties process personal information and customer payments subject to our security requirements. Any failure of these parties to implement and operate adequate privacy, ~~data security~~ **cybersecurity** , business continuity, fraud controls **,** or other internal controls, or any failure of ours to identify and require remediation of weaknesses in these areas, could result in significant liability or financial loss to our customers and us. We could face regulatory or governmental consequences for any significant failure caused by such partners as well as substantial costs associated with remediation of harm, either due to legal requirements or customer experience management. In many cases, we may elect to correct such errors even where not legally or contractually required to do so in order to retain customer loyalty and maintain our brand. If we are not able to innovate, improve...... and results of operations. If we , our partners, or our industry generally are unable to provide a high-quality and secure customer experience in the various locales in which we operate, our brand could suffer reputational damage and our business results could be harmed. Our business is largely driven by and reliant on customer trust in our handling of money remittances. The pricing and reliability of our service, the security of personal information (including sensitive personal information) of our customers, and a responsive and effective customer support function are each critical elements for the maintenance of this trust. For example, any significant interruption in either our internal or our partners' risk management, payment processing **,** or disbursement systems could reduce customer confidence in our services. In addition, any actual or reported **cyberattack** ~~cyber- attack~~ , ~~data security~~ **cybersecurity** breach **, service outage,** or other ~~security~~ **similar** incident with respect to our systems **or networks** , or violation of our privacy or ~~information security~~ **cybersecurity** policies, or applicable legal **, regulatory,** or contractual obligations that results in a compromise of customer data or causes customers to believe their data has been compromised could have a significant negative effect on our business. Legal claims and regulatory enforcement actions could also arise in response to these events, which would further exacerbate erosion of customer trust and potentially result in operating losses and liabilities. If we are unable to maintain affordable pricing, deliver services reliably and securely, or address customer support issues in an effective and timely manner, our reputation and our business and operating results could suffer material harm. In addition, any erosion in confidence in digital financial service providers as a means to transfer money generally could have a similar negative effect on us. We transfer large sums of customer funds daily, and are subject to the risk of loss due to errors or fraudulent or illegitimate activities of customers or third parties, any of which could result in financial losses or damage to our reputation and trust in our brand, which would harm our business and financial results. Our business is subject to the risk of financial losses as a result of operational errors, fraudulent activity, employee misconduct, or other similar actions or errors on our platform or our partners' platform solutions. We have been in the past, and will continue to be, subject to losses due to software errors in our platform, operational errors by our employees **,** or third- party service providers. For example, incorrect input of payments into a third **-** party processor' s systems has in the past affected the issuance rebates we received from our card services provider, which in turn negatively impacted revenue. In addition, we also are regularly targeted by parties who seek to commit acts of financial fraud, using a variety of techniques, including stolen bank accounts, compromised business email accounts, employee fraud, account takeover, false applications, and check fraud. We are also routinely targeted for illegitimate transactions such as money laundering. These risks are inherently greater for us because our corridors for remittances are generally from developed to developing economies, which have traditionally been highly targeted by bad actors perpetrating fraud or other unwanted activity. The methods used to perpetrate these illegal activities are continually evolving, and we expend considerable resources to monitor and prevent them. Our risk management efforts may not effectively prevent, and we may suffer losses from, these errors and activities and, in some cases, our usual risk allocation agreements and insurance coverages may not be sufficient to cover these losses. We have experienced transaction losses of $ **39. 0 million, or 0. 10 %, $** 41. 9 million, or 0. 15 %, **and** $ 29. 7 million, or 0. 15 ~~%, and $ 17. 2 million, or 0. 14~~ %, of total send volume in connection with such errors, fraud, and misconduct in the years ended December 31, **2023,** 2022, **and** 2021 ~~, and 2020~~ , respectively. We expect that losses of similar or greater magnitude may occur again in the future. If any of these errors or illegitimate or fraudulent activities are significant, we may be subject to regulatory enforcement actions ~~,~~ **and** suffer significant losses or reputational harm **,** and our business, operating results, and financial condition could be adversely affected. We have a history of operating losses and there is no assurance that our business will become profitable or that, if we achieve profitability, we will be able to sustain it. We were incorporated in 2011 and we have experienced net losses since inception. We generated net losses of $ **117. 8 million, $** 114. 0 million, **and** $ 38. 8 ~~million, and $ 32. 6~~ million for the years ended December 31, **2023,** 2022, **and** 2021 ~~, and 2020~~, respectively. While we have experienced significant revenue increases **and achieved profitability on an Adjusted EBITDA basis** in recent periods, **if** ~~we are not certain whether our customer base will continue to expand to the point where we may achieve profitability. If~~ the assumptions we use to plan our business are incorrect or change, or if we are unable to maintain consistent revenue, it may be difficult to achieve and maintain profitability. Our revenue from any prior quarterly or annual periods should not be relied upon as an indication of our future revenue or revenue growth. We have historically spent, and intend to continue to spend, significant funds to further develop and secure our technology platform, develop new products and functionalities, invest in marketing programs to drive new customer acquisition, expand strategic partner integrations, and support international expansion into new payment corridors. These efforts may prove more expensive than we currently anticipate, and we may not succeed in increasing our revenue sufficiently to offset these higher expenses. We will also face increased compliance and security costs associated with growth, the expansion of our customer base and corridors, and being a public company. Our history of net losses has also **, at times,** caused us to ~~at times~~ draw on our then- outstanding revolving lines of credit to satisfy our capital requirements and any inability to maintain or secure financing on satisfactory terms could materially and adversely impact our business. Our financial performance each quarter is also impacted by circumstances beyond our control, such as our ability to retain our customers, ability to efficiently attract new customers, corridor mix, revenue mix **,** and seasonality. We may incur significant losses in the future for several reasons, including the other risks described herein, and unforeseen expenses, difficulties, complications and delays, and other unknown events. If we are unable to achieve and sustain profitability, the value of our business and common stock may be adversely affected. Our recent rapid growth, including growth in our volume of payments, may not be indicative of our future growth. Our rapid growth also makes it difficult to evaluate our future prospects and may increase the risk that we will not be successful. Our revenue was $ **944. 3 million, $** 653. 6 million, **and** $ 458. 6 ~~million and $ 257. 0~~ million, and our send volume was ~~over~~ **$ 39. 5 billion,** $ 28. 6 billion, **and** $ 20. 4 ~~billion and $ 12. 1~~ billion, for the years ended December 31, **2023,** 2022, **and** 2021 ~~, and 2020~~, respectively. Although a large market share for remittance services remains untapped by us, we have recently experienced significant growth in our revenue and send volume. However, even if our revenue continues to increase, we expect that our growth rate will **likely** decline in the future as a result of a variety of factors, including the increasing scale of our business ~~and the return to work as communities around the world recover from the COVID- 19 pandemic~~. Overall growth of our revenue depends on a number of factors, including our ability to: • maintain the rates at which customers transact on our platform; • attract new customers; • expand the functionality and scope of the products we offer on our platform; • price our services competitively; • maintain high **-** quality, highly available products; • maintain trust with our customers; • maintain send volume; • provide our customers with high- quality customer support that meets their needs; • introduce our services in new payment corridors and markets, including maintaining existing and obtaining new money transmitter licenses; • localize our services; • successfully identify and acquire or invest in businesses, products, or technologies that we believe could complement or expand our platform; and • increase awareness of our brand and successfully compete with other companies. We may not successfully accomplish any of these objectives, which makes it difficult for us to forecast our future operating results. If the assumptions that we use to plan our business are incorrect or change in reaction to changes in our market, or if we are unable to maintain consistent revenue or revenue growth, our stock price could be volatile, and it may be difficult to achieve and maintain profitability. Additionally if we fail to address the risks and difficulties that we face, including those associated with the factors listed above as well as those described elsewhere in this " Risk Factors " section, our growth rate will be adversely affected. You should not rely on our revenue for any prior quarterly or annual periods as any indication of our future revenue or revenue growth. **Cybersecurity,** Privacy ~~, Data Security~~, Intellectual Property, and Technology Risks **Cyberattacks** ~~Cyber- attacks~~, ~~data security~~ **cybersecurity** breaches **, service outages** , or other similar incidents could result in serious harm to our business, reputation **,** and financial condition, including by triggering **regulatory action or** a breach of our agreements with significant partners that we rely on to deliver our services. **Cyberattacks** ~~Cyber- attacks~~, ~~data security~~ **cybersecurity** breaches **, service outages,** and other similar incidents continue to increase in frequency **and severity** , evolve in nature, **and** become more sophisticated **(including through the increased use of AI)** , and may **evade** ~~be difficult to detect~~ **detection** for ~~long~~ **substantial** periods of time ~~, particularly as our business continues to rapidly grow. These incidents, which include, among other things, advanced and persisting cyber- attacks, ransomware, cyber extortion, phishing and social engineering schemes, the introduction of computer viruses or other malware, computer hacking, fraudulent use attempts, vendor errors, human error, fraud, denial- of- service attacks, credential stuffing, and the physical destruction of all or portions of our IT infrastructure and those of third parties with whom we partner could compromise the confidentiality, availability, and integrity of the data in our systems. In addition, third parties may attempt to fraudulently induce employees to disclose information in order to gain access to our data~~. Moreover, we regularly encounter attempts to create false or undesirable accounts or take other actions on our platform for purposes such as spamming, spreading misinformation, or other objectionable ends. Threats to our computer systems and **networks and** those of ~~our~~ third **parties with whom we partner** ~~- party technology providers or clients~~ come from a variety of sources, including organized criminal threat actors, **terrorists, hacktivists,** nation states ~~and~~ **,** state- sponsored organizations **, and other external threat actors** with significant financial and technological resources **, any of which may see the effectiveness of their efforts enhanced by the use of AI. In addition, the trend towards working from home and using private residential networks to access the internet may further exacerbate risks associated with cyberattacks, cybersecurity breaches, service outages, and other similar incidents as private work environments and electronic connections to our work environment may not have the same security measures deployed in our offices** . We **, like other financial technology organizations,** have experienced from time to time, and may experience in the future, ~~security~~

cybersecurity incidents ~~due to~~ **, including** , among other things, **advanced and persisting cyberattacks, ransomware, cyber extortion, phishing, and social engineering schemes, the introduction of computer viruses or other malware, computer hacking, fraudulent use attempts, denial- of- service attacks, credential stuffing, and the physical destruction of all or portions of our IT infrastructure and those of third parties with whom we partner, due to, among other things,** human error, fraud, malice, malfeasance, insider threats, system errors or vulnerabilities, accidental technological failure **,** or other irregularities on the part of employees, contractors, vendors **,** or other third parties. **Because we rely on third parties in our business, we rely on the cybersecurity practices and policies adopted by such third parties, including our disbursement partners and downstream service providers. Our ability to monitor the cybersecurity practices of third parties with whom we partner is limited, and there can be no assurance that we can prevent, mitigate, or remediate the risk of any compromise or failure in the systems or networks owned or controlled by such third parties. Additionally, any contractual protections with such third parties, including our right to indemnification, if any at all, may be limited or insufficient to prevent a negative impact on our business from such compromise or failure.** Any such ~~incidents~~ **compromises or failures** with respect to our ~~network infrastructure or IT~~ systems or ~~to computer hardware we lease from~~ **networks, including the systems or networks owned or controlled by** third parties **with whom we partner** , could, among other things ~~,~~ **:** cause interruptions to our platform **; compromise the privacy** , **confidentiality, availability, and integrity of the data, including personal information, in such systems and networks;** degrade the user experience ~~,~~ **;** cause users to lose confidence and trust in our platform, impair our internal systems **and networks;** and harm our reputation and our ability to retain existing customers and attract new customers. ~~In addition~~ **A cyberattack** , **cybersecurity breach,** ~~because we rely on third- party~~ service **outage** ~~providers in our business~~ , ~~we rely on the cybersecurity practices and policies adopted by third parties. Our ability to monitor our third- party service providers' cybersecurity practices is limited. Our third- party technology providers, disbursement partners and other third parties, including downstream service providers, who have access to our data also may experience these types of events, and we experience additional exposure to these risks through these partners. If bad actors gain improper access to our systems or databases or those of our disbursement partners and other third parties who have access to our data, they may be able to steal, publish, delete, copy, unlawfully, or fraudulently use or modify data, including personal information and / or blackmail us to pay a ransom. A cyber- attack, data security breach~~ or other similar incident ~~breach~~ could lead to **, among other things,** any of the following: • monetary and other losses for us or our customers; • identity theft for our customers; • the inability to expand our business; • additional **oversight, assessments, audits,** scrutiny, restrictions, fines **,** or penalties from regulatory or governmental authorities; • loss of customers and customer confidence in our services; • declines in user growth or engagement ~~; • on- going regulatory oversight, assessments and audits~~ ; • exposure to civil litigation (including civil claims, such as representative actions and other class action- type litigation); • orders to cease or change our processing of our data; • a breach of our contracts with lenders or other third parties; • termination of services provided to us; or • liquidity risks or a negative impact on our relationships with our financial services providers, including payment processors or relevant network organizations, such as Visa or ~~MasterCard~~ **Mastercard** , disbursement partners, and other third parties. ~~As a result, any such attack or breach could harm our business, financial condition, and operating results. Also, our reputation could suffer irreparable harm, causing our current and prospective clients to decline to use our solutions in the future.~~ Further, we could be forced to expend significant financial and operational resources in response to **such** ~~a cyber- attack, data security breach or other similar incident~~ **incidents** , including repairing system damage, increasing security ~~protection~~ costs, investigating and remediating any ~~information security~~ **cybersecurity** vulnerabilities, complying with data breach notification obligations and applicable laws **and regulations** , and defending against and resolving legal and regulatory claims, all of which could divert resources and the attention of our management and key personnel away from our business operations ~~and adversely affect~~ **. As a result, any cyberattack, cybersecurity breach, service outage, or other similar incident could harm** our business **, reputation** , financial condition, and operating results. While we maintain insurance policies, our coverage may be insufficient to compensate us for all losses caused by **cyberattacks** ~~cyber- attacks~~ , ~~data security~~ **cybersecurity** breaches **, service outages,** or other similar incidents, and any such incidents may result in increased costs for such insurance. We also cannot ensure that our existing cybersecurity insurance coverage will **be sufficient to cover the successful assertion of one or more large claims against us,** continue to be available on acceptable terms, or at all, or that the insurer will not deny coverage as to any future claim ~~. The successful assertion of one or more large claims against us that exceed available insurance coverage, or the occurrence of any changes in our insurance policies, including premium increases or the imposition of large deductible or co- insurance requirements, could adversely affect our reputation and our business, financial condition, and operating results. In addition, the trend towards working from home and using private residential networks to access the internet may further exacerbate risks associated with cyber- attacks, data security breaches and other similar incidents as private work environments and electronic connections to our work environment may not have the same security measures deployed in our offices~~ . For additional information, see " — Our business is subject to the risks of earthquakes, fires, floods, public health crises ~~,~~ **(including epidemics or** pandemics **such as the COVID- 19 pandemic)** , and other natural catastrophic events, and to interruption by man- made problems such as **cyberattacks** ~~cyber- attacks~~ , ~~ransomware~~ **cybersecurity breaches, service outages, or other similar incidents,** internal or third- party system failures, political unrest, market or currency disruptions, and terrorism, which could result in system and process failures and interruptions which could harm our business. " We are subject to numerous privacy and ~~data security~~ **cybersecurity** laws, rules, regulations, industry standards **,** and other obligations across multiple jurisdictions which are highly complex, overlapping, frequently changing, and which create compliance challenges that may expose us to substantial costs, liabilities, or loss of customer trust. Our actual or perceived failure to comply with these obligations could harm our business. The various privacy and ~~data security~~ **cybersecurity** laws, rules, regulations, industry standards **,** and other obligations with which we must comply, including with respect to technologies **,** such as cloud computing, AI, machine learning, cryptocurrency, and blockchain technology, are complex and evolving. In addition, ~~practices regarding~~

~~the collection, use, storage, transmission, disclosure, deletion, security and other processing of personal information by companies operating over the internet have recently come under increased public scrutiny. State~~ **state** , federal **,** and foreign lawmakers and regulatory authorities have increased their attention on the collection ~~and~~ **,** use ~~of consumer data~~ **, storage, transmission, disclosure, deletion, security,** and **other processing of** personal information **, and increasing fraudulent activity and cyberattacks have encouraged further legislative and regulatory intervention in the financial technology industry** . **Moreover** ~~In addition~~ , many jurisdictions in which we operate have or are developing laws **and regulations** that protect the privacy and security of sensitive and personal information. Further, we have internal and publicly posted privacy policies regarding our collection, ~~processing,~~ use, **storage, transmission,** disclosure, deletion, security **,** and other processing of personal information ~~. Further~~ , **and the publication of such privacy policies and other documentation that provide commitments about privacy and cybersecurity can subject us to potential enforcement actions and litigation if they are found to be deceptive, unfair,** ~~our~~ **or otherwise misrepresentative of our actual practices. Our** agreements with third parties, including significant agreements with payment processors, credit card and debit card issuers **,** and bank partners, contain contractual commitments **with which** we are required to adhere ~~to~~ related to privacy and ~~data security~~ **cybersecurity** ~~compliance~~ . Compliance with such laws, rules, regulations, industry standards **,** and other obligations ~~, including our policies and documentation,~~ requires that we expend significant resources, and we cannot guarantee that we will be able to successfully comply with all such privacy and ~~data security~~ **cybersecurity** obligations, especially where they do or may in the future conflict with one another, nor can we predict the extent to which such new and evolving regulatory and legal requirements will impact our business strategies and the cost or availability of previously useful ~~data~~ **personal information** , increase our potential liability **and** ~~, increase our~~ compliance costs, require changes in business practices and policies, or otherwise adversely affect our business. Our failure to adequately address privacy and ~~data security~~ **cybersecurity** - related concerns, even if unfounded, or to comply with applicable laws, rules, regulations, industry standards **,** and other obligations ~~relating to privacy and data security~~ could result in regulatory or government investigations, monetary penalties, fines, sanctions, claims, litigation (including civil claims, such as representative actions and other class action- type litigation), orders to cease or change our processing of ~~our data~~ **personal information** , enforcement notices, assessment notices (for a compulsory audit), compensation or damages liabilities, increased cost of operations, changes to our business practices (including changes to the manner in which we transfer personal information between and among countries and regions in which we operate or the manner in which we provide our services and the geographical location or segregation of our relevant systems and operations), declines in user growth or engagement, **or** diversion of internal resources ~~and reputational damage~~ , all of which could have a material adverse effect on our business, **reputation** ~~including how we collect~~ , **financial condition** ~~use and otherwise process personal information~~ , and ~~harm our business,~~ operating results ~~, and financial condition. Such penalties may be in addition to any civil litigation claim by customers and data subjects. In addition, the publication of our privacy policies and other documentation that provide commitments about privacy and data security can subject us to potential actions if they are found to be deceptive, unfair, or otherwise misrepresent our actual practices, which could materially and adversely affect our business, financial condition and results of operations~~ . For additional discussion about privacy and the regulatory environment that we operate in, please see the section titled " Business — Privacy and Cybersecurity. " Any significant interruption or failure of our system availability, including failure to successfully implement upgrades or new technologies to our mobile app or website, could adversely affect our business, financial, and operating results. The efficient and uninterrupted operation of technologies that we use to deliver our services is essential for the customer experience. This includes maintaining ready customer access and acceptable load times for our services at all times. Our systems and operations and those of third- party partners have experienced and may experience in the future interruptions or degradation of service availability due to a variety of events including **cyberattacks** ~~cyber- attacks~~ , ~~data security~~ **cybersecurity** breaches **, service outages,** and other similar incidents, insider threats, hardware and software defects or malfunctions **, development delays, installation difficulties** , human error, earthquakes, hurricanes, floods, fires, and other natural disasters, public health crises (including **epidemics or** pandemics **such as the COVID- 19 pandemic**), power losses, disruptions in telecommunications services, fraud, military or political conflicts, terrorist attacks, or other events **. In addition, our platform is currently vulnerable to downtime should a major physical disaster or other event affect the west coast of the United States, where our cloud services provider is based and our physical system architecture resides. While we have backups for these systems, our platform would be unavailable for some time were our normal systems to go down. Further, some of our systems are not fully redundant, and our disaster recovery program has not been fully tested and may not be sufficient for all eventualities** . To the extent we cannot effectively address capacity constraints, upgrade our **systems, or implement redundant** systems as needed, and continually develop our technology platform to maintain sufficient system availability, new or existing customers may seek other services and may not return to our services as often in the future, or at all. If our service is unavailable when customers attempt to access it or it does not load as quickly as they expect, customers may lose trust in our service or determine that our services are unreliable or too slow to meet their needs. This would harm our ability to attract new customers and could decrease the frequency with which existing customers use our website and mobile solutions. As a result, our business, **reputation,** financial results **,** and operating results may be harmed ~~. In addition, our platform is currently vulnerable to downtime should a major physical disaster or other event affect the west coast of the United States, where our cloud services provider is based, and our physical system architecture resides. While we have backups for these systems, our platform would be unavailable for some time were our normal systems to go down. Further, some of our systems are not fully redundant, and our disaster recovery program has not been fully tested and may not be sufficient for all eventualities~~ . If we are unable to adequately obtain, maintain, protect, defend, or enforce our IP Rights, our business, prospects, financial condition, and operating results could be harmed. The Remitly brand and our proprietary technology, trademarks, service marks, trade names, copyrights, domain names, trade dress, patents ~~and~~ **,** trade secrets, and other IP Rights that support that brand are important to our business. We rely on, and expect to continue to rely on, a combination of intellectual property laws, technological restrictions, provisions in our terms of service **,** and contractual provisions including confidentiality, invention assignment, and license agreements with our employees, contractors, consultants, and other third parties with whom we ~~work~~ **partner** , to establish and protect our brand, proprietary technology, and other IP Rights **. Such contractual provisions may not be self- executing and may not otherwise adequately protect our IP Rights, particularly with respect to conflicts of ownership relating to work product generated by employees, contractors, consultants, or other third parties with whom we partner, and we cannot be certain that such contractual provisions will not be breached or that third parties will not gain access to our trade secrets or other confidential information** . Effective protection of our IP Rights may not be available in every jurisdiction in which we offer our services and, where such laws are available, our efforts to protect such rights may not be sufficient or effective and such rights may be found invalid or unenforceable or narrowed in scope. In particular, the laws of some foreign countries **, particularly certain developing countries,** do not ~~protect~~ **favor the enforcement of** IP Rights to the same extent as U. S. laws ~~, and many companies have encountered significant challenges in establishing and enforcing their IP Rights outside of the United States. These challenges can be caused by the absence or inconsistency of the application of rules and methods for the establishment and enforcement of IP Rights outside of the United States. In addition, the legal systems of some countries, particularly certain developing countries, do not favor the enforcement of intellectual property protection~~ . This could make it difficult for us to stop the infringement, misappropriation **,** or other violation of our IP Rights. ~~Accordingly, we may choose not to seek protection in certain countries, and we will not have the benefit of protection in such countries. Competitors may use our technologies in jurisdictions where we have not obtained intellectual property rights to develop their own products and services and, further, may export otherwise infringing, misappropriating or violating products and services to territories where we have intellectual property protection but enforcement is not as strong as that in the United States. These products and services may compete with our products and services, and our IP Rights may not be effective or sufficient to prevent them from competing. In addition, changes in U. S. and foreign law and legal decisions in U. S. and foreign courts may affect our ability to obtain adequate protection for our products, services and other technologies and the enforcement of our IP Rights. Furthermore, effective protection of our IP Rights is expensive to maintain. We have in the past and may in the future bring claims against third parties alleging infringement, misappropriation, or other violation of our IP Rights. Our efforts to enforce our IP Rights may be met with defenses, counterclaims, and counter suits attacking the ownership, scope, validity and enforceability of such rights. The outcome in any such lawsuits are unpredictable. Even if resolved in our favor, such lawsuits may cause us to incur significant expenses, and could distract our technical and management personnel from their normal responsibilities. Moreover, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. Any of the foregoing or any inability to enforce or otherwise defend our IP Rights could have a material adverse effect on our competitive position, business, financial condition, and results of operations. For example, we have registered domain names for our website that we use in our business, such as www. remitly. com. If we lose the ability to use a domain name, whether due to trademark claims, failure to renew the applicable registration, or any other cause, we may be forced to market our services under a new domain name, which could diminish our brand or cause us to incur significant expenses to purchase rights to the domain name in question. In addition, our competitors and others could attempt to capitalize on our brand recognition by using domain names similar to ours. We may be unable to prevent third parties from acquiring and using domain names that infringe on, are similar to, or otherwise decrease the value of our brand or our trademarks or service marks. We pursue registration of trademarks and service marks in the United States and in certain, but not all, current or potential jurisdictions outside of the United States, but doing so may not always be successful or cost-effective. We rely on common law (unregistered) trademark rights in certain jurisdictions where possible, but many countries do not recognize common law rights. Even if we apply to register our trademarks, our trademark applications may not be granted. Additionally, rights in common law trademarks are not always entitled to the same protections as registered trademarks, and are generally limited to the geographic region in which the trademark is used. We have relied on, and may in the future rely on, the well- known status of the REMITLY trademark in opposition or cancellation actions against potentially conflicting marks in jurisdictions where we do not own registrations, but we may be unable to protect our trademark and service mark rights, and third parties have in the past, and may again in the future, file or acquire trademarks and / or service marks that are similar to, infringe upon, dilute or diminish the value of our IP Rights. Opposition or cancellation proceedings may in the future be filed against our trademark and service mark applications and registrations, and our trademarks and service marks may not survive such proceedings. If third parties register or develop common law rights which adversely affect our brand or IP Rights and we are unable to successfully challenge such third- party rights, we may not be able to use our trademarks and service marks to further develop brand recognition. Although we take steps to protect our proprietary technology and IP Rights, we cannot be certain that the steps we have taken will be sufficient to prevent others from using or seeking to register our IP Rights. Additionally, we cannot be certain that the steps we have taken will be sufficient or effective to prevent the unauthorized access, use, copying, reverse engineering, independent development, infringement, misappropriation or other violation of our proprietary technology and IP Rights, including by third parties who may use our technology or other proprietary information, including to develop services that compete with ours. The contractual provisions that we enter into with employees, contractors, consultants, disbursement partners, vendors, and customers may not prevent unauthorized use or disclosure of our proprietary technology and IP Rights and may not provide an adequate remedy in the event of such unauthorized use or disclosure. We also cannot guarantee that we have entered into confidentiality agreements with each party that may have or has had access to our trade secrets or proprietary technology or that our invention assignment agreements will be effective or self- executing. In addition, we may be unable to determine the extent of any unauthorized use or infringement, misappropriation, or other violation of our services, technologies, or IP Rights. Policing unauthorized use of our technologies, services, and intellectual property is difficult, expensive, and time consuming, particularly in countries where the laws and enforcement of said laws may not~~

~~effectively protect our IP Rights. In addition, we may be unable to determine the extent of any use or infringement, misappropriation, or other violation of our services, technologies, or IP Rights.~~ Any failure to adequately **obtain, maintain,** protect **, defend,** or enforce our IP Rights, or significant costs incurred in doing so, could materially harm our business, prospects, financial condition **,** and operating results. If we fail to comply with our obligations under license or technology agreements with third parties, or if we cannot license rights to use technologies on reasonable terms, we could be required to pay damages, lose license rights that are critical to our business **,** or be unable to commercialize new products and services in the future. We license certain third- party ~~intellectual property~~ **IP Rights** that ~~is~~ **are** important to our business, including technologies, data, content **,** and software from third parties, and in the future **,** we may license additional valuable third- party **IP Rights** ~~intellectual property or technology~~ . If we fail to comply with any of the obligations under our license agreements, we may be required to pay damages and the licensor may have the right to terminate the license, which would cause us to lose valuable rights ~~,~~ and could prevent us from selling our products and services ~~,~~ or inhibit our ability to commercialize current or future products and services. Our business may suffer if any current or future licenses or other grants of rights to us terminate, if the licensors (or other applicable counterparties) fail to abide by the terms of the license or other applicable agreement, if the licensors fail to **maintain, protect, defend, or** enforce the licensed IP Rights against infringing third parties, or if the licensed IP Rights are found to be invalid or unenforceable. Third parties from whom we currently license **IP Rights** ~~intellectual property and technology~~ could refuse to renew our agreements upon their expiration or could impose additional terms and fees that we otherwise would not deem acceptable requiring us to obtain **IP Rights** ~~the intellectual property or technology~~ from another third party, if any ~~is~~ **are** available, or to pay increased licensing fees or be subject to additional restrictions on our use of such third **-** party **IP Rights** ~~intellectual property or technology~~ . In the future, we may also identify additional third- party **IP Rights** ~~intellectual property and technologies~~ that we may need to license or otherwise obtain rights **to, in order** to conduct our business, including to develop or commercialize new products and services. However, such licenses or other grants of rights may not be available on acceptable terms, or at all. The licensing or acquisition of third- party IP Rights is a competitive area, and several more established companies may pursue strategies to license or acquire third- party IP Rights that we may consider attractive or necessary. These established companies may have a competitive advantage over us due to their size, capital resources **,** and greater development or commercialization capabilities. In addition, companies that perceive us to be a competitor may be unwilling to assign, license **,** or otherwise grant rights to us. Even if such licenses or other grants of rights are available, we may be required to pay the licensor (or other applicable counterparty) substantial royalties, which may affect the margins on our products and services. In addition, such licenses or other grants of rights may be non- exclusive, which could give our competitors access to the same ~~intellectual property~~ **IP Rights** licensed to us. Failure to obtain the necessary licenses or otherwise obtain adequate grants of rights on favorable terms, or at all, could prevent us from commercializing **products and services or otherwise inhibit our ability to commercialize current or future** products and services, which could have a material adverse effect on our competitive position, business, financial condition **,** and results of operations. Assertions by third parties of infringement, misappropriation, or other violations by us of their IP Rights could result in significant costs and substantially harm our business and operating results. Intellectual property disputes are common in the payments and digital financial services industries. We may become involved in lawsuits to protect **, defend,** or enforce our IP Rights, and we may be subject to claims by third parties that we have infringed, misappropriated **,** or otherwise violated their ~~intellectual property~~ **IP Rights** . Some companies in the digital financial services industry, including some of our competitors, own large numbers of patents, copyrights, trademarks, and trade secrets ~~,~~ which they may use to assert claims against us. Third parties have asserted and may in the future assert claims of infringement, misappropriation, or other violations of IP Rights against us. As the number of services and competitors in our market increases and overlaps occur, claims of infringement, misappropriation, and other violations of IP Rights may increase. Any claim of infringement, misappropriation, or other violation of IP Rights by a third party, even those without merit, could cause us to incur substantial costs defending against the claim and could distract our management. In addition, an adverse outcome of a dispute may require us to **:** pay substantial damages; cease making, licensing, or using ~~solutions~~ **products or services** that are alleged to infringe, misappropriate, or otherwise violate the ~~intellectual property~~ **IP Rights** of others; expend additional development resources to attempt to redesign our **products and** services or otherwise ~~to~~ develop non- infringing technology, which may not be successful; enter into potentially unfavorable royalty or license agreements to obtain the right to use necessary technologies or **IP** ~~intellectual property rights~~ **Rights** ; and indemnify our disbursement partners and other third parties **with whom we partner** . Royalty or ~~licensing~~ **license** agreements, if required or desirable, may be unavailable on terms acceptable to us, or at all, and may require significant royalty payments and other expenditures. Any of these events could harm our business, financial condition, and operating results. Our use of open source and third- party technology could impose limitations on our ability to offer our products and services to customers. We use open source software in connection with our products and services and expect to continue to use open source software in the future. Some open source software licenses require those who distribute open source software as part of their own software product to publicly disclose all or part of the source code to such software product or to make available any derivative works of the open source code on unfavorable terms or at no cost, and we may be subject to such terms. Although we monitor our use of open source software to avoid subjecting our products and services to conditions we do not intend **to accept** , such use could inadvertently occur, or could be claimed to have occurred, in part because open source license terms are often ambiguous. Additionally, we could face claims from third parties seeking to enforce the terms of the applicable open source license. In such an event, we could be required to seek licenses from third parties to continue offering our products and services, to make our proprietary code generally available in source code form, to re- engineer our products and services, or to discontinue our products and services if re- engineering could not be accomplished on a timely basis, any of which could harm our business, financial condition, and operating results. The terms of many open source licenses to which we are subject have not been interpreted by U. S. or foreign courts, and there is a risk that these licenses could be construed in a way that could impose unanticipated conditions or restrictions on our ability to provide our products and services. In addition to risks related to license requirements, use of certain open source software can lead to greater risks than use of third- party commercial software, as open source licensors generally do not provide warranties or controls on the origin of software. There is little legal precedent in this area and any actual or claimed requirement to disclose our proprietary source code or pay damages for breach of contract could harm our business and could help third parties, including our competitors, develop products and services that are similar to or better than ours. Any of these risks could be difficult to eliminate or manage, and, if not addressed, could materially and adversely affect our business, financial condition **,** and results of operations. If we do not or cannot maintain the compatibility of our platform with the most popular mobile, desktop, and tablet device and browser platforms, our revenue and growth prospects may decline. Our customers access our product offerings increasingly through mobile phones and also through the use of various hardware devices, browser, and software platforms. If any of the device, browser, or software platforms that our product offerings depend upon change features of their application programming interfaces (“ APIs ”), discontinue their support of such APIs, restrict our access to their APIs, or alter the terms governing their use in a manner that is adverse to our business, we will not be able to provide compatible product offerings, which could significantly diminish the value of our product offerings and harm our business, operating results, and financial condition. The functionality and popularity of our product offerings depends, in part, on our ability to integrate our systems with the systems of our strategic partners. These strategic partners periodically update and change their systems, and although we have been able to adapt our systems to their evolving needs in the past, there can be no guarantee that we will be able to do so in the future. While we have multiple API integrations and partner redundancies built into our systems, if we are unable to adapt to the needs of our strategic partners’ systems, our remittance transaction process may be interrupted or delayed, and our strategic partners may terminate their agreements with us, leading to a loss of access to large numbers of customers at the same time and consequent negative impact on our growth and customer retention. Legal and Compliance Risks Any failure to obtain or maintain necessary ~~money transmission~~ licenses **, permissions, approvals, or registrations (“ Licenses ”)** across our global footprint could adversely affect our operations. The provision of money transfer services is highly regulated, and the requirements vary from jurisdiction to jurisdiction. As ~~a~~ **an entity** ~~licensed~~ **Licensed by various governmental authorities to provide** money ~~transmitter~~ **transmission services** , we are subject to **extensive financial, operational, and other regulatory requirements to maintain our Licenses and conduct business. These may include:** net worth requirements **; restrictions or obligations with respect to customer funds** , including requirements to maintain **insurance or** reserves in an amount equivalent to outstanding payment obligations ~~,~~ **and restrictions on our investment of customer funds;** bonding requirements ~~,~~ **;** liquidity requirements ~~,~~ **;** limitations on **the amount and type of** receivables ~~from~~ **we may be owed by** our affiliates or third parties ~~,~~ **;** requirements for regulatory approval of controlling stockholders **;** ~~, restrictions on our investment of customer funds,~~ reporting requirements ~~,~~ **;** anti- money laundering **and countering the finance of terrorism** compliance requirements ~~,~~ **;** cybersecurity requirements ~~,~~ **;** and monitoring, examination **,** and oversight by **local,** state, federal, and international regulatory agencies. Failure by Remitly ~~, our~~ **or** ~~agents or~~ **our** ~~their subagents, and~~ service providers to comply with any of these requirements or ~~their~~ interpretation **of them by governmental authorities** could result in the suspension or revocation of a ~~license~~ **License** ~~or registration~~ required to provide money transfer, payment **,** or foreign exchange services ~~,~~ **;** the limitation, suspension, or termination of services ~~,~~ **;** changes to our business model ~~,~~ **;** loss of consumer confidence ~~,~~ **;** the seizure of our assets ~~,~~ **;** and / or the imposition of civil and criminal penalties, including fines and restrictions on our ability to offer services. If our ~~licenses~~ **Licenses** are not renewed or we are denied ~~licenses~~ **Licenses** in additional ~~states or~~ jurisdictions where we choose to apply for a ~~license~~ **License** , we could be forced to change our business practices or be required to bear substantial cost to comply with the requirements of the additional ~~states or~~ jurisdictions. Further, if we were found by these ~~regulators~~ **governmental authorities** to be in violation of any applicable ~~banking~~ **laws** or **regulations required to provide** money **transfer, payment, or foreign exchange** services ~~laws or regulations~~ , we could be subject to **:** fines, penalties, lawsuits, and enforcement actions; additional compliance requirements; increased regulatory scrutiny of our business; restriction of our operations; or damage to our reputation or brand. In addition, our regulators could further restrict the type of instruments that qualify as permissible investments or require our regulated subsidiaries to maintain higher levels of eligible assets **, which could have a financial and operational impact on our business** . Regulatory requirements are constantly evolving, and we cannot predict whether we will be able to meet changes to existing regulations or the introduction of new regulations without ~~such compliance~~ harming our business, financial condition, and operating results. Certain jurisdictions have enacted rules that require **entities** ~~licensed~~ **Licensed to provide** money ~~transmitters~~ **transfer services** to establish and maintain transaction monitoring and filtering programs ~~,~~ and cybersecurity programs. Wherever we are subject to these rules, we are required to adopt additional business practices that could also require additional capital expenditures or impact our operating results. If **any governmental authority** ~~federal, state, or international regulators~~ were to take actions that interfered with our ability to transfer money reliably **—** including if they attempted to seize transaction funds ~~,~~ **or** to limit or prohibit us, our payment processors, or our disbursement partners from transferring money in certain countries, whether by imposing sanctions or otherwise **—** such actions could harm our business. ~~Regulators~~ **Governmental authorities** could also impose other ~~regulatory~~ orders, monetary penalties, or other sanctions on us. Any change to our business practices that makes our service less attractive to customers or prohibits use of our services by residents of a particular jurisdiction could decrease our transaction volume and harm our business. Our fees, profit margins, and / or **our ability to offer** foreign exchange spreads may be reduced or limited because of regulatory initiatives and changes in laws and regulations or their interpretation and industry practices and standards that are either industry wide or specifically targeted at our Company. The evolving **policy and** regulatory environment ~~,~~ **—** including increased fees or taxes, regulatory initiatives, and changes in laws and regulations or their interpretation, industry practices and standards imposed by state, federal, or foreign governments, and expectations regarding our compliance efforts **—** ~~, is impacting~~ **impacts** the manner in which we operate our business, may change the competitive landscape, and **may** ~~is expected to continue to~~ adversely affect our financial results. Existing, new, and proposed legislation relating to financial services providers and consumer protection in various jurisdictions around the world has affected and may continue to affect the manner in which we provide our services. Recently proposed and enacted legislation related to financial services providers and consumer protection in various jurisdictions around the world and at the federal and state level in the United States has subjected and may continue to subject us to additional regulatory oversight, mandate additional consumer disclosures and remedies, including refunds to consumers, or otherwise impact the manner in which we provide our services. In particular, the **U. S. Consumer Financial Protection Bureau ("** CFPB ~~may be contemplating new~~ **") has authority over** ~~regulations~~ - **Regulation E, which implements the Electronic Fund Transfer Act (" EFTA ") and among other things, consumer protection requirements under the Remittance Transfer Rule. The CFPB could modify the Remittance Transfer Rule** or **issue administrative guidance that may impose** limitations on **remittance providers, such as** the **type of** fees ~~imposed~~ **charged** by remittance companies, **how remittances are advertised to consumers, how** the exchange ~~rates~~ - **rate is** applied to transactions by these companies, as well as the level of transparency surrounding such fees and exchange rates. Such ~~regulations~~ **changes** may require us to assume fees and charges by third- party providers that are outside of our control. In addition, the CFPB administers other regulations and may adopt new regulations governing consumer financial services, including regulations defining unfair, deceptive, or abusive acts or practices, and new model disclosures. The CFPB' s authority to change regulations adopted in the past by other regulators, or to rescind or alter past regulatory guidance, could increase our compliance costs and litigation exposure. These regulations, changes to these regulations, and other potential changes under CFPB regulations could harm our business, financial condition, and operating results and force us to change the way we operate our business. **There has also been an increase in the level and regulatory scrutiny of consumer protection laws, regulation, and supervisory guidance relating to ' treating customers fairly'. These laws apply to our international business (including in the United Kingdom and the EEA). In the United Kingdom, the Financial Conduct Authority (the " FCA ") has issued, supervises, and enforces the Consumer Duty that places an obligation on firms to act to deliver good outcomes for retail customers. To achieve better customer outcomes, the FCA has issued a set of rules and guidance, among others, providing more detailed expectations for firms' conduct that form part of an optimal firm- customer relationship that includes the price and value offered. The FCA' s and other regulator' s authority to change such laws, regulations, and supervisory guidance could have an adverse impact on our business, financial condition, operating results, and / or change our business operations. Governmental authorities could also regulate foreign exchange rates or tax foreign exchange purchases in countries in which we do business, and this could harm our business. Similarly, if governments implement new laws or regulations that limit our right to set fees and / or foreign exchange spreads, then our business, financial condition, results of operations, and cash flows could be adversely affected.** Furthermore, governmental agencies both in the United States and worldwide may impose new or additional rules on money transfers affecting us ~~,~~ **;** our ~~agents~~ **third- party providers** , **including our payment processors and disbursement partners;** partner banks **;** or commercial counterparties, including regulations that: • prohibit, restrict, and / or impose taxes or fees on remittance transactions in, to, or from certain countries or with certain governments, individuals, and entities; • impose **new requirements, change requirements, or re- interpret existing requirements regarding the acquisition of local currency for disbursement to recipients; • impose** additional customer identification and customer ~~, agent, subagent~~ **or third- party provider** due diligence, and vendor management requirements; • impose additional reporting or recordkeeping requirements, or require enhanced transaction monitoring; • limit the types of entities capable of providing remittance services, impose additional licensing or registration requirements on us, our **a** ~~agents, or their~~ - **third** ~~subagents~~ **- party providers** , or impose additional requirements on us with regard to selection or oversight of our ~~agents or their~~ - **third** ~~subagents~~ **- party providers** ; • impose minimum capital or other financial requirements on us or our ~~agents and their~~ - **third** ~~subagents~~ **- party providers** ; • limit or restrict the revenue which may be generated from money transfers, including transaction fees and revenue derived from foreign exchange; • require additional consumer protection rights to our customers (including enhanced disclosures **and ' treating customers fairly' rules and consumer duties**); • require the principal amount of money originated in a country to be invested in that country or held in a trust until they are paid; • limit the number or principal amount of remittances, which may be sent to or from a jurisdiction, whether by an individual, through one ~~agent~~ **third- party provider** , or in aggregate; • impose more stringent information technology, ~~data security~~ **cybersecurity** , privacy, and operational security requirements on us or our ~~agents~~ **third- party providers** and their ~~subagents~~ **service providers** , including relating to data transfers and the use of cloud infrastructure; • impose additional risk management and related governance and oversight requirements, including relating to the outsources of services to other group companies or to third parties; and • prohibit or limit exclusive arrangements with our **third- party providers** ~~agents and subagents. If governments implement new laws or regulations that limit our right to set fees and / or foreign exchange spreads, then our business, financial condition, results of operations, and cash flows could be adversely affected~~ . In addition, changes in regulatory expectations, interpretations, or practices could increase the risk of regulatory enforcement actions, fines, and penalties. If the CFPB or other similar regulatory bodies adopt, or customer advocacy groups are able to generate widespread support for, positions that are detrimental to our business, then our business, financial condition, and operating results could be harmed. The enhanced supervisory and compliance environment in the financial sector increases the risk of regulatory action against us, whether formal or informal. Our service is subject to a variety of laws and regulations worldwide, and a large number of regulatory and enforcement authorities in each of the jurisdictions in which we operate. Regulators across the globe subject financial sector institutions, including us, to intense review, supervision **,** and scrutiny. This heightened level of review and scrutiny or any changes in the existing regulatory supervision framework ~~,~~ increases the possibility that we will face adverse legal or regulatory actions. Regulators regularly review our operations, and there can be no guarantee that all regulators will agree with our internal assessments of compliance with applicable laws, regulations, or regulatory policies. We have been and continue to be subject to examination by the CFPB, which defines " larger participants of a market for other consumer financial products or services " as including companies, such as Remitly, that make at least one million aggregate annual international money transfers. The CFPB has the authority to examine and supervise us and our larger competitors, which will involve providing reports to the CFPB. The CFPB has used information gained in these examinations as the basis for enforcement actions resulting in settlements involving monetary penalties and other remedies. Regulators, including the CFPB, may take formal or informal actions against us. Such formal or informal actions might force us to adopt new compliance programs or policies, remove personnel including senior executives, provide remediation or refunds to customers, or undertake other changes to our business operations. Any weaknesses in our compliance management system or Remittance **Transfer** Rule program may also subject us to penalties or enforcement action by the CFPB. If we fail to manage our legal and regulatory risk in the many jurisdictions in which we operate, our business could suffer, our reputation could be harmed **,** and we would be subject to additional legal and regulatory risks. This could, in turn, increase the size and number of claims and damages asserted against us and / or subject us to regulatory investigations, enforcement actions **,** or other proceedings, or lead to increased regulatory concerns. We may also be required to spend additional time and resources on remedial measures and conducting inquiries, beyond those already initiated and ongoing, which could have an adverse effect on our business. Similarly, a failure to comply with the applicable regulations in various jurisdictions by our employees, representatives, ~~agents~~ and third- party service providers either in or outside the course of their services, or suspected or perceived failures by them, may result in further inquiries or investigations by regulatory and enforcement authorities and in additional regulatory or enforcement action against either us, or such employees, representatives, ~~agents~~ and third- party service providers. While we have implemented policies and procedures designed to help ensure compliance with applicable laws and regulations, there are a number of risks that cannot be completely controlled. Our international presence, especially in high **-** risk jurisdictions such as Nigeria and India, has led to increased legal and regulatory risks. Regulators in every jurisdiction in which we operate have the power to restrict our operations or bring administrative or judicial proceedings against us (or our employees, representatives, ~~agents~~ and third- party service providers), which could result, among other things, in suspension or revocation of one or more of our ~~licenses~~ **Licenses** , cease and desist orders, fines, civil penalties, criminal penalties **,** or other disciplinary action which could materially harm our reputation, results of operations **,** and financial condition. Expansion into additional jurisdictions also increases the complexity of our risks in a number of areas including currency risks, interest rate risks, compliance risk, regulatory risk, reputational risk **,** and operational risk. We, or our employees, may from time to time, and as is common in the financial services industry, be the subject of inquiries, examinations **,** or investigations that could lead to proceedings against us or our employees. Use of our platform for illegal or fraudulent activities could harm our business, reputation, financial condition, and operating results. Our platform is susceptible to illegal, improper **,** or fraudulent uses, including money laundering, terrorist financing, sanctions evasion, bank fraud, payments involving child pornography or human trafficking, and the facilitation of other illegal, improper **,** or fraudulent activity. The digital financial services industry is under increasing scrutiny from federal, state, and international regulators in connection with the potential for such illegal, improper **,** or fraudulent activities . In addition, our remittance service...... results could be harmed as a result . We offer our customers the ability to fund transactions utilizing their credit card or debit card. We also offer bank funding and alternative payment methods. Because these are card- not- present / online / non face- to- face transactions, they involve a greater risk of fraud. We also release some funded transactions for disbursement prior to our receiving funds from our customers, which exposes us to repayment risk in the event that these customers have insufficient funds in their bank account or **their transactions** are otherwise invalidated. Additionally, we carry chargeback liability for a large portion of disputed card payment transactions. ~~If we~~ **In addition, our remittance service facilitates payments to jurisdictions which may in some cases have higher levels of illegal, improper payments. For example, the United States to Colombia and United States to Nigeria payment corridors have historically been characterized by a high volume of fraudulent payments and** are ~~unable to effectively manage our~~ **thus particularly high- risk. Our** payment **system has been utilized for illegal, improper,** and ~~for illegal,improper and~~ fraudulent uses in the past **,** and we cannot guarantee that our policies,procedures **,** and internal controls,or insurance,would adequately protect our business,maintain our continued ability to operate in the jurisdictions that we serve,or **protect** our reputation,especially if such illegal,improper **,** or fraudulent activities were discovered to have taken place on our platform in the future.Our fraud loss expenses may increase if our fraud systems lose effectiveness or if new methods or schemes are developed to defraud us.Since the methods and schemes utilized by perpetrators of fraud are constantly evolving or,in some cases,not immediately detectable,we cannot assure you that our policies,procedures **,** and controls for managing fraud will be effective over time or of our ability to update these measures to address emerging fraud risks **. In addition** , ~~we~~ **if illicit or fraudulent activity levels involving our services were to rise, it could lead to regulatory intervention and reputational and financial damage to us. This, in turn, could lead to government enforcement actions and investigations, a suspension or termination of our operating Licenses, a reduction in the use and acceptance of our services, or an increase in our compliance costs, any of which** may ~~be placed~~ **harm our business, financial condition, and operating results. On the other hand, if the measures we have taken to detect illegal, improper, or fraudulent activities are too restrictive and / or inadvertently prevent or delay proper transactions, this could result in suspension of legitimate customer activity** on **our** ~~fraud monitoring programs put in place by various~~ payment **system** ~~scheme networks~~ , **deter new** ~~banking partners,~~ and **existing customers, or otherwise diminish our customer experience, any of which could harm** our business ~~and financial results may be harmed~~ . Governments may decide to impose restrictions or levy new taxes on money transfers or other digital financial services provided by us, which would harm our financial results and our business. Our business could be harmed if a local, state, federal, or international government were to levy taxes on money transfers, as has been proposed ~~in~~ **periodically at** the ~~past~~ **federal and state level in the United States** . Budget shortfalls **and anti- immigrant sentiment** in the United States and many jurisdictions could lead other states and jurisdictions to impose similar fees and taxes, as well as increase unclaimed property obligations. Such fees or taxes, and any related regulatory initiatives, may be implemented in a manner that conflicts with other laws to which we are bound or in a manner with which we are unable to comply, and noncompliance could harm our business. It is possible that governments of one or more countries may seek to censor content available on our website and mobile solutions or may even attempt to completely block access to our website or mobile solutions. Adverse legal or regulatory developments could harm our business. In particular, in the event that we are restricted, in whole or in part, from operating in one or more countries, our ability to retain or increase our customer base may be harmed and we may not be able to maintain or grow our revenue as anticipated. For example, the Central Bank of Nigeria previously imposed currency controls that limit repatriation of funds with immediate effect, which required money transmission businesses, including us, to make substantial adjustments to payments processes that serve Nigerian consumers. While we believe that we are compliant with our regulatory responsibilities, the legal, political, and business environments in these areas are routinely changing, and subsequent legislation, regulation, litigation, court rulings, or other events could expose us to increased liability, increased operating and compliance costs to implement new measures to reduce our exposure to this liability, and reputational damage. The risk of non- compliance is exacerbated when we introduce new products or services that subject us to new laws and regulations. In addition, as we expand and localize our international activities, we may become increasingly obligated to comply with the laws of the countries or markets in which we operate. In addition, because our services are accessible worldwide and we facilitate remittances to a growing number of countries, one or more jurisdictions may claim that we are required to comply with their laws. Local regulators may use their power to slow or halt payments to our customers in those jurisdictions. Such regulatory actions or the need to obtain ~~licenses~~ **Licenses** ~~, certifications or other regulatory approvals~~ could impose substantial costs and involve considerable delay in the provision or development of our services in a given ~~market~~ **jurisdiction** , or could require significant and costly operational changes or prevent us from providing any services in a given ~~market~~ **jurisdiction** . Additionally, external factors such as economic or political instability, or natural disasters may make money transfers to, from, within, or between particular countries difficult or impossible. These risks could negatively impact our ability to offer our services, to make payments to or receive payments from disbursement partners **,** or to recoup funds that have been advanced to disbursement partners, and as a result could adversely affect our business, financial condition, results of operations, and cash flows. In addition, the general state of telecommunications and infrastructure in some developing countries, including countries where we have a large number of transactions, creates operational risks for us and our disbursement partners. Policy makers have also discussed potential legislation to add taxes to remittances from the United States to Mexico and / or other countries. Further, one state has passed a law imposing a fee on certain money transfer transactions, and certain other states have proposed similar legislation. Several foreign countries have enacted or proposed rules imposing taxes or fees on certain money transfer transactions, as well. The approach of policy makers and the ongoing budget shortfalls in many jurisdictions, combined with future federal action or inaction on immigration reform, may lead other states or localities to impose similar taxes or fees or other requirements or restrictions. Foreign countries in similar circumstances have invoked and could continue to invoke the imposition of sales, service, or similar taxes, or other requirements or restrictions, on money transfer services. A tax, fee, or other requirement or restriction exclusively on money transfer services by Remitly could put us at a competitive disadvantage to other means of remittance which are not subject to the same taxes, fees, requirements, or restrictions. Other examples of changes to our financial environment include the possibility of regulatory initiatives that focus on lowering international remittance costs. Such initiatives may have a material adverse impact on our business, financial condition, results of operations, and cash flows. In addition, tax authorities at the international, federal, state, and local levels are currently reviewing the appropriate treatment of companies engaged in internet commerce in general and remittances in particular. New or revised international, federal, state, or local tax regulations may subject us or our customers to additional sales, income, and other taxes and would likely increase the cost of doing business online and decrease the attractiveness of using our mobile services. New taxes could also create significant increases in internal costs necessary to capture data and collect and remit taxes. Any of these events could harm our business and operating results. Failure to comply with sanctions laws, anti- terrorist financing laws, anti- money laundering laws, and similar laws associated with our activities outside of the United States, and anti- corruption laws could subject us to penalties and other adverse consequences. We have implemented policies and procedures designed to allow us to comply with anti- money laundering laws and economic sanctions laws and prevent our platform from being used to facilitate business in countries or with persons or entities designated on lists promulgated by OFAC and equivalent international authorities or that are otherwise the target of sanctions. We may utilize the services of vendors, such as screening tools, in implementing such policies and procedures. In the event that we or any of our users engage in any conduct, intentionally or not, that facilitates money laundering, terrorist financing, or other illicit activity, or that violates anti- money laundering or sanctions laws, or otherwise constitutes activity that is prohibited by such laws, including through the fault of any vendor, we may be subject to **:** fines, penalties, lawsuits, and enforcement actions; additional compliance requirements; increased regulatory scrutiny of our business; restriction of our operations; or damage to our reputation or brand. Law enforcement and regulators continue to scrutinize compliance with these obligations, which may require us to further revise or expand our compliance program, including the procedures that we use to verify the identity of our customers or monitor our platform for potential illegal activity. In addition, any policies and procedures that we implement to comply with sanctions laws may not be effective, including in preventing customers from using our services for transactions with sanctioned persons or jurisdictions subject to comprehensive sanctions, including Cuba, North Korea, Syria, Iran, and the Crimea, Donetsk People' s Republic, and Luhansk People' s Republic regions of Ukraine. Given the technical limitations in developing controls to prevent, among other things, the ability of customers to publish on our platform false or deliberately misleading information or to develop sanctions- evasion methods, it is possible that we may inadvertently and without our knowledge provide services to individuals or entities that have been designated by OFAC or other relevant sanctions authorities **or** are located in a jurisdiction subject to comprehensive sanctions or an embargo by the United States or another country in which we operate or are licensed to do business, and such services may not be in compliance with applicable economic sanctions regulations. Sanctions are imposed to address acute foreign policy and national security threats and may change rapidly and unpredictably in response to world events or domestic or international political developments. Additionally, as we expand our services into additional jurisdictions, we may become subject to additional sanctions requirements imposed by those jurisdictions or face increased risk of processing transactions in violation of sanctions requirements to which we are currently subject. We may be unable to update policies, procedures, or controls to timely and effectively address changes in applicable legal requirements or in our sanctions risk environment. In addition, U. S. policy makers have sought and may continue to seek heightened customer due diligence requirements on, or restrict, remittances from the United States to **certain** ~~Mexico or other~~ jurisdictions. For example, government sanctions imposed in February 2022 with respect to Russia and Ukraine are impacting our ability to offer services in the region, and additional sanctions could be imposed in the future. In addition, existing laws and regulatory requirements may change and become more stringent, such as requiring us to maintain records on a larger number of transactions or verify the identity of our customers in a prescriptive way, which could result in greater costs for compliance. ~~In~~ **Our operating companies in a number of jurisdictions, including Canada, the United Kingdom, and** the EEA, **are** ~~our Irish operating company has~~ increasingly **becoming or will** become directly subject to reporting, recordkeeping, and anti- money laundering regulations, ~~agent~~ **partner** oversight and monitoring requirements, as well as broader supervision by ~~EEA member states~~ **a variety of governmental authorities** . Additionally, the financial penalties associated with the failure to comply with anti- money laundering laws have increased recently **in a number of jurisdictions** . Legislation that has been enacted or proposed in other jurisdictions could have similar effects. We also face significant risks if we cannot comply with the FCPA and other anti- corruption laws that prohibit companies and their ~~agents~~ **third- party providers** and third- party intermediaries from authorizing, offering, or providing, directly or indirectly, improper payments or benefits to foreign government officials, political parties, or private- sector recipients for the purpose of obtaining or retaining business, directing business to any person, or securing any advantage. We have implemented an anti- corruption compliance policy, but we cannot ensure that all of our employees, customers, and ~~agents~~ **third- party providers** , as well as those contractors to which we outsource certain of our business operations, will not take actions in violation of our policies or agreements and applicable law, for which we may be ultimately held responsible. Consequences for failing to comply with applicable rules and regulations could include fines, criminal and civil lawsuits, forfeiture of significant assets, or other enforcement actions. We could also be required to make changes to our business practices or compliance programs as a result of regulatory scrutiny. In addition, any perceived or actual breach of compliance by us, our customers, vendors, or **third- party providers (including** our payment or disbursement partners **)** with respect to applicable laws, rules, and regulations could have a significant impact on our reputation and could cause us to lose existing customers, prevent us from obtaining new customers, cause other **third- party providers (including** payment or disbursement partners **)** to terminate or not renew their agreements with us, require us to expend significant funds to remedy problems caused by violations and to avert further violations, adversely affect our relationship with our partner banks and other commercial counterparties **,** and expose us to legal risk and potential liability, all of which may adversely affect our business, operating results, and financial condition and may cause the price of our common stock to decline. If our disbursement partners fail to comply with applicable laws, it could harm our business. We work with disbursement partners in various receive jurisdictions ~~, including Nigeria and India,~~ whom we believe are complying with local laws and regulations. We rely on such disbursement partners to conduct our business and such disbursement partners could fail or be unable to satisfy their obligations to us. This could lead to our inability to access funds and / or credit losses for us and could adversely impact our ability to conduct our business. Our services are regulated by state, federal, and international governments, regulators, and agencies. Many of our disbursement partners are banks and are heavily regulated by their home jurisdictions. Our non- bank disbursement partners are also subject to various regulations, including money transfer regulations. We require regulatory compliance as a condition to our continued relationship with our partners, perform due diligence on them, and monitor them periodically with the goal of meeting regulatory expectations. However, there are limits to the extent to which we can monitor their regulatory compliance. Any determination that our disbursement partners or the sub- disbursement partners of our aggregator disbursement partners have violated laws and regulations could damage our reputation and customer trust in our brand and services, and may ultimately lead to regulatory action against us by our regulators. It is possible that in some cases we could be liable for the failure of our disbursement partners to comply with laws or regulations or to operate with sufficient oversight over their disbursement networks, which also could harm our business, financial condition, and operating results. ~~In addition, foreign exchange rates could become regulated or foreign exchange purchases could become taxed by the governments in countries in which we do business, and such governments could implement new laws or regulations that affect our right to set foreign exchange spreads. Such regulations could harm our business.~~ Failure to comply with global and evolving marketing laws could subject us to claims or otherwise harm our business. Our marketing practices rely upon a wide range of referral programs, exchange rate and fee-based promotions, e- mail **,** and social media marketing and direct marketing practices, among other tactics. These marketing practices are subject to a variety of advertising and consumer protection laws and regulatory oversight ~~both~~ in the United States **,** ~~and in~~ Canada ~~, the EEA~~ , the United Kingdom, ~~Australia~~ **and the EEA** , ~~Singapore~~ and the other jurisdictions in which we do business. In the United States, some examples of applicable legislation include, among others, the CAN- SPAM Act of 2003 ~~,~~ **;** the U. S. Federal Trade Commission guidelines with respect to misleading or deceptive advertising or marketing practices ~~,~~ **;** the Telephone Consumer Protection Act of 1991, state banking laws that prohibit non- banks, including licensed money transmitters, from holding themselves out as banks or providing banking services ~~,~~ **; and** the CCPA ~~,~~ and other comprehensive state privacy and ~~data security~~ **cybersecurity** laws. These laws are continuously evolving and developing in light of technological change and regulatory objectives. These laws are overseen by regulators at the national, provincial **,** and state level and, in some cases, carry private rights of action that may expose us to class- action and private litigation risk. We are, and, from time to time, we may become ~~,~~ subject to **,** various legal proceedings and regulatory investigation matters and enforcement activities in connection with these laws and regulations. We intend to cooperate fully with such investigations. We are not presently a party to any legal or regulatory proceedings that in the opinion of our management, if determined adversely to us, would individually or taken together have a material adverse effect on our business, operating results, financial condition, or cash flows. We believe that our policies and practices comply with applicable marketing and consumer protection laws and regulations. However, if our belief proves incorrect, if there are changes to the guidelines, laws, regulations, or their interpretation, or if new regulations are enacted that are inconsistent with our current marketing practices or customer experience, our business could be harmed or our relationship with our partner banks and other commercial counterparties, could be adversely affected. ~~Use of social media, endorsers, emails, and text messages may adversely impact our reputation or subject us to fines or other penalties. We use social media, emails, and text messages as part of our approach to marketing. As social media rules and policies, and laws and regulations rapidly evolve to govern the use of these channels, the failure by us, our employees or third parties acting at our direction to abide by applicable rules, policies, laws, and regulations in the use of these channels could adversely affect our reputation or subject us to fines, contractual damages, or other penalties. In addition, our employees or third parties acting at our direction may knowingly or inadvertently make use of social media in ways that could lead to the loss or infringement, misappropriation, or other violation of IP Rights, as well as the public disclosure of proprietary, confidential, or personal information (including sensitive personal information) of our business, employees, customers, or others. Any such inappropriate use of social media, emails, and text messages could also cause reputational damage. Our customers may engage with us online through our social media platforms, including Facebook, Instagram, and Twitter, by providing feedback and public commentary about all aspects of our business. Information concerning us, whether accurate or not, may be posted on social media platforms at any time and may have a disproportionately adverse impact on our brand, reputation, or business. The harm may be immediate without affording us an opportunity for redress or correction and could have a material adverse effect on our business, operating results, financial condition, and prospects.~~ From time to time, we may be subject to legal proceedings, disciplinary actions, regulatory disputes, and governmental investigations that could cause us to incur significant expenses, divert our management' s attention, and materially harm our business, financial condition, and operating results. **We may be involved in various legal proceedings, claims, investigations, or similar matters** ~~From~~ **from** time to time ~~, we may~~ **. Such matters can** be ~~subject to claims~~ **time- consuming** , **divert** ~~lawsuits (including class actions), government investigations, disciplinary actions, administrative proceedings, arbitration, and other proceedings involving competition and antitrust, intellectual property, privacy, data security, consumer protection, regulatory compliance, securities, tax, labor and employment, commercial disputes, money transmission, and other matters that could adversely affect our business operations and financial condition. The outcome of any legal or administrative proceedings, regardless of its merits, is inherently uncertain. Regardless of the merits, pending or future legal or administrative proceedings could result in a diversion of~~ management' s attention and resources ~~and reputational harm~~ , and **cause us** ~~we may be required~~ to incur significant expenses ~~defending against these claims or pursuing claims against third parties to protect our rights~~ . **Our** ~~If we do not prevail in litigation, we could incur substantial liabilities. Insurance~~ **insurance** ~~might~~ **or indemnities may** not cover ~~such~~ **all** claims **that may** ~~, might not provide sufficient payments to cover all the costs to resolve one or more such claims, and might not continue to~~ be **asserted** ~~available on terms acceptable to us. In addition, we expect the costs of insurance to increase generally over time, which may have an impact on our financial results. A claim brought~~ against us **,** ~~that is uninsured or under insured could result in unanticipated costs. We may also determine in certain instances that a settlement may be a more cost- effective~~ and ~~efficient resolution~~ **any claims asserted against us, regardless of merit** ~~for~~ - **or** ~~a dispute~~ **eventual outcome, may harm our reputation** . ~~Where~~ **If** we ~~can make a reasonable estimate of~~ **are unsuccessful in our defense in** ~~the~~ **these** ~~liability relating to pending~~ litigation **matters** ~~and determine that it is probable~~ , ~~we record a related liability. As additional information becomes available, we assess the potential liability and revise estimates as appropriate. However, because of uncertainties relating to litigation, administrative and regulatory proceedings, the amount of our~~ - **or any** ~~estimates could be wrong as determining reserves for pending legal administrative, and regulatory proceedings is a complex, fact- intensive process that is subject to judgment calls. The results of legal, administrative, and regulatory proceedings cannot be predicted with certainty and determining reserves for pending litigation and~~ other legal **proceeding** , **we may** ~~administrative, and regulatory matters requires significant judgment. There can~~ be ~~no assurance that~~ **forced to pay damages** ~~our~~ - **or fines** ~~expectations will prove correct~~ , **enter into consent decrees,** ~~and even if these matters are resolved in our~~ - **or** ~~favor or without significant cash settlements, these matters, and the time and resources necessary to litigate or resolve them, could harm our business. Any adverse determination related to legal, administrative, or regulatory proceedings or a settlement agreement could require us to~~ change ~~our technology or~~ our business practices ~~in costly ways~~ , **any of which** ~~prevent us from offering certain products or services, require us to pay monetary damages, fines, or penalties, or require us to enter into royalty or licensing arrangements, and~~ could adversely affect our ~~operating~~ **business, financial condition, or** results **of operations** ~~and cash flows, harm our reputation, or otherwise negatively impact our business~~ . Operational Risks We are exposed to the risk of loss or insolvency if our disbursement partners fail to disburse funds according to our instructions or were to become insolvent unexpectedly **,** or funds are disbursed before customer funds are guaranteed to be sufficient. We are exposed to the risk of loss in the event our disbursement partners fail to disburse funds to recipients according to our instructions. Such reasons could include mistakes by our disbursement partners in processing payment instructions or failing to correctly classify and process error categories, or negligence, insolvency, or fraud by our disbursement partners. One or more of our disbursement partners could elect to temporarily withhold money from customers, which would cause delays in any transfers reaching their ultimate destination. Were such delays to occur, this would cause a loss of trust in the ability of our service to meet the timeline that we set for ourselves and provide our customers. Were customers to lose trust in our ability to deliver our services in a timely and professional manner, our business and financial results could be harmed. We are also subject to risk of loss if funds are disbursed before customer funds are guaranteed to be sufficient, which could also harm our business and financial results. If there is any material change of service terms or loss of coverage in our payment processors and disbursement network, our business could be harmed. Our third- party payment processors and disbursement partners are critical components of our business. We partner with payment processors in our send jurisdictions to provide clearing, processing, and settlement functions for the funding of all of our transactions. We also partner with disbursement partners in our receiving jurisdictions to disburse funds to recipients via cash pick- up or delivery, bank deposit, or mobile wallet. For payments processing, the terms of service are governed under applicable payment network rules that are determined by the processor and generally are not subject to negotiation. We may be forced to cease doing business with a payment processor if its rules and certification requirements governing electronic funds transfers change or are reinterpreted to make it difficult or impossible for us to comply. If we fail to comply with these rules or requirements, we may be subject to fines and higher transaction fees and lose our ability to accept credit card and debit card payments from customers or facilitate other types of online payments, and our business and operating results would be harmed. In addition, if we are unable to renew existing agreements or sign new payment processing and disbursement partners under terms consistent with, or better than, those currently in place, our growth, revenue, and overall business may be harmed. Our payment processors and disbursement partners could choose to terminate or not renew their agreements with us. Payment processors and disbursement partners could reduce the services provided, cease to do business with us, or cease doing business altogether. If these events occur and we are unable to secure alternative providers willing to provide services on more preferable terms, this could lead to our inability to clear our payment instruments or move funds on a global and timely basis as required to settle our obligations. This would negatively impact our revenue as well as our reputation and brand. If our disbursement partners do not provide a positive recipient experience, our business would be harmed. We partner with our disbursement partners to disburse funds to our customers’ recipients. If the experience delivered by our disbursement partners to a recipient is deemed unsatisfactory for any reason, including because our disbursement partners are not properly trained to disburse money or deliver poor customer service, ~~if~~ **our disbursement partners’ compliance processes and approvals take longer than expected, the** wait times at our disbursement partners’ pick **-** up locations are too long, or ~~if~~ cash pick- up locations are not located in convenient and safe locations and open for business at convenient times, customers may choose to not use our services in the future and our business would be harmed. Increases in various types of fees, such as interchange fees, payment scheme fees **,** and disbursement fees, could increase our costs, affect our profitability, cause us to lose customers, or otherwise limit our operations. Our payment processors and disbursement partners charge us fees, which may increase from time to time. Payment processors may pass through payment scheme mandated costs, such as interchange fees, and changes to these payment scheme fees, or decreases in negotiated rebates could increase our costs. Banks currently determine the fees charged for bank- originated transactions and may increase the fees with little prior notice. Our card processors have in the past and may in the future increase the fees charged for each transaction using credit cards and debit cards, which may be passed on to us. Our disbursement partners charge us disbursement fees, which they have in the past and may in the future increase. U. S. federal, state, or international governments could also mandate a payment processing or remittance tax, require additional taxes or fees to be imposed upon our customers, or otherwise impact the manner in which we provide our services. If our transaction processing fees increase, it may require us to change our disbursement options, modify payment methods **,** or take other measures that would impact our costs and profitability or cause us to lose customers or otherwise limit our operations. The loss of one or more key members of our management team, or our failure to attract, integrate, and retain other highly qualified personnel in the future, could harm our business. We believe our success has depended, and continues to depend, on the efforts and talents of our employees and senior management team, including our **CEO and** co- ~~founders~~ - **founder** Matthew Oppenheimer ~~and Joshua Hug~~ . Our future success depends on our continuing ability to attract, develop, motivate, and retain highly qualified and skilled employees ~~who mirror the diversity and spread of our customers~~ . Qualified individuals are in high demand, and we may be unable to find the number of technically talented employees we need to continue our growth, or we may incur significant costs ~~,~~ **—** costs which we expect to increase generally, to attract and keep such employees. In addition, any future loss of any of our senior management, key employees, or key technical personnel could harm our ability to execute our business plan, and we may not be able to find adequate replacements. All of our officers and other U. S. employees are at- will employees, which means they may terminate their employment relationship with us at any time, and their knowledge of our business and industry would be extremely difficult to replace. We cannot ensure that we will be able to retain the services of any of our senior management or other senior employees. If we do not succeed in attracting well- qualified employees or retaining and motivating existing employees, our business could be harmed. If we cannot maintain our company culture as we grow, our success and our business may be harmed. We believe our culture has been a key contributor to our success to date and that the critical nature of the platform that we provide promotes a sense of greater purpose and fulfillment in our employees. Inorganic growth through mergers and acquisitions may pose significant challenges to assimilating the company cultures of acquired companies. Any failure to preserve our culture could negatively affect our ability to retain and recruit personnel, which is critical to our growth, and to effectively focus on and pursue our corporate objectives. As we grow and develop the infrastructure of a public company, we may find it difficult to maintain these important aspects of our culture. If we fail to maintain our company culture, our business and competitive position may be adversely affected. Interruptions or delays in the services provided by critical data centers or internet service providers could impair the delivery of our platform and our business could suffer. We host our platform using third- party cloud infrastructure services **that we** ~~, including two facilities located on the west coast of the United States. All of our services utilize resources operated by us through third- party providers including Amazon Web Services (“ AWS ”), a provider of cloud infrastructure services. We~~ do not ~~have~~ control ~~over the operations of the facilities of AWS and other third- party providers that we use~~ . We ~~therefore~~ depend on ~~our third~~ - **their** ~~- party cloud providers’~~ ability to protect their data centers against damage or interruption from natural disasters, power or telecommunications failures, **cyberattacks or other** criminal acts, and similar events. ~~Our~~ **We also depend on their ability to meet our capacity requirements as increasing numbers of customers access our platform. In addition, our** operations depend on protecting the cloud infrastructure hosted by such providers by maintaining their respective configuration, architecture, and interconnection specifications, as well as the information stored in these data centers and which third- party internet service providers transmit. ~~We have from time- to- time~~

~~in the past experienced service disruptions, and we cannot assure you that we will not experience interruptions or delays in our service in the future. We may also incur significant costs for using alternative equipment or taking other actions in preparation for, or in reaction to, events that damage the data storage services we use. Although we have disaster recovery plans that utilize multiple data storage locations, any incident affecting their infrastructure that may be caused by fire, flood, severe storm, earthquake, hurricane, cyber- attacks, data security breaches or other similar incidents, power loss, telecommunications failures, unauthorized intrusion, computer viruses and disabling devices, natural disasters, military actions, terrorist attacks, and other similar events beyond our control could negatively affect our platform, including any disruptions in light of increased usage during the COVID- 19 pandemic.~~ In the event that ~~AWS' or~~ any ~~other~~ third- party provider' s systems or service abilities are hindered by any of the events discussed above, our ability to operate our platform may be impaired and data may be compromised. All of the aforementioned risks may be augmented if our or our partners' business continuity and disaster recovery plans prove to be inadequate ~~. The facilities also could be subject to break- ins, computer viruses, sabotage, intentional acts of vandalism and other misconduct, all of which could lead to data theft or misappropriation~~ . Any prolonged service disruption affecting our platform for any of the foregoing reasons could damage our reputation with current and potential customers, expose us to liability, cause us to lose customers, or otherwise harm our business. Also, in the event of damage or interruption, our insurance policies may not adequately compensate us for any losses that we may incur. **We have from** ~~Our platform is accessed by many customers, often at the same~~ time ~~. As we continue~~ to **time in** ~~expand the number of our customers and products available to our customers, there~~ - - **the past experienced** ~~may be interruptions or delays in~~ service ~~. In addition, the failure of data centers, third- party internet service providers, or other third- party service providers to meet our capacity requirements could result in interruptions~~ **disruptions due** ~~or delays in access to our platform or impede our ability to grow our business and scale our operations. If our third- party infrastructure service agreements are terminated, or there is a lapse of service, or there is interruption of internet service provider connectivity or damage~~ to such ~~facilities~~ **issues** , **and** we ~~could~~ **cannot assure you that we will not** experience interruptions ~~in access to our~~ - **or** ~~platform as well as~~ delays ~~and additional expense~~ in **our** ~~arranging new facilities and services~~ - **service in the future** . Moreover, we are heavily reliant on the cloud services provided by **Amazon Web Services ("** AWS **")** ~~. AWS provides us with computing and storage capacity pursuant to an agreement that continues until terminated by either party~~ . We may not be able to easily switch our AWS operations to another cloud or other data center provider if there are disruptions or interference with our use of or relationship with AWS, and, even if we do switch our operations, other cloud and data center providers are subject to the same risks. If AWS unexpectedly terminates our cloud services agreement, we would be forced to incur additional expenses to locate an alternative provider and may experience outages or disruptions to our service. Any service disruption affecting our platform during such migration or while operating on the AWS cloud infrastructure could damage our reputation with current and potential customers, expose us to liability, cause us to lose customers, or otherwise harm our business. Sustained financial market illiquidity, or illiquidity at our partner financial institutions, could harm our business, financial condition, and operating results. We face risks in the event of a sustained deterioration of financial market liquidity, as well as in the event of sustained deterioration in the liquidity or failure of financial institutions where we deposit money, including financial institutions that hold prefunding accounts for our disbursement partners. In particular: • We may be unable to access funds in our investment portfolio, deposit accounts, and clearing accounts on a timely basis to pay transactions and receive settlement funds. Any resulting need to access other sources of liquidity or short- term borrowing would increase our costs. Any delay or inability to pay transactions could harm our business, financial condition, and operating results; • Our funds are held by us and our disbursement partners, which includes banks, non- bank financial institutions, and aggregators, both in the United States and abroad. **For instance, a substantial portion of our send volume is derived from remittances being sent to India, Mexico, and the Philippines.** During high volume sending periods, a significant portion of our available cash may be held in an account or accounts outside of the United States. Our payment processors, the commercial banks that hold our funds, our disbursement partners, and the financial institutions that hold prefunding accounts for our disbursement partners or our disbursement collateral could fail or experience sustained deterioration in liquidity. This could lead to our inability to move funds on a global and timely basis as required to pay transactions and receive settlement funds; loss of prefunded balances; or a breach in our **capital or other** regulatory ~~capital~~ requirements if we are unable to recover our funds; and • We maintain cash at commercial banks in the United States in amounts in excess of the Federal Deposit Insurance Corporation limit of $ 250, 000. In the event of a failure at a commercial bank where we maintain our deposits, we may incur a loss to the extent such loss exceeds the insurance limitation. If financial liquidity deteriorates, our ability to access capital may be harmed and we could become insolvent. Acquisitions, strategic investments, partnerships, collaborations, or alliances could be difficult to identify and integrate, divert the attention of management, disrupt our business, dilute stockholder value, and adversely affect our operating results and financial condition. We have in the past, and we may in the future, seek to acquire or invest in businesses, products, or technologies that we believe could complement or expand our platform, address additional customer needs, enhance our technical capabilities, or otherwise offer growth opportunities. For example, in January 2023, we completed the acquisition of Rewire. The pursuit of ~~potential~~ **potentially material** acquisitions may divert the attention of management and cause us to incur various expenses in identifying, investigating, and pursuing suitable acquisitions, whether or not such acquisitions are completed. In addition, we have limited experience in acquiring other businesses, and we may not successfully identify desirable acquisition targets, identify key risks during the due diligence phase, or ~~, if we acquire additional businesses, we may not be able to~~ integrate them effectively following the acquisition. Acquisitions could also result in dilutive issuances of equity securities or the incurrence of debt, as well as unfavorable accounting treatment and exposure to claims and disputes by third parties, including intellectual property claims. We also may not generate sufficient financial returns to offset the costs and expenses related to any acquisitions. In addition, if an acquired business fails to meet our expectations, our business, operating results, and financial condition may suffer. We may also make significant investments in new products, marketing campaigns, technologies, or services developed solely by us or in conjunction with strategic partners we identify. It is possible that our strategic investments may not become profitable and fail to return our initial investment, and this may have a harmful effect on our business and financial results. Remitly Global is a holding company with no operations of its own and manages a network of local subsidiaries, each of which is subject to different local regulations. In the future, we may depend on our subsidiaries to fund our operations and expenses. We are a holding company ~~with subsidiaries in the United States, Canada, the United Kingdom, Ireland, Poland, Australia, Nicaragua~~ and ~~Singapore, all of which are directly or indirectly wholly owned. Managing the regulatory compliance activities for each of these many subsidiaries is a complicated task, and we expend significant resources in doing so. We cannot guarantee that we will be able to successfully navigate the challenging and changing legal and regulatory landscapes. If any of the regulatory environments applicable to our subsidiaries change materially, and we fail to adapt to such change, our business and financial results may be harmed. Additionally, as a holding company, we may~~ rely on our operating subsidiaries for distributions or payments for cash flow. Therefore, our ability to fund and conduct our business, service our debt, and pay dividends, if any, in the future may depend on the ability of our subsidiaries and intermediate holding companies to make upstream cash distributions or payments to us, which may be impacted, for example, by their ability to generate sufficient cash flow or limitations on the ability to repatriate funds, whether as a result of currency liquidity restrictions, monetary or exchange controls, regulatory restrictions, or otherwise. For example, certain of our subsidiaries are subject to minimum capital and liquidity requirements as U. S.- regulated entities and / or the jurisdictions where they do business. Such requirements may limit the ability of these regulated subsidiaries to dividend or distribute funds to Remitly Global. Our operating subsidiaries and intermediate holding companies are separate legal entities, and although they are directly or indirectly wholly owned and controlled by us, they have no obligation to make any funds available to us, whether in the form of loans, dividends, or otherwise. To the extent the ability of any of our subsidiaries to distribute dividends or other payments to us is limited in any way, our ability to fund and conduct our business, service our debt, and pay dividends, if any, could be harmed. Expansion into new international markets and payment corridors will expose us to risks associated with handling of additional currencies and compliance with local regulations and law. As our international operations increase, or more of our expenses are denominated in currencies other than the U. S. dollar, our operating results may be more greatly affected by fluctuations in local markets or the exchange rates of the currencies in which we do business. There are significant costs and risks inherent in conducting business in international markets, including: • establishing and maintaining effective controls at international locations and the associated costs; • increased competition from local providers; • compliance with international laws and regulations, including privacy and ~~data security~~ **cybersecurity** frameworks similar to the GDPR; • adapting to doing business in other languages or cultures; • compliance with local tax regimes, including potential double taxation of our international earnings, and potentially adverse tax consequences due to U. S. and international tax laws as they relate to our international operations; • compliance with anti-bribery laws, such as the FCPA, the CFPOA, and the U. K. Bribery Act; • currency exchange rate fluctuations and related effects on our operating results; • economic and political instability in some countries; • the uncertainty of protection for IP Rights in some countries and practical difficulties of obtaining, maintaining, protecting, defending **,** and enforcing IP Rights abroad; and • other costs of doing business internationally. As we expand into more international markets, we are faced with greater complexities around having to comply with various sets of local regulations, policies **,** and laws, which could change in ways that are adverse to our business. In particular, central banks or other regulatory agencies or institutions in the countries we operate could enact policies that may negatively affect our business, and we may incur increased costs and resources to deal with such unfavorable laws and policies. These factors and other factors could harm our international operations and, consequently, materially impact our business, operating results, and financial condition. Further, we may incur significant operating expenses as a result of our international expansion, and it may not be successful. We have limited experience with regulatory environments and market practices internationally, and we may not be able to penetrate or successfully operate in new markets. We also have more limited brand recognition in certain parts of the world, leading to delayed acceptance of our platform by international customers. If we cannot continue to expand internationally and manage the complexity of our global operations successfully, our financial condition and operating results could be adversely affected. Risks associated with operations outside the United States and foreign currencies could adversely affect our business, financial condition, results of operations, and cash flows. Since a substantial portion of our send volume is exposed to the U. S. dollar, any deterioration in the value of the U. S. dollar, including as a result of ~~macroeconomies~~ - **macroeconomic** factors, including inflation, could have a material impact on our business. In addition, a substantial portion of our revenue is generated in currencies other than the U. S. dollar, a significant portion of which occurs in Canada and Europe. As a result, we are subject to risks associated with changes in the value of our revenues and net monetary assets denominated in foreign currencies. For example, a considerable portion of our revenue is generated in the euro. In an environment of a rising U. S. dollar relative to the euro, the value of our euro-denominated revenue, operating income and net monetary assets would be reduced when translated into U. S. dollars for inclusion in our financial statements. Some of these adverse financial effects may be partially mitigated by our efforts to offset these financial impacts through natural hedging of our assets and liabilities held in foreign currencies. In an environment of a declining U. S. dollar relative to the euro, some of the translation benefits on our reported financial results could be limited by the impact of foreign currency hedging activities. We are also subject to changes in the value of other foreign currencies. For instance, we have seen increased money transfer volume if the U. S. dollar strengthens against certain currencies, especially the Indian rupee, the Mexican peso, or the Philippine peso. Conversely, we have seen decreased money transfer volume if the U. S. dollar weakens against those currencies. We are also exposed to risks relating to fluctuations in currency exchange rates between the date on which a customer initiates a cross- border remittance payment and the date that the remittance recipient ~~receive~~ **receives** the funds through our disbursement partners because the foreign exchange rate quoted to the customer is not adjusted for changes between the initiation date and the settlement date. In addition, our international subsidiary financial statements are denominated in and operated in currencies outside of the U. S. dollar. Our financial results are also subject to changes in exchange rates that impact the settlement of transactions in non- local currencies. As a result, it could be more difficult to detect underlying trends in our business and operating results. A substantial portion of our revenue is generated outside the United States. We utilize a variety of planning and financial strategies to help ensure that our worldwide cash is available where needed, including decisions related to the amounts, timing, and manner by which cash is repatriated or otherwise made available from our international subsidiaries. Changes in the amounts, timing, and manner by which cash is repatriated (or deemed repatriated) or otherwise made available from our international subsidiaries, including changes arising from new legal or tax rules, disagreements with legal or tax authorities concerning existing rules that are ultimately resolved in their favor, or changes in our operations or business, could result in material adverse effects on our financial condition, results of operations, and cash flows including our ability to pay future dividends or make share repurchases. To date, we have not engaged in currency hedging activities to limit the risk of exchange fluctuations; however, to limit our risk exposure associated with exchange rate fluctuations we may choose to engage in currency hedging activities in the future. Even if we use derivative instruments to hedge exposure to fluctuations in foreign currency exchange rates, the use of such hedging activities may not offset the adverse financial effects of unfavorable movements in foreign exchange rates over the limited time the hedges are in place, and may introduce additional risks if we are unable to structure effective hedges with such instruments. Money transfers and payments to, from, within, or between countries may be limited or prohibited by law. Additionally, economic or political instability or natural disasters may make money transfers to, from, within, or between particular countries difficult or impossible, such as when banks are closed, when currency devaluation makes exchange rates difficult to manage or when natural disasters or civil unrest makes access to agent locations unsafe. These risks could negatively impact our ability to offer our services, to make payments to or receive payments from international agents or our subsidiaries or to recoup funds that have been advanced to international agents or are held by our subsidiaries, and as a result could adversely affect our business, financial condition, results of operations, and cash flows. In addition, the general state of telecommunications and infrastructure in some lesser developed countries, including countries where we have a large number of transactions, creates operational risks for us and our ~~agents~~ **third- party providers** that generally are not present in our operations in the United States and other more developed countries. A substantial amount of our revenue is derived from remittances to Mexico, India, and the Philippines **,** and our business could be significantly affected by any adverse changes in these regions. Historically, our revenue has been substantially derived from remittances to Mexico, India, and the Philippines. Remittances sent to these three countries represented approximately **55 %,** 65 %, **and** 70 ~~%, and 75~~ % of our revenue for the years ended December 31, **2023,** 2022, **and** 2021 ~~, and 2020~~ , respectively. Because these countries account for a substantial portion of our revenue, our business is exposed to adverse regulatory and competitive changes, economic conditions **,** and changes in political conditions in each of these countries. Moreover, due to the concentration of our revenue in these geographies, our business is less diversified and, accordingly, is subject to greater regional risks than some of our competitors. Financial Risks ~~We may~~ **If we** fail to maintain ~~an~~ effective ~~system~~ **internal control over financial reporting in the future, the accuracy and timing** of **our financial reporting may be adversely affected. As a public company, we are required, among other things, to maintain effective** internal controls over financial reporting and **disclosure controls** ~~may not be able to accurately~~ and ~~timely~~ **procedures. The process of designing and implementing effective internal controls and disclosure controls is a continuous effort that requires us to anticipate and react to changes in our business and the economic and regulatory environment and to expend significant resources to maintain a system of internal controls that is adequate to satisfy our** ~~report~~ **reporting obligations** ~~our financial results. As of the date of this Annual Report on Form 10-K, we have remediated the three previously identified material weaknesses,~~ as **a public company** ~~described within Part II Item 9A of this Annual Report on Form 10- K~~ . We cannot assure you that the measures that we have taken, and that we will take, will be sufficient to prevent future material weaknesses from occurring. We also cannot assure you that we have identified all of our existing material weaknesses. If we fail to remediate any material weaknesses or otherwise fail to establish and maintain effective internal controls, our ability to accurately and timely report our financial results could be adversely affected and may result in a restatement of our annual or interim financial statements, which could cause us to fail to meet our reporting obligations, any of which could diminish investor confidence in us and cause a decline in the price of our common stock . We have built proprietary financial systems...... adversely affect our business and financial results . If one or more of our counterparties, including financial institutions, aggregators, and local cash pick- up institutions where we have cash on deposit, or our lenders and potential hedging counterparties, default on their financial or performance obligations to us or fail, we may incur significant losses. We have significant amounts of cash, cash equivalents **,** and receivables outstanding on deposit or in accounts with banks or other counterparties in the United States and international jurisdictions. While we do not currently enter into derivative financial instrument transactions as part of currency hedging activities, we may in the future enter into such transactions with various financial institutions. Certain banks and financial institutions are also lenders under our credit facilities. We may be exposed to the risk of default by, or deteriorating operating results or financial condition or failure of, these counterparties. If one of our counterparties were to become insolvent or file for bankruptcy, our ability to recover losses incurred as a result of default or to access or recover our assets that are deposited, held in accounts with, or otherwise due from, such counterparty may be limited by the counterparty' s liquidity or the applicable laws governing the insolvency or bankruptcy proceedings. In the event of default or failure of one or more of our counterparties, we could incur significant losses, which could negatively impact our operating results and financial condition. We **.We** have built proprietary financial systems as part of our technology platform.Such systems could become unstable,include defects,experience outages,and include undetected errors,each of which could adversely affect our business and financial results.Our proprietary financial systems are an integral part of our technology and business platform,which is a complex system composed of many interoperating components and which incorporates other third- party software.We have from time to time found defects or errors in our system and may discover additional defects in the future that could result in financial information unavailability or system disruption.In addition,we have experienced outages on our proprietary financial systems due to circumstances within our control,such as outages due to software bugs or human error.If sustained or repeated,any of these outages could impact the accuracy and completeness of our financial information over several reporting periods.In addition,our release of new software functionality may result in future interruptions in the availability of our financial information.Our financial systems may now,or in the future,contain undetected errors,defects,and vulnerabilities.Errors,defects,outages,vulnerabilities,and other unintended systems issues could result in an interruption in the availability of our financial information,failure to accurately or timely comply with domestic and international regulatory financial reporting obligations,or inaccurate and incomplete financial information,any of which could adversely affect our business and financial results ~~. We~~ expect fluctuations in our financial results, making it difficult to project future results, and if we fail to meet the expectations of securities analysts or investors with respect to our operating results, our stock price and the value of your investment could decline. Our operating results have fluctuated in the past and are expected to fluctuate in the future due to a variety of factors, many of which are outside of our control. In particular, we expect our revenue mix to vary from period to period, especially if our newly introduced products grow to represent a larger portion of our revenue. Shifts in our business mix from quarter to quarter could produce substantial variation in revenue recognized. Further, our results of operations could be affected by changes in revenue mix and costs, together with numerous other factors, including: • fluctuations in demand for our services or pricing of our fees associated with our services; • our ability to attract new customers; • our ability to retain and grow **trust and** engagement with our existing customers; • our ability to expand our relationships with our marketing, payment processing, disbursement, and banking partners, or identify and attract new strategic partners; • customer growth rates and the revenue derived from and quantity of existing customers retained; • changes in customer preference for mobile- first services as a result of **cyberattacks** ~~cyber- attacks~~ , ~~data security~~ **cybersecurity** breaches **, service outages,** or other similar incidents in the industry or privacy concerns, or other security or reliability concerns regarding our services; • changes in customers' budgets and in the timing of their budget cycles and money transfer decisions; • potential and existing strategic partners choosing our competitors' products or developing their own solutions in- house; • the development or introduction of new platforms or services by our competitors that are easier to use or more advanced than our current suite of services, especially in respect of the application of AI- based services; • our failure to adapt to new forms of payment that become widely accepted, including cryptocurrency; • **cyberattacks** ~~cyber- attacks~~ , ~~data security~~ **cybersecurity** breaches, ~~technical difficulties~~ **service outages** , ~~interruptions~~ or other similar incidents with respect to the delivery and use of our platform which may result in data theft and / or misappropriation; • the adoption or retention of more entrenched or rival services in the international markets where we compete; • our ability to control costs, including our operating expenses; • the amount and timing of payment for operating expenses, particularly technology and development and marketing expenses; • the amount and timing of noncash expenses, including stock- based compensation expense, depreciation and amortization, and other noncash charges; • the amount and timing of costs associated with recruiting, training, and integrating new employees and retaining and motivating existing employees; • fluctuation in market interest rates, which impacts interest earned on funds held for customers; • fluctuation in currency exchange rates; • the effects of acquisitions and their integration; • general economic conditions, both domestically and internationally, as well as economic conditions specifically affecting industries in which our customers participate; • **epidemics, pandemics, or other public health crises, such as the COVID- 19 pandemic; •** the impact of new accounting pronouncements; • changes in the competitive dynamics of our market; ~~and~~ • awareness of our brand and our reputation in our target markets **; and • our ability to introduce our services in new payment corridors and markets, including maintaining existing and obtaining new money transmitter licenses** . Any of these and other factors, or the cumulative effect of some of these factors, may cause our operating results to vary significantly. As a result, our past results may not be indicative of our future performance. In addition, if our quarterly operating results fall below the expectations of investors and securities analysts who follow our stock, the price of our common stock could decline substantially, and we could face costly lawsuits, including securities class action suits. Furthermore, our cash flows may be affected by the day of the week on which each quarter ends which may affect our quarterly operating results. There can be a delay between when we release funds for disbursement and when we receive customer funds from our payment processors. For example, if a quarter closes on a Saturday, our cash flow statements will show a decreased cash balance because we will have wired out funds on Friday which will be available for disbursement on Saturday, Sunday **,** and Monday **,** but we may not receive customer funds from our payment processors until Monday. In addition, due to time zone differences, an additional day' s worth of funding is required for disbursements to certain markets. As a result, period- to- period comparisons of our statements of cash flows may not be meaningful, and you should not rely on them as an indication of our liquidity or capital resources. Inaccurate forecasts of our customer growth and retention could result in higher operating expenses relative to actual revenue and ultimately harm our business. Our customer growth forecast is a key driver in our business plan which affects our ability to accurately forecast revenue and expenses. In addition, we plan a portion of our operating expenses, specifically related to our marketing expenses and customer service and operations headcount needs, in part on our forecasts of customer growth, retention, and future revenue. Seasonality and foreign exchange rate movements create volatility to these assessments which may adversely impact their accuracy. We also analyze revenue contributions from customer cohorts acquired during a particular year ended December 31 and revenue associated with those cohorts for each year thereafter. While we believe these cohorts are fair representations of our overall customer base, there is no assurance that they will be representative of any future group of customers or periods. Revenue for a particular customer cohort may fluctuate from one period to another depending on, among other factors, our ability to retain and increase revenue from our customers within a given cohort and changes to the products and services we offer to our customers. If we overestimate customer growth or retention and customer spend rates, our revenue will not grow as we forecast, our operating expenses may be too high relative to actual revenue levels **of** our business, **and our** financial condition and operating results may be harmed. If the revenue generated by new customers differs significantly from our expectations, or if our customer acquisition costs or costs associated with servicing our customers increase, we may not be able to recover our customer acquisition costs or generate profits from this investment. We invest significant resources in marketing with the aim to acquire new customers and expect to continue to spend significant amounts to acquire additional customers, primarily through online advertising and marketing promotions. When making decisions regarding investments in customer acquisition, we analyze the transaction profit we have historically generated per customer over the expected lifetime value of the customer, and, where relevant, look to the estimated future transaction profit on a long- term basis. Our analysis of the transaction profit that we expect a new customer to generate over ~~his or her~~ **their** lifetime depends upon several estimates and assumptions, including whether a customer will send a second transaction, whether a customer will send multiple transactions in a month, the amount of money that a customer sends in a transaction **,** and the predictability of a customer' s sending pattern. The accuracy of our predictions with respect to transaction profits may be subject to greater variance in new or recently added corridors, as compared to our more established corridors. Our ability to use our net operating losses to offset future taxable income may be subject to certain limitations which could harm our operating and financial results. Our net operating losses (" NOLs ") could expire unused and be unavailable to offset future income tax liabilities because of their limited duration or because of restrictions under U. S. or international tax law. NOLs generated in taxable years beginning before January 1, 2018 are permitted to be carried forward for only 20 taxable years under applicable U. S. federal income tax law. Under the 2017 Tax Cuts and Jobs Act (the " Tax Act "), as modified by the CARES Act, NOLs arising in taxable years beginning after December 31, 2017, and before January 1, 2021 may be carried back to each of the five taxable years preceding the taxable year of such loss, and NOLs arising in taxable years beginning after December 31, 2020 may not be carried back. Moreover, under the Tax Act as modified by the CARES Act, NOLs generated in taxable years beginning after December 31, 2017 may be carried forward indefinitely, but the deductibility of such NOLs generally will be limited in taxable years beginning after December 31, 2020 to 80 % of current year taxable income. For these reasons, we may not be able to utilize a material portion of the NOLs reflected on our balance sheets, even if we attain profitability, which could potentially result in increased future tax liability to us and could adversely affect our operating and financial results. Changes and evolving requirements in tax laws or their interpretation, including as applied to us and our customers, could adversely affect our business. As a multinational organization, operating in multiple jurisdictions we may be subject to increasingly complex tax laws and taxation in several jurisdictions, the application of which can be uncertain. The amount of taxes we are required to pay in these jurisdictions could increase substantially as a result of changes in the applicable tax principles, including increased tax rates, new tax laws, or revised interpretations of existing tax laws, potential disputes around transfer prices implemented and precedents, which could have a material adverse effect on our business. Such material adverse effect may include the value of any tax loss carryforwards, tax credits recorded on our balance sheet, indirect tax accrual estimates, the amount of our cash flow, our liquidity, financial condition **,** and results of operations. Many of the jurisdictions in which we conduct business have detailed transfer pricing rules or may comply with the Organization for Economic Cooperation and Development guidelines, which require contemporaneous documentation establishing that all transactions with non- resident related parties be priced using arm' s **-** length pricing principles. Tax authorities in these jurisdictions could challenge our related party transfer pricing policies and, consequently, the tax treatment of corresponding expenses and income. If any tax authority were to be successful in challenging our transfer pricing policies, we may be liable for additional corporate income tax, withholding tax, indirect tax and penalties **,** and interest related thereto, which may have a significant impact on our results of operations and financial condition. We are subject to regular review and audit by the relevant tax authorities in the jurisdictions we operate and as a result, the authorities in these jurisdictions could review our tax returns and impose additional significant taxes, interest **,** and penalties, challenge the transfer pricing policies adopted by us, claim that our operation constitutes a taxable presence in different jurisdiction and / or that various withholding requirements apply to us or our subsidiaries **,** or assert that benefits of tax treaties are not available to us or our subsidiaries, any of which could materially affect our income tax provision, net income, or cash flows in the period or periods for which such determination is made. In addition, tax benefits we currently receive in certain jurisdictions require us to meet several conditions and may be challenged or terminated or reduced in the future, which would increase our taxes, possibly with a retroactive effect **. The determination of our worldwide provision for income taxes and other tax liabilities requires estimation and significant judgment, and there are many transactions and calculations for which the ultimate tax determination is uncertain. Any adverse outcome of potential future audits, reviews, or investigations by tax authorities in U. S. or foreign tax jurisdictions could result in unforeseen tax- related liabilities that differ from the amounts recorded in our financial statements, which may, individually or in the aggregate, materially affect our financial results in the periods for which such determination is made. While we have established reserves based on assumptions and estimates that we believe are reasonable to cover such eventualities, these reserves may prove to be insufficient** . A number of U. S. states, the U. S. federal government, and foreign jurisdictions have implemented and may impose reporting or recordkeeping obligations on companies that engage in or facilitate e- commerce. A number of jurisdictions are also reviewing whether payment service providers and other intermediaries could be deemed to be the legal agent of merchants for certain tax purposes. Any failure by us to comply with these and similar reporting and record- keeping obligations could result in substantial monetary penalties and other sanctions, adversely impact our ability to do business in certain jurisdictions, and harm our business. In addition, the failure by our customers to comply with reporting obligations in connection with transactions on our platform could result in regulatory inquiry, reputational damage **,** and potential enforcement actions and additional reporting and withholding requirements. We may not be able to secure additional financing in a timely manner, on satisfactory terms, or at all, to meet our future capital needs, which could impair our ability to execute on our business plan. We believe that our cash, cash equivalents, and funds available **under** our **2021** ~~revolving~~ **Revolving** ~~credit~~ **Credit** ~~facility~~ **Facility** will be sufficient to meet our operating and capital requirements for at least the next twelve months. However, since inception through December 31, ~~2022~~ **2023** and December 31, ~~2021~~ **2022** , the Company has incurred losses from operations, negative cash flows from operations, and had an accumulated deficit of $ **491. 