

HotSaus Restricted Merchant Policy

See also the HotSaus Information Security Policy (Section 9, Plaid and Consumer Financial Data).

Company	HotSaus, LLC (Atlanta, Georgia, United States)
Document owner	Security Lead: Bam Faboyede
Approved by	Kelechi Ajayi, Legal Advisor
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Review cycle	Restricted list reviewed monthly; full policy at least once every 12 months
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1. Purpose

HotSaus pays consumers cashback for purchases they make from businesses using peer-to-peer payment apps (Zelle, Cash App, and Venmo). This policy defines the merchants and transaction types that are not eligible for cashback, and the controls HotSaus uses to detect and block claims on those transactions.

HotSaus does not process, route, or initiate the underlying payments. The controls in this policy govern whether HotSaus will reward, bill a business for, or otherwise associate itself with a consumer payment.

2. Scope

This policy applies to:

- Every cashback claim, whether submitted by a user as a proof of purchase (POP) upload or created from a transaction found through a Plaid-linked bank account.
- Every business account and drop (offer) published on HotSaus.
- Every cashout request.
- All HotSaus personnel and contractors who review claims, approve businesses, or approve cashouts ("Reviewers").

3. Policy Statement

1. HotSaus does not pay cashback on any payment to a restricted merchant or for a restricted transaction type, regardless of amount, payment app, or how the claim was submitted.

2. HotSaus does not approve business accounts or drops for restricted merchants.
3. A claim is credited only after a Reviewer verifies it. Until then it is held as a pending credit and cannot be cashed out.
4. Users who repeatedly submit restricted transactions are subject to account review, suspension, or closure under Section 8.

4. Restricted Categories

Restricted categories are split into two tiers. Both tiers are rejected; the tier determines whether further account action is considered.

Tier 1: Prohibited. Transactions that carry legal, regulatory, or reputational risk, or that are prohibited under HotSaus's agreements with its service providers, including Plaid. Repeated submissions trigger account review.

Category	Includes	Card network reference (MCC)
Gambling and sports betting	Online and retail sportsbooks, casinos, poker, horse and dog racing wagers	7995, 7801, 7802
Daily fantasy sports and pick'em	Paid fantasy contests and player-prop pick'em apps	7995
Sweepstakes and social casinos	Purchases of coins or credits redeemable for cash prizes	7995
Lotteries	Lottery tickets, lottery couriers, raffles sold for cash prizes	7800, 7995
Prediction markets	Event contracts and wagering on outcomes	7995
Real-money skill gaming	Cash tournaments in mobile games	7995
Cryptocurrency and digital assets	Exchanges, wallets, crypto ATMs, NFT marketplaces, in-app crypto purchases	6051
Cannabis and controlled substances	Dispensaries, delta-8/THC products, kratom, drug paraphernalia, online pharmacies selling without a prescription	n/a
Firearms and weapons	Firearms, ammunition, firearm parts, explosives, and weapons dealers	n/a
Tobacco and vaping	Cigarettes, cigars, e-cigarettes, and vape shops	5993
Adult content and services	Adult content platforms, adult entertainment, escort and companionship services	5967, 7273
High-risk financial services	Payday loans, cash advance apps, title loans, pawn shops, bail bonds, debt collection	5933 (pawn)

Category	Includes	Card network reference (MCC)
Money transmission and stored value	Wire and remittance services, money orders, prepaid card loads, gift card purchases and resellers	4829, 6540
Illegal goods and services	Anything illegal under federal law or in the user's state, counterfeit goods, stolen property	n/a

Tier 2: Ineligible. Legitimate transactions that are simply not purchases from a business. Rejected without account action unless the pattern suggests abuse.

Category	Includes
Personal transfers	Payments to friends, family, roommates, or other individuals who are not a business
Self transfers	Moving money between the user's own accounts or apps
Loan and credit repayments	Buy now pay later installments, credit card payments, personal loan payments
Investments and savings	Brokerage, retirement, and savings app deposits
Rent and housing paid to individuals	Rent, deposits, or utilities paid to a private landlord or roommate
Taxes, fines, and government fees	Tax payments, tickets, court fees, licensing fees
Refunds and reversals	Any payment that was refunded, cancelled, or not completed

MCCs are listed as a reference for automated screening of card transactions. Peer-to-peer payment screenshots usually do not show an MCC, so Reviewers rely on the payee name and the restricted merchant list in Section 5.

5. Restricted Merchant List

The list below names merchants HotSaus has seen or expects to see in claims. It is not exhaustive: any merchant that falls into a Section 4 category is restricted whether or not it appears here. Payee names on Zelle, Cash App, and Venmo often show the operating company rather than the brand, so known variants are listed where available.

5.1 Sportsbooks, fantasy, and pick'em

Merchant	Payee name variants to watch for
DraftKings	DraftKings Inc, