



# Prohibited & Restricted Merchant Guide





## PROHIBITED MERCHANTS

Activities known to be in violation of laws, regulations and rules

Activity that could cause measurable reputational damage to the Bank/MSP

Activity that could measurably affect the safety and soundness of the Bank/MSP

Activity pursued for the purpose of circumventing the intent of Card Brand or regulatory rules

Activity initiated by foreign-owned entities, or entities based outside the United States

Activity materially conducive to money laundering or criminal exploitation

Activity that could constitute load balancing



## RESTRICTED MERCHANTS

### DOCUMENTS TO REQUEST

Four most recent months previous processing

Four most recent months business checking statements

Two years tax returns or audited financials

(Accounts over \$100K/monthly volume)

Contract with full terms and conditions (refund & deposit policies) if applicable

Verify parameters on application with previous processing statements or industry standard  
(e.g. Construction/ Home Improvements with \$1K high ticket)

Merchant Application Request must match previous processing statements.

PROHIBITED MERCHANTS OR PRODUCT TYPES	CLARIFICATIONS	Merchant Industry
Adult Material & Entertainment (Retail, Card Present)	Includes adult or sexually oriented products, services, and media. No Adult Videos. (See Gentlemen's Club BMO Exception)	Restricted
Advertising	Monthly or Quarterly Billing Max	Restricted
Age Sensitive Products (Card Not Present-CNP)	Tobacco/Alcohol/ (firearms/guns refer to Gun Sales)	Restricted
Aggregators (or Payment Facilitators- PayFac's)	Properly registered	Restricted
Air Craft Services		Restricted
Airlines	Includes charters, private jets, aircraft lease payments, regional, national and international airlines.	Prohibited
Ammunition & Gun Sales (Retail, No Gun Shows, No Personal Sales, No Assault Weapons)	Merchants primarily selling weapons, weapon parts, or ammo via card present (swiped) transactions. (ATF states Sale of ammunition alone does not require a license)	Restricted (FFL required unless they provide a LOI stating they will only sell ammo)
Animals by Mail	(Recommend-Shipping guidelines to confirm they follow federal and state shipping laws)	Restricted
Art Galleries and Art Dealers		Restricted
Auctions	Card present (CNP under Online Auctions)	Restricted
Automobile Rental Car Agencies		Restricted
Automobile Sales (Used)	Includes all merchants primarily engaged in the sale of used vehicles. Requires letter of intent (deposits, repairs/service only) repairs and service only for TBB no deposits	Restricted
Bail Bonds	Includes businesses primarily acting as a surety for persons accused in court.	Restricted (Collect license or certification needed to sell Bail Bonds prior to approval)
Bill Payment Services	Businesses that primarily offer centralized portals for bill payment to third party vendors. (Also refer to Aggregators)	Restricted
Bridal and Formal Wear		Restricted
Business Opportunities (Work-at-Home)	Opportunities with deceptive marketing, promises of wealth, products / services of questionable value. Investment opportunities/Multi level marketing (e.g. a website featuring 'levels' compensation plans)	Restricted

PROHIBITED MERCHANTS OR PRODUCT TYPES	CLARIFICATIONS	Merchant Industry
Business physically located outside the US / Offshore Merchants (or Embassy, Foreign Consulate or other Foreign Government)		Prohibited
Business Selling Goods or Services Internationally	Includes businesses primarily engaged in the exportation of goods outside the United States.	Restricted
Cable Box Descramblers	Includes all devices or software designed to circumvent copyright protection techniques.	Prohibited
Carpet and Flooring	(Recommended-Copy of contractor license & contract with full terms and conditions)	Restricted
Catering	(Recommended-Contract with full terms and conditions)	Restricted
Cell Phone Stores and Plans		Restricted
Charters & Tours	Excluding Day trips	Restricted
Check Cashing	Includes businesses primarily engaged in check cashing services.	Prohibited
Coin Dealers	Includes businesses primarily engaged in the sale of coins or the exchange of foreign currency. (Minimum 5 yrs. in business and 6 months satisfactory previous processing)	Restricted
Collectibles/Memorabilia		Restricted Addendum Needed
Collection Agencies	Uncollectable Debt	Restricted
Concierge Services		Restricted
Construction/ Home Improvement Contractors	(Recommended-Copy of contractor license & contract with full terms and conditions) for Cabinets & Counter installation refer to Kitchen and Bathroom, for Window and door sales refer to Window and Door Sales	Restricted
Consumer Electronic and Computer Hardware, Products, Sales, Supplies, Service, and Repairs	MOTO/ Internet require 1 yr. in operations plus minimum 6 months satisfactory previous processing	Restricted
Counterfeit Goods	(i.e. Gucci, Rolex, etc.) to include 'tribute' items, such as 'Louis Vitton' bag; replicas, reproduction of original luxury goods	Prohibited
Coupon Books (Printed)	Merchants that are primarily engaged in the sale of coupon books and coupon club memberships.	Restricted

PROHIBITED MERCHANTS OR PRODUCT TYPES	CLARIFICATIONS	Merchant Industry
Credit Card Protection Services / Identity Theft	Includes all services designed to pay credit card balances due to unemployment or exigent circumstances.	Prohibited
Credit Repair Services	Includes all services and counseling purportedly designed to repair consumer or business credit.	Restricted
Cross border Trade	Blood Products or Pharmaceuticals	Prohibited
Crowd Funding	(i.e. Kickstarter, GoFundMe)	Prohibited
Cruise Lines	Includes all regional and international cruise lines, charter services, and vacation packages involving cruises.	Prohibited
Dating Services	Businesses offering matchmaking services, memberships and social networks dedicated to dating.	Restricted
Debt Consolidation	Includes all entities offering to consolidate Debt / Debt Relief / Credit Insurance	Prohibited
Debt Counseling Services	Includes all entities offering counseling services to reduce debt (no debt consolidation)	Restricted
Debt Representation Services (No Past Due Debt Collection, Includes Legal & Consulting Services, Bankruptcy Law)	Services primarily focused on all forms of debt reduction, negotiation, settlement (includes tax and mortgages). Includes bankruptcy lawyers.	Prohibited
Detective Services/ Private Investigators	Includes unlicensed private investigators, unlicensed detective agencies and related services.	Restricted
Dietary Supplements		Restricted
Direct Marketing - Catalog & Retail	Goods sold via a combination of catalog and retail store.	Restricted
Direct Marketing - Catalog Businesses	Mail order houses where customers select products from printed or electronic catalog with no face-to-face sales.	Prohibited
Direct Marketing - Continuity, Subscriptions	Services offered via continuity subscription basis until the cardholder cancels (movies, music, newspapers)	Prohibited
Direct Marketing - Inbound Teleservices	Merchants that offer information services (inbound calls) may include, polls, sweepstakes, horoscopes, etc.	Prohibited
Direct Marketing - Insurance Services	Insurance services offered via direct mail, billing insert, magazine or television ads.	Prohibited
Direct Marketing - Not Elsewhere Classified	Merchants that offer products / services with direct marketing methods; infomercials, direct response ads, etc.	Prohibited

PROHIBITED MERCHANTS OR PRODUCT TYPES	CLARIFICATIONS	Merchant Industry
Direct Marketing - Outbound Telemarketing	Merchants that solicit customers via outbound calls and mailings and typically include vitamins, cosmetics, etc. (including MCC's 5965, 5966, & 5967)	Prohibited
Direct Marketing - Travel Related Services	Travel packages and subscriptions offered to customers via direct mail and outbound telemarketing.	Prohibited
Discount Buying Clubs	Businesses primarily offering memberships or access to purchase merchandise at discounted prices.	Prohibited
Document Preparation Services		Restricted
Drug Paraphernalia	Includes products generally used for the consumption or distribution of illegal substances.	Restricted
Educational Materials/ Seminars/ Self Help/ Life Coaching		Restricted
Electronic Cigarettes (E-Cigarettes)	Card present-retail only (Card-not-present prohibited)	Restricted
Embassy, Foreign Consulate or other foreign government		Prohibited
Escort Services (Sexually Suggestive)	Includes merchants with sexually oriented marketing offering dating, escort and companionship services.	Restricted
Essay Mills/Paper Mills	Ghost writing services that sell term papers, essays etc. with intent that purchaser will submit documents as own	Prohibited
Extended Warranties (Products or Services)	Businesses offering extended warranty coverage for products or services. (including protection services)	Prohibited
Financed Payments via Credit Card	(All products and Services)	Prohibited (Registered Debit Card Restricted)
Fireworks Retailers (Unlicensed)	All businesses selling via card not present or card present without a valid license. Licensed retailers acceptable.	Prohibited
Foreign Entity or Foreign Resident owned Merchants		Restricted
Fortune Tellers, Psychics, Astrologers, Spiritual Readers	Includes astrologers, numerologists, palm readers, psychics, and spiritual advisers.	Restricted
Freight Forwarding, Shipping Businesses	Businesses that primarily forward packages or freight on the behalf of other carriers.	Restricted
Furniture & Mattress Stores (Office / Commercial or Home Furnishings with Excessive Forward Delivery)	All Internet / MOTO furniture sales, and card present sales with average delivery timeframes greater than 7 days.	Restricted (Requires Bank Concurrence)

PROHIBITED MERCHANTS OR PRODUCT TYPES	CLARIFICATIONS	Merchant Industry
Future Service Liability Greater than one year	All products types, services, memberships	Prohibited
Gambling/ Sports Forecasting (MCC 5967 / 7995)	Includes all gambling, wagering, lottery, fantasy sports, casino chips, and off-track betting activity. (Also includes Lottery Sales/Horse and Dog Racing/ Skill Games/)	Prohibited
General Contractors	(Recommended-Copy of contractor license & contract with full terms and conditions)	Restricted
Gentlemen's Clubs		Prohibited
Get Rich Quick Services	Includes services marketed as minimal effort and high return or promises of wealth.	Prohibited
Gold, Coins, Precious Metals		Prohibited
Golf Clubs-Custom Made	Minimum 1 yr. in business and 3 months previous processing	Restricted
Government Grant Services	All services to aid individuals with applying, qualifying or obtaining government grants.	Prohibited
Hair restoration Services	Non-Medical nutraceutical type hair restoration products are prohibited for unreasonable guarantees. medical procedures for hair restoration ARE allowable on BMO Harris	Restricted
Home Based Charities	Charities that are home based excluding well established and tax-exempt organizations and residential hospice care.	Restricted
Hookah Establishments	Retail only- No Drug Paraphernalia	Restricted
Illegal Products	Including Illegal Synthetic Stimulants (Bath Salts), Salvia Divinorum or HGH	Prohibited
Immigration & Naturalization Services	Must be provided by licensed Attorney	Restricted
Internet Service Providers & Computer Networking	MCC 4816 ( Also refer to Telecom merchants)	Restricted
Investment Opportunities & Ponzi Schemes	Includes all forms of securities, stocks, bonds, futures, and cash gifting activity.	Prohibited
Kitchen and Bathroom Cabinets & Counters	Installation (Large average tickets > \$2.5K ) (Recommended-Copy of contractor license & contract with full terms and conditions)	Restricted
Lead Lists (All Types)		Restricted

PROHIBITED MERCHANTS OR PRODUCT TYPES	CLARIFICATIONS	Merchant Industry
Lifetime Memberships or Guarantees	Includes businesses offering services and guarantees in perpetuity.	Prohibited
Limousine and Taxi Services		Restricted
Liquidation companies		Prohibited
Loan Modification/Mortgage Relief Services		Prohibited
Magazine Subscriptions (Internet, Direct Mail, Telephone)	Businesses primarily selling magazine subscriptions to one or more publications in any media format.	Restricted (12 months Future Service or less)
Marijuana or Drug Sales	Includes all drugs that are illegal under any law (including Medical Marijuana regardless of any State laws). All types	Prohibited
Massage Parlors, Massage Therapy (Unlicensed, Sexually Oriented)	Includes all unlicensed massage parlors and therapists, and all sexually oriented services.	Prohibited
Massage Therapists	Therapist certification or LMT Credentials required	Restricted
Medical & Dental Loan Payments/Financed payments via CC	(All products and Services)	Prohibited (Registered Debit Card Acceptors Restricted)
Membership clubs	Must be < 12 months future service	Restricted (< 12 months Future Service)
Merchants requiring Card Brand Registration		Restricted
Modeling Agencies / Beauty Pageant Organizations	Includes model scouting, social networks dedicated to modeling portfolios, marketing, and beauty pageants.	Restricted
Modification Chips		Prohibited
Money Services Businesses- Money Orders, Money Transfer Networks, Quasi-Cash (Redeemable Tokens, Bitcoins, Virtual Currency)	Includes merchants primarily offering money orders, travelers checks, wire transfer services or stored value cards. Includes All Bitcoin, Virtual Currencies and gambling tokens	Prohibited
Moving Companies (long or local distance providers)		Restricted
Multilevel Marketing Businesses	Opportunities focused on recruitment, wealth generation, questionable value of products or services. (Product sales Only) (called MLM)	Restricted (Bank Concurrence Required)
Mutilation of Body Parts (Non-Cosmetic)	Includes all acts or simulated acts of mutilation via all forms of media.	Prohibited



PROHIBITED MERCHANTS OR PRODUCT TYPES	CLARIFICATIONS	Merchant Industry
Negative response marketing techniques by any type of merchant/ Deceptive marketing practices.	i.e. customer is automatically charged If they don't return merchandise or cancel service at the end of a free or low cost trial period. Includes hidden disclosures, bogus claims and endorsements, refund/cancellation avoidance, poorly disclosed negative option, pre-checked opt-in boxes for payment without cardholders active consent	Prohibited
Non Profit or Charitable entities	Start ups (any business with less than 12 months of verifiable business history)	Restricted
Nutraceutical Businesses (Teeth Whitening, Colon Cleansers, Sexual Enhancements, etc.)	Merchants that are engaged in the sale of teeth whitening, colon cleansers, sexual enhancement supplements, etc. Also includes Acai, Hoodia, Noni Juice, HGH, Coral Calcium.	Restricted
Online Auctions (CNP auctions)	Includes penny auctions	Restricted
Online Electronic Sales	Includes businesses primarily engaged in the sale of electronics via MOTO or the Internet.	Restricted
Online Jewelry Sales	Includes businesses primarily engaged in the sale of jewelry via MOTO or the Internet.	Restricted
Online Malls		Restricted
Online/ Mail order Event Ticket Sales	Minimum 1 yr. in business and 6 months satisfactory previous processing	Restricted
Past Due Collection Services	Includes all entities attempting to collect on past due debt on the behalf of third parties.	Restricted
Patently Offensive Material (Racist, Bigoted Materials)	Includes merchants selling goods or services designed to incite hate, violence, or abuse of individuals or groups.	Prohibited
Pawn Shops		Restricted
Pay Per Click and parked websites	All types of products/services	Prohibited
Payday Lending	Includes all entities primarily offering short-term loans, title loans, and cash advance services.	Prohibited
Penny Auctions	Includes all pay per bid and bidding fee auction services. Normal auction houses and consignment shops are acceptable.	Restricted
Pharmaceuticals (Card Not Present)	Includes all entities engaged in the card not present (keyed) sale of prescription drugs.	Prohibited (Retail only)
Pharmacies (Card Present)		100% swiped only
Plastic Surgeons		Restricted

PROHIBITED MERCHANTS OR PRODUCT TYPES	CLARIFICATIONS	Merchant Industry
Political Fund Raising/ Political Action Committees / Political Campaigns (all Types)	Cannot promote anything illegal or brand damaging	Restricted
Pools and Hot Tubs		Restricted
Prepaid /Discount health plans	Minimum 5 yrs. in business plus minimum 12 months satisfactory previous processing	Restricted
Prepaid Gift cards	Minimum 6 months previous processing	Restricted
Prepaid Phone Card Sales	Includes business primarily selling prepaid one-time use card, reloadable cards and virtual card accounts.	Restricted
Products or services with Unreasonable Guarantees or claims		Prohibited
Pyramid Sales & Schemes	Includes opportunities focused on member recruitment with products or services of questionable value.	Prohibited
Recurring Billing	Agreement term < 12 months. NO 3rd party Payments (refer to Bill Payment Services)	Restricted
Salvia Divinorum		Prohibited
Scooters/Hooverboards	Minimum 1 yr. in business and 6 months previous processing	Restricted
Search Engine Optimization (SEO)		Restricted
Security and/or Surveillance equipment and service providers	Minimum 1 yr. in business and 6 months satisfactory previous processing	Restricted
Shell Banks		Prohibited
Social Networking Sites		Restricted
Sports Forecasting (MCC 5967/ 7995)	(Also found in Gambling)	Restricted
Storage & Warehouse Companies	Establishments primarily engaged in the renting or leasing of storage (or warehousing and storage of a general line of goods).	Restricted
Surveillance Equipment (Excluding Home & Office Security Systems)	Includes all eavesdropping equipment, spy equipment, cellular signal boosters and jammers. (Minimum 1 yr. in business and 6 months satisfactory previous processing)	Restricted

PROHIBITED MERCHANTS OR PRODUCT TYPES	CLARIFICATIONS	Merchant Industry
Technical Support Call Centers		Restricted
Telecom Merchants and Transactions	Pre-paid phone cards, re-chargeable phone cards, recurring phone services (MCC 4814 and 4816)	Restricted
Telemarketing companies offering	Free gift/prize or sweepstakes with purchase of product; chain letters; sale of any product/service that is prohibited; Hodge podge product mix; solicitation with outbound telephone calls via fax blasting, email spamming etc. (MCC 5965, 5966, 5967)	Restricted
Timeshares & Services	Includes timeshare sales, rentals, fees, loan modifications, marketing, and all related services.	Prohibited
Tobacco (Card Not Present)	Includes all entities engaged in the sale of tobacco products via card not present methods (keyed). No CNP-E-Cig	Restricted (Annual registration/ Legal Opinion)
Tobacco Merchants (Card Present)	Includes merchants primarily engaged in the sale of tobacco products.	Restricted
Trade with Cuba		Prohibited
Trade/ Vocational Schools	Minimum 1 yr. in business and 6 months satisfactory previous processing	Restricted
Travel Agencies & Tour Packages	Includes all travel and tour packages, discounted travel voucher and coupon programs.	Restricted
Travel Clubs	Includes all destination packages, travel membership programs, point redemption and conversion offers.	Prohibited
Unlicensed Intellectual Property		Prohibited
Used Car Sales (Excludes New Car Dealers)	Includes all merchants primarily engaged in the sale of used vehicles. Requires letter of intent (deposits, repairs/service only) repairs and service only for TBB	Restricted Requires Letter of Intent stating the account will only be use for repairs, deposits, service/labor
Video Streaming & Audiotext Merchants	Includes phone and internet chat services, electronic bulletin boards, forums, sports scores and odds.	Restricted
Vitamins, Nutritional Supplement Businesses	Businesses primarily engaged in the sale of vitamins and nutritional supplements.	Restricted
Web Design	MOTO/ Internet require 1 yr. in operations plus minimum 6 months satisfactory previous processing	Restricted
Weight loss Center and Programs (Card not Present-CNP)		Restricted (Physician owned and operated with physician onsite)

PROHIBITED MERCHANTS OR PRODUCT TYPES	CLARIFICATIONS	Merchant Industry
Weight loss Center and Programs (Card present only)	Must be physician owned and operated with Physician onsite (registered nurse also acceptable)	Restricted
Window and Door Sales and Installation	(Recommended-Copy of contractor license & contract with full terms and conditions)	Restricted