3 million and of $** 373. 5 ~~million and of $ 259. 4~~ million, respectively, and has been dependent on equity and debt financing to fund operations. As such, we may require additional capital to respond to business opportunities (including increasing the number of customers acquired or acquisitions), capital needed during high volume sending periods, new capital **or liquidity** requirements introduced or required by our regulators and payment processors, challenges, or unforeseen circumstances and may determine to engage in equity or debt financings for other reasons. We have a ~~$ 250. 0 million~~ revolving credit facility with certain lenders and JPMorgan Chase Bank, N. A. acting as administrative agent and collateral agent (the " ~~New~~ **2021** Revolving Credit Facility **,** " ~~,~~ as defined in Note ~~6~~ **9** . Debt in the ~~Notes~~ **notes** to the Company' s ~~Consolidated~~ **consolidated** ~~Financial~~ **financial** ~~Statements~~ **statements** included in Part II, Item 8 of this Annual Report on Form 10- K) **under that certain Revolving Credit and Guaranty Agreement dated as of September 13, 2021 (as amended by Amendment No. 1 dated as of June 26, 2023 and as further amended by Amendment No. 2 and Joinder Agreement dated as of December 20, 2023 (" Amendment No. 2 ")). Pursuant to Amendment No. 2, the aggregate amount of the revolving commitments under the 2021 Revolving Credit Facility were increased from $ 250. 0 million to $ 325. 0 million** . We may incur additional indebtedness in the future. We expect to rely on the ~~New~~ **2021** Revolving Credit Facility to finance a substantial portion of the capital **and liquidity** requirements and obligations we are subject to in connection with our remittance business. Additionally, certain borrowings under the ~~New~~ **2021** Revolving Credit Facility are subject to variable interest rates. If the interest rate on ~~New~~ **2021** Revolving Credit Facility or any alternative financing were to increase, our operating results could be harmed, particularly because we rely on drawings under our line of credit to satisfy regulatory compliance requirements with respect to maintaining sufficient capital **and liquidity** . The credit agreement governing our ~~New~~ **2021** Revolving Credit Facility contains conditions to borrowing and significant restrictive covenants; any failure to satisfy these conditions to borrowing or covenants could result in us being unable to borrow additional amounts under the ~~New~~ **2021** Revolving Credit Facility or having to repay outstanding amounts, and could limit our ability to execute on our business or growth strategies. If we were unable to refinance the ~~New~~ **2021** Revolving Credit Facility or enter into an alternative facility on similar terms, we may be unable to meet regulatory compliance requirements with respect to maintaining sufficient capital **and liquidity** . Additionally, the restrictive covenants impose significant operating and financial restrictions that may impact our ability to engage in certain transactions or make investments that could be in our long- term best interests. The restrictive covenants also require us to comply with financial maintenance covenants in certain circumstances; our ability to satisfy these covenants can be affected by events beyond our control and we cannot assure you that we will be able to comply. Any debt financing secured by us in the future could involve additional restrictive covenants relating to our capital raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities, including potential acquisitions. We may not be able to secure additional debt or equity financing in a timely manner, or at all, which could require us to scale back our business plans and operations. Failure to maintain sufficient capital could harm our business, financial condition, and operating results. We have significant working capital requirements driven by: • the delay between when we release funds for disbursement and when we receive customer funds from our payment processors, which can be exacerbated by time zone differences, bank holidays, national or governmental holidays, and weekends; • regulatory capital requirements pertaining to net worth; • regulatory requirements pertaining to permissible investments and safeguarding of customer funds; • requirements contained in the credit agreement governing our ~~New~~ **2021** Revolving Credit Facility; • collateral requirements imposed on us by our payment processors; and • collateral requirements imposed on us by our disbursement partners. This requires us to have access to significant amounts of capital, particularly at high volume sending times, which we may not be able to forecast accurately. Our need to access capital will increase as our number of customers, transactions processed, and total sending volume increases. Increases in our send volume processed, even if short- term in nature, can cause increases in our capital requirements. Our ability to meet our capital requirements could be affected by various factors, including any inability to collect funds from customers, inability to maintain fraud losses at acceptable rates, or incurring unanticipated losses. If we do not have sufficient capital and are unable to access or raise additional capital, we may not be able to pursue our growth strategy, fund key strategic initiatives, such as geographic expansion or product development efforts, or continue to transfer money to recipients before funds are actually received from our customers. In addition, we may not be able to meet new capital **or liquidity** requirements introduced or required by our regulators and payment processors. We currently have the ~~New~~ **2021** Revolving Credit Facility to mitigate capital fluctuations, but there can be no assurance that the ~~New~~ **2021** Revolving Credit Facility will be sufficient or renewed at favorable rates or that we will have access to additional capital as needed, or at all. Changes in our effective tax rate or tax liability may adversely affect our operating results. Our effective tax rate could increase due to several factors, including: • changes in the relative amounts of income before taxes in the various U. S. and international jurisdictions in which we operate due to differing statutory tax rates in various jurisdictions; • changes in tax laws, tax treaties, and regulations or the interpretations of them, including the 2017 Tax Act as modified by the CARES Act; • changes to our assessment about our ability to realize our deferred tax assets that are based on estimates of our future results, the prudence and feasibility of possible tax planning strategies, and the economic and political environment in which we do business; and • the outcome of current and future tax audits, examinations, or administrative appeals. Any of these developments could adversely affect our operating results. ~~Our reported financial results may be materially and adversely affected by changes in accounting principles generally accepted in the United States. Generally accepted accounting principles in the United States (" GAAP "), are subject to interpretation by the Financial Accounting Standards Board, the SEC, and various bodies formed to promulgate and interpret appropriate accounting principles. A change in these principles or interpretations could have a significant effect on our reported financial results.~~ If our estimates or judgments relating to our critical accounting policies prove to be incorrect, our operating results could be adversely affected. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the ~~Consolidated~~ **consolidated** ~~Financial~~ **financial** ~~Statements~~ **statements** and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, as provided in Part II, Item 7, Management' s Discussion and Analysis of Financial Condition and Operating

Results, in the section titled " Critical Accounting Policies and Estimates. " The results of these estimates form the basis for making judgments about the carrying values of assets, liabilities, and equity, and the amount of revenue and expenses that are not readily apparent from other sources. Significant estimates and judgments involve the identification of performance obligations in revenue recognition, share- based compensation, among others. Our operating results may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our operating results to fall below the expectations of securities analysts and investors, resulting in a decline in the trading price of our common stock. We track certain business metrics with internal tools and do not independently verify such metrics. Certain of our business metrics may not accurately reflect certain details of our business, are subject to inherent challenges in measurement, and real or perceived inaccuracies in such metrics may harm our reputation and negatively affect our business. We track certain business metrics, including active customers, send volume **,** and Adjusted EBITDA, which are not independently verified by any third party and are not measured according to GAAP. Our internal tools have a number of limitations and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we report. If the internal tools we use to track these metrics under count or over count performance or contain algorithmic or other technical errors, the data we report may not be accurate. In addition, limitations or errors with respect to how we measure data (or the data that we measure) may affect our understanding of certain details of our business, which could affect our longer-term strategies. If our business metrics are not accurate representations of our business performance or customer base; if we discover material inaccuracies in our metrics; or if the metrics we rely on to track our performance do not provide an accurate measurement of our business, our reputation may be harmed, we may be subject to legal or regulatory actions, and our operating and financial results could be adversely affected. In addition, from time to time we may change the business metrics that we track, including metrics that we report, and any new business metrics will also be subject to the foregoing limitations and risks ~~.~~ ~~General Risks Our customers and business operations are exposed to macroeconomic conditions and geopolitical forces in developing regions and regions that account for a significant amount of our send volume, which exposes us to risk of loss~~ . The majority of our total revenue is currently derived from remittances being sent from the United States, Canada, **the United Kingdom,** and other countries in Europe ~~to India, Mexico, and the Philippines and other locations in Latin America, Africa and Asia. In particular, a substantial portion of our send volume is derived from remittances being sent~~ to India, Mexico, and the Philippines. As a result, any macroeconomic trends and conditions (including a continued rise in inflation) or geopolitical trends that disrupt these regions or alter their immigration patterns, economic conditions **,** or cultural norms could have an impact on the demand for our services or our ability to provide such services. Any economic or political instability, ~~civil unrest~~ **regional and global conflicts** , natural disasters, public health crises, or other similar circumstances affecting these regions **also** could have a disproportionately harmful impact on our business, financial position, and operating results. **For example, the COVID-19 pandemic and stay at home protocols imposed operational challenges on our business, and future pandemics or other public health crises could result in similar challenges that may negatively impact our business.** In addition, **although our operations** ~~we have recently ceased all transactions to Russia and Belarus due to the armed conflict~~ in Ukraine and **the Middle East** ~~resulting economic sanctions against Russia and Belarus. Although remittances to Russia and Belarus~~ do not **currently** represent a significant portion of our business, the continuation or **further** escalation of the ~~conflict~~ **conflicts** in ~~Ukraine~~ **these regions** could ~~have~~ **negatively impact our** broader ~~geopolitical and macroeconomic consequences and may have an impact~~ **European operations, affect the ability of our development teams in Israel** to **operate effectively,** ~~our~~ - **or** ~~business beyond~~ **otherwise disrupt** the ~~direct impact~~ **development or availability of our products in the market** on **a timely basis** ~~Russia and Belarus customers, transactions, and send volume~~ . Global trade policy or international relations between larger developed countries could also impact the market for our services or our ability to serve those markets effectively. For example, Chinese technologies are critical components of many of our disbursement partners, payment processors, and overall distribution network. If there were a disruption of trade relations between the United States and China, we, and our disbursements partners that rely on these technologies **,** could lose access to these critical Chinese technologies, which would disrupt our business and could have a material adverse effect on our operations. In addition, the Chinese government could take action that would create significant competitive advantage to Chinese companies and create obstacles for us. Changes in U. S. **or other** immigration laws ~~or changes in the immigration laws of other jurisdictions~~ that discourage international migration, ~~and political or~~ **as well as** other events ~~, such as war, terrorism, or public health crises,~~ that **impact global migration** ~~make it more difficult for individuals~~ to ~~immigrate to, or work in,~~ the **US** ~~United States~~ or other ~~countries~~ **key remittance markets** , could adversely affect our gross send volume or growth rate **in the future** . Sustained weakness in the United States or global economic conditions could reduce economic opportunities for immigrant workers and result in reduced or disrupted international migration patterns. Reduced or disrupted international migration patterns are likely to reduce money transfer volumes and harm our operating results. Our ~~business is subject to the risks of earthquakes, fires, floods, public health crises, pandemics, and other natural catastrophic events, and to interruption by man- made problems such as cyber- attacks, data security breaches or other similar incidents, internal or third- party system failures, political unrest, market or currency disruptions, and terrorism, which could result in system and process failures and interruptions which could harm our business. Our~~ corporate headquarters is located in Seattle, Washington **,** and our cloud services providers and data centers are also largely located in the western United States. The west coast of the United States contains active earthquake zones. Although our systems have been designed around industry- standard architectures to reduce downtime in the event of outages or catastrophic occurrences, they remain vulnerable to damage or interruption from earthquakes, floods, fires, power loss, telecommunication failures, terrorist attacks, public health crises, **cyberattacks** ~~cyber- attacks~~ , ~~data security~~ **cybersecurity** breaches **, service outages,** or other similar incidents, human error, hardware or software defects or malfunctions (including defects or malfunctions of components of our systems **and networks** that are supplied by third- party **vendors and** service providers), and similar events or disruptions. As we rely heavily on our servers, computer and communications systems, and the internet to conduct our business and provide high- quality customer service, disruptions in these systems **and networks** could harm our ability to operate our business, impede our employees' ability to conduct business activities whether at our facilities or from a remote location, and cause lengthy delays, which could harm our business, financial condition, and operating results. An outage at any one facility could result in our system being unavailable for a significant period of time. We have disaster recovery programs in place, but these may also fail, prolonging the period of time during which our system and products may not be available. Additionally, some of the countries to which our disbursement partners deliver the funds we transfer regularly experience serious political unrest or upheaval. Such political unrest may lead to temporary or long- term disruptions to our disbursement network in the affected countries. If such disruption were ongoing, our customers may look to other methods of transferring funds, or we may be unable to resume our services in such countries, and our business and financial results may be harmed. The insurance we maintain may be insufficient to cover our losses resulting from any such incidents or events, and any such incidents or events may result in loss of, or increased costs of, such insurance. For additional information regarding risks associated with **cyberattacks** ~~cyber- attacks~~ , ~~data security~~ **cybersecurity** breaches **,** and other similar incidents, see " — **Cyberattacks** ~~Cyber- attacks~~ , ~~data security~~ **cybersecurity** breaches **, service outages,** or other similar incidents could result in serious harm to our business, reputation **,** and financial condition **, including by triggering regulatory action or a breach of our agreements with significant partners that we rely on to deliver our services** . " **Risks Related to Ownership of Our Common Stock** The **stock price of our common stock has been, and may** ~~continuing~~ **continue** ~~effects~~ **to be, volatile or may decline regardless** of **our operating performance, and you may lose part or all of your investment. The market prices of** the ~~COVID~~ **securities of newly public companies, including ours, have historically been highly volatile and will likely continue to be volatile. In addition to the factors discussed in this Annual Report on Form 10** - ~~19~~ **K, the market price of our common stock may fluctuate significantly in response to numerous factors, many of which are beyond our control, including: • overall performance of the equity markets; • actual or anticipated fluctuations in our revenue and other operating results; • changes in the financial projections we may provide to the public or our failure to meet these projections; • failure of securities analysts to initiate or maintain coverage of us, changes in financial estimates by any securities analysts who follow us, or our failure to meet these estimates or the expectations of investors; • recruitment or departure of key personnel; • the economy as a whole and market conditions in our industry; • negative publicity related to the real or perceived quality of our platform, as well as the failure to timely launch new products and services that gain market acceptance; • rumors and market speculation involving us or other companies in our industry or newly public companies; • announcement by us or our competitors of new products or services (including with respect to cryptocurrency or blockchain technology), commercial relationships, or significant technical innovations; • acquisitions, strategic partnerships, joint ventures, or capital commitments; • new laws or regulations or new interpretations of existing laws or regulations applicable to our business; • lawsuits threatened or filed against us, litigation involving our industry, or both; • developments or disputes concerning our or other parties' products, services, or IP Rights; • changes in accounting standards, policies, guidelines, interpretations, or principles; • interpretations of any of the above or other factors by trading algorithms, including those that employ natural language processing and related methods to evaluate our public disclosures; • other events or factors, including those resulting from war, incidents of terrorism, natural disasters,** ~~pandemic~~ **pandemics , or responses to those events; and • sales of shares of our common stock by us, our directors and executive officers, or our stockholders. In addition, the stock markets have experienced extreme price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies. Stock prices of many companies, and technology companies in particular, have fluctuated in a manner unrelated or disproportionate to the operating performance of those companies. In the past, stockholders have instituted securities class action litigation following periods of market volatility. If we were to become involved in securities litigation, it** could ~~materially~~ **subject us to substantial costs, divert resources and the attention of management from our business,** and adversely affect our business **. Concentration** ~~, financial condition, and results~~ of ~~operations~~ **ownership of our common stock among our existing executive officers, directors, and principal stockholders may prevent new investors from influencing significant corporate decisions. Based upon the information available to us about our shares outstanding as of December 31, 2023, our executive officers, directors, and current beneficial owners of 5 % or more of our common stock, in the aggregate, beneficially own a substantial percentage of our outstanding common stock. These persons, acting together, will be able to significantly influence all matters requiring stockholder approval, including the election and removal of directors and any merger or other significant corporate transactions** . The ~~ultimate extent to which~~ **interests of this group of stockholders may not coincide with the interests of** ~~the~~ **other stockholders.** ~~COVID- 19 pandemic impacts our business, financial condition, and results of operations will depend on future~~ **Future** ~~developments~~ **sales of our common stock in the public market could cause the market price of our common stock to decline. Sales of a substantial number of shares of our common stock in the public market** , ~~which~~ **or the perception that these sales might occur, could depress the market price of our common stock and could impair our ability to raise capital through the sale of additional equity securities. We** are **unable** ~~highly uncertain, difficult~~ to predict ~~, and subject to change, including, but not limited to,~~ the ~~duration, scope, severity, proliferation of variants and increase in the transmissibility of the virus, its impact on the global economy, actions taken to contain or limit the impact of COVID- 19, such as the availability of an effective~~ --- **effect** ~~vaccine or treatment, geographic variation in how countries and states are handling the pandemic, and how quickly and to what extent normal economic and operating conditions may potentially resume. The COVID- 19 pandemic has adversely impacted the operations of our customers, suppliers, vendors and other business partners, and may adversely impact our results of operations in the future. Cross- border and domestic commerce may be adversely impacted by measures taken by government authorities and businesses globally to contain and limit the spread of COVID- 19, including travel restrictions, border closures, quarantines, shelter- in- place and lock- down orders, mask and social distancing requirements, and business limitations and shutdowns. To the extent~~ that such **sales** ~~mitigation measures remain in place or are reinstated for~~

~~significant periods of time, they~~ may ~~adversely affect our business, financial condition, and results of operations. Actions that we~~ have ~~taken~~ **on the prevailing market price of** ~~or~~ **our common stock** ~~may take in the future intended to assist customers impacted by COVID- 19 may negatively impact our results of operations~~. In ~~particular~~ **addition** , we ~~have experienced and may continue to experience adverse financial impacts from a number of operational factors, including, but not limited to: increased cybersecurity and payment fraud risk; increased volume of customer requests for support; increased regulatory requests and requirements; challenges to the availability and reliability of our products and services; and supply chain disruptions impacting our business. The significant increase in the number of our employees who are working remotely as a result of the pandemic, and an extended period of remote work arrangements and subsequent reintroduction into the workplace could introduce operational risk, increase cybersecurity risk, strain our business continuity plans, negatively impact productivity, and give rise to claims by employees or otherwise adversely affect our business. Additionally, COVID- 19 could require new or modified processes, procedures, and controls to respond to changes in our business environment. We may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, customers, and business partners. There is no certainty that such measures will be sufficient to mitigate the risks posed by COVID- 19 or will otherwise be satisfactory to government authorities. The impacts of COVID- 19, individually or collectively, could~~ have a ~~material adverse impact on~~ **substantial number of shares of our common stock that are subject to future issuance in connection with unexercised equity awards and are subject to registration rights. Any future issuance** ~~our~~ **or** ~~business, financial condition,~~ **registration of such shares of our common stock may make it more difficult for us to sell equity securities in the future at a time** and **at a price that we deem appropriate. These sales also could cause the trading price of our common stock to fall and make it more difficult for you to sell shares of our common stock. We may issue our shares of common stock or securities convertible into our common stock from time to time in connection with financings, acquisitions, investments, or otherwise. Any such issuance could** ~~results~~ **result in substantial dilution to** ~~of operations and have the effect of heightening or~~ **our** ~~exacerbating many of the~~ **existing stockholders and cause** ~~other~~ **the trading price of our common stock to decline** ~~risks described in this " Risk Factors " section~~. Anti- takeover provisions in our charter documents and under Delaware or other state law could make an acquisition of our company more difficult, limit attempts by our stockholders to replace or remove our current management, and affect the market price of our common stock. Provisions in our amended and restated certificate of incorporation and restated bylaws may have the effect of delaying or preventing a change of control or changes in our management. Our amended and restated certificate of incorporation and restated bylaws include provisions that: • authorize our board of directors to issue, without further action by the stockholders, shares of undesignated preferred stock with terms, rights, and preferences determined by our board of directors that may be senior to our common stock; • require that any action to be taken by our stockholders be effected at a duly called annual or special meeting and not by written consent; • specify that special meetings of our stockholders can be called only by our board of directors, the chairperson of our board of directors, or our Chief Executive Officer; • establish an advance notice procedure for stockholder proposals to be brought before an annual meeting, including proposed nominations of persons for election to our board of directors; • establish that our board of directors is divided into three classes, with each class serving three- year staggered terms; • prohibit cumulative voting in the election of directors; • provide that our directors may be removed for cause only upon the vote of sixty- six and two- thirds percent (66 2 / 3 %) of our outstanding shares of common stock; • provide that vacancies on our board of directors may be filled only by a majority vote of directors then in office, even though less than a quorum; and • require the approval of our board of directors or the holders of at least sixty- six and two- thirds percent (66 2 / 3 %) of our outstanding shares of common stock to amend our bylaws and certain provisions of our certificate of incorporation. These provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors, which is responsible for appointing the members of our management. In addition, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, which generally, subject to certain exceptions, prohibit a Delaware corporation from engaging in any of a broad range of business combinations with any " interested " stockholder for a period of three years following the date on which the stockholder became an " interested " stockholder. Furthermore, while state statutes governing our money transmitter licenses vary, most require investors to receive the approval of, or provide notice to, the relevant licensing authority before exceeding a certain ownership threshold ~~(as low as 10 %)~~ , including indirect ownership, in a licensed money transmitter. Accordingly, current or prospective investors seeking to acquire ~~10 % or greater~~ ownership of ~~us~~ **securities above certain thresholds** in the aggregate ~~would~~ **may** need to first obtain such regulatory approvals and provide such notices to the relevant regulators. Any of the foregoing provisions could limit the price that investors might be willing to pay in the future for shares of our common stock, and they could deter potential acquirers of our company, thereby reducing the likelihood that you would receive a premium for your shares of our common stock in an acquisition. ~~We have incurred and will continue to incur increased costs as a result of operating as a public company, and our management is required to devote substantial time to compliance with our public company responsibilities and corporate governance practices. As a public company, we have incurred and will continue to incur significant legal, accounting, and other expenses that we did not incur as a private company, which we expect to further increase. The Sarbanes- Oxley Act, the Dodd- Frank Wall Street Reform and Consumer Protection Act, the listing requirements of NASDAQ, and other applicable securities rules and regulations impose various requirements on public companies. Our management and other personnel devote a substantial amount of time to compliance with these requirements. Moreover, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time- consuming and costly compared to when we were a private company.~~ Increased scrutiny from regulators, investors **,** and other stakeholders regarding our environmental, social, governance or sustainability responsibilities, strategy **,** and related disclosures could result in additional costs or risks and adversely impact our reputation, employee retention, and willingness of consumers and merchants to do business with us. Regulators, investor advocacy groups, certain institutional investors, investment funds, stockholders, consumers and other market participants have focused increasingly on the environmental, social **,** and governance (“ ESG ”) or “ sustainability ” practices of companies. These parties have placed increased importance on the implications of the social cost of their investments. We may incur additional costs and require additional resources as we evolve our ESG strategy, practices **,** and related disclosures. If our ESG strategy, practices **,** and related disclosures, including the impact of our business on climate change, do not meet (or are viewed as not meeting) regulator, investor **,** or other industry stakeholder expectations and standards, which continue to evolve **and may emphasize different priorities than the ones we choose to focus on** , our brand, reputation **,** and employee retention may be negatively impacted. ~~Our management team has limited experience managing a public~~ **We could also incur additional costs and require additional resources to monitor, report, and** ~~company~~ **comply** ~~. Our management team has limited experience managing a publicly traded company, interacting~~ with ~~public company investors~~ **various ESG practices** and ~~securities analysts~~ **regulations. Also** , **our failure, or perceived failure, to manage reputational threats** and ~~complying~~ **meet expectations** with **respect** ~~the increasingly complex laws pertaining~~ to **socially responsible activities** ~~public companies. These new obligations~~ and **sustainability commitments** ~~constituents require significant attention from our management team and~~ could ~~divert their~~ **negatively impact our brand, reputation, employee** ~~attention~~ **retention** ~~away from~~ **, and** the **willingness** ~~day- to- day management~~ of our **customers to do** business **with us** ~~, which could harm our business, operating results, and financial condition~~ . We do not intend to pay dividends for the foreseeable future and, as a result, your ability to achieve a return on your investment will depend on appreciation in the price of our common stock. We do not intend to pay any cash dividends in the foreseeable future. In addition, our ~~New~~ **2021** Revolving Credit Facility contains restrictions on our ability to pay cash dividends on our capital stock. Any determination to pay dividends in the future will be at the discretion of our board of directors. Accordingly, investors must rely on sales of their common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investments. If securities or industry analysts publish unfavorable or inaccurate research about our business, our stock price and trading volume could decline. Our stock price and trading volume is heavily influenced by the way analysts and investors interpret our financial information and other disclosures. If industry analysts cease coverage of us, our stock price would **likely** be negatively affected. If securities or industry analysts do not publish research or reports about our business, downgrade our common stock, or publish negative reports about our business, our stock price would likely decline. Our amended and restated certificate of incorporation contains exclusive forum provisions for certain claims, which could limit our stockholders’ ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees. Our amended and restated certificate of incorporation, to the fullest extent permitted by law, provides that the Court of Chancery of the State of Delaware will be the exclusive forum for any derivative action or proceeding brought on our behalf; any action asserting a breach of fiduciary duty; any action asserting a claim against us arising pursuant to the Delaware General Corporation Law, our amended and restated certificate of incorporation, or our restated bylaws; or any action asserting a claim against us that is governed by the internal affairs doctrine. Moreover, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all claims brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder **,** and our amended and restated certificate of incorporation provides that the U. S. federal district courts will, to the fullest extent permitted by law, be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act (a “ Federal Forum Provision ”). Our decision to adopt a Federal Forum Provision followed a decision by the Supreme Court of the State of Delaware holding that such provisions are facially valid under Delaware law. While there can be no assurance that federal or state courts will follow the holding of the Delaware Supreme Court or determine that the Federal Forum Provision should be enforced in a particular case, application of the Federal Forum Provision means that suits brought by our stockholders to enforce any duty or liability created by the Securities Act must be brought in federal court and cannot be brought in state court. Section 27 of the Exchange Act creates exclusive federal jurisdiction over all claims brought to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder, and the Federal Forum Provision will apply, to the fullest extent permitted by law, to suits brought to enforce any duty or liability created by the Exchange Act. Accordingly, actions by our stockholders to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder must be brought in federal court, to the fullest extent permitted by law. Our stockholders will not be deemed to have waived our compliance with the federal securities laws and the regulations promulgated thereunder. Any person or entity purchasing or otherwise acquiring or holding any interest in any of our securities will be deemed to have notice of and consented to our exclusive forum provisions, including the Federal Forum Provision. These provisions may limit our stockholders’ ability to bring a claim in a judicial forum they find favorable for disputes with us or our directors, officers, or other employees, which may discourage lawsuits against us and our directors, officers, and other employees. Alternatively, if a court were to find the choice of forum provision contained in our amended and restated certificate of incorporation or restated bylaws to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, operating results, and financial condition. ~~Risks Related to Ownership of Our Common Stock The stock price of our common stock has been, and may continue to be, volatile or may decline regardless of our operating performance, and you may lose part or all of your investment. The market prices of the securities of newly- public companies, including ours, have historically been highly volatile and will likely continue to be, volatile. In addition to the factors discussed in this Annual Report on Form 10- K, the market price of our common stock may fluctuate significantly in response to numerous factors, many of which are beyond our control, including: • overall performance of the equity markets; • actual or anticipated fluctuations in our revenue and other operating results; • changes in the financial projections we may provide to the public or our failure to meet these projections; • failure of securities analysts to initiate or maintain coverage of us, changes in financial estimates by any securities analysts who follow us, or our failure to meet these estimates or the expectations of investors; • recruitment or departure of key personnel; • the economy as a whole and market conditions in our industry; • negative publicity related to the real or perceived quality of our platform, as well as the failure to~~

~~timely launch new products and services that gain market acceptance; • rumors and market speculation involving us or other companies in our industry or newly public companies; • announcement by us or our competitors of new products or services (including with respect to cryptocurrency or blockchain technology), commercial relationships, or significant technical innovations; • acquisitions, strategic partnerships, joint ventures, or capital commitments; • new laws or regulations or new interpretations of existing laws or regulations applicable or our business; • lawsuits threatened or filed against us, litigation involving our industry, or both; • developments or disputes concerning our or other parties' products, services, or IP Rights; • changes in accounting standards, policies, guidelines, interpretations, or principles; • interpretations of any of the above or other factors by trading algorithms, including those that employ natural language processing and related methods to evaluate our public disclosures; • other events or factors, including those resulting from war, incidents of terrorism, natural disasters, pandemics, or responses to those events; • the expiration of contractual lock- up or market stand- off agreements; and • sales of shares of our common stock by us or our stockholders. In addition, the stock markets have experienced extreme price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies. Stock prices of many companies, and technology companies in particular, have fluctuated in a manner unrelated or disproportionate to the operating performance of those companies. In the past, stockholders have instituted securities class action litigation following periods of market volatility. If we were to become involved in securities litigation, it could subject us to substantial costs, divert resources and the attention of management from our business, and adversely affect our business. Concentration of ownership of our common stock among our existing executive officers, directors, and principal stockholders may prevent new investors from influencing significant corporate decisions. Based upon the information available to us about our shares outstanding as of December 31, 2022, our executive officers, directors, and current beneficial owners of 5 % or more of our common stock, in the aggregate, beneficially own a substantial percentage of our outstanding common stock. These persons, acting together, will be able to significantly influence all matters requiring stockholder approval, including the election and removal of directors and any merger or other significant corporate transactions. The interests of this group of stockholders may not coincide with the interests of other stockholders. Future sales of our common stock in the public market could cause the market price of our common stock to decline. Sales of a substantial number of shares of our common stock in the public market, or the perception that these sales might occur, could depress the market price of our common stock and could impair our ability to raise capital through the sale of additional equity securities. We are unable to predict the effect that such sales may have on the prevailing market price of our common stock. There were 39, 354, 623 shares of common stock issuable upon the exercise of options or the settlement of RSUs outstanding as of December 31, 2022. We registered all of the shares of common stock issuable upon exercise of outstanding options, RSUs, or other equity incentives we may grant in the future, for public resale under the Securities Act. The shares of common stock will become eligible for sale in the public market to the extent such options are exercised or such RSUs are settled, subject to the lock- up agreements described above and compliance with applicable securities laws. Furthermore, we also provide eligible employees with the opportunity to purchase shares of our common stock at a discounted price per share through our ESPP. There were a total of 173, 250, 865 shares of our common stock outstanding as of December 31, 2022. All shares of our common stock are freely tradable, except for any shares purchased by our " affiliates " as defined in Rule 144 under the Securities Act. Further, certain holders of our common stock have rights, subject to some conditions, to require us to file registration statements for the public resale of common stock or to include such shares in registration statements that we may file for us or other stockholders. Sales of our shares pursuant to registration rights may make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate. These sales also could cause the trading price of our common stock to fall and make it more difficult for you to sell shares of our common stock. We may issue our shares of common stock or securities convertible into our common stock from time to time in connection with financings, acquisitions, investments, or otherwise. Any such issuance could result in substantial dilution to our existing stockholders and cause the trading price of our common stock to decline.~~