

Press Statement Volksbank

Berlin, June 19, 2019 - In recent days, there have been several media reports on the blocking of transactions to N26 by individual banks. In the following statement, we would like to share more information on the topic:

Volksbank does not process payments to N26

Transactions to N26 were neither permanently nor temporarily blocked. All banks must check transactions for money laundering prevention reasons and carry out further checks in case of irregularities. In individual cases, it may therefore occur that certain transactions are stopped in order to carry out further checks. Subsequently, the transactions are implemented. We have confirmed this by calling affected Volksbanks.

Both N26 and all other banks implement money laundering prevention measures of this kind.

N26 and other digital banks have simpler identity verification processes, so scammers attempt them to create accounts for money laundering

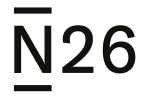
Online identification procedures are as secure as other banking identification procedures. While we enable customers to open an account in just a few minutes, there are several security levels involved in the process. All our verification procedures comply with the applicable legal requirements. As a fully licensed bank, we work with established verification partners who also work for other renowned banks in Germany and around the world. Both our employees and those of our partners are specialists in the field of identity verification. They work with a high degree of process security and have a wealth of expertise.

There is an increasing number of cases of fraud in online banking.

Mobile banks are as secure as traditional banks. However, there is still room for improvement at all banks when it comes to preventing money laundering and financial crime. When N26 was founded, our goal was to create a digital bank that would offer a modern and excellent customer experience. However, not only is being a digital challenger in banking important to us, security and the prevention of financial crime are a central focus for us. At N26, we deploy our own higher-level systems together with trusted systems that are also used by many other banks around the world to minimize the risk of cybercrime.

Other banks have difficulties reaching N26

We significantly improved communication with other banks in the first quarter of 2019 and can normally process requests from other banks within a few hours.



About N26

N26 is building the first mobile bank the world loves to use. Valentin Stalf and Maximilian Tayenthal founded N26 in 2013 and launched the initial product in early 2015. Today N26 has more than 3.5 million customers in 24 markets across Europe who generate over €2 billion in monthly transaction volume. The company employs more than 1300 employees across 5 office locations: Berlin, New York, Barcelona, Vienna and São Paulo. With a full European banking license, state-of-the-art technology and no branch network, N26 has redesigned banking for the 21st century and is available on Android, iOS, and desktop. N26 has raised more than \$500 million from the world's most established investors, including Insight Venture Partners, GIC, Tencent, Allianz X, Peter Thiel's Valar Ventures, Li Ka-Shing's Horizons Ventures, Earlybird Venture Capital, Greyhound Capital, Battery Ventures, in addition to members of the Zalando management board, and Redalpine Ventures. N26 currently operates in: Austria, Belgium, Denmark, Estonia, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden and the UK. N26 plans to enter the US market in 2019 where it will operate via its wholly-owned subsidiary, N26 Inc., based in New York.

Website: n26.com | Twitter: [@n26](https://twitter.com/n26) | Facebook: facebook.com/n26 | YouTube: youtube.com/n26bank

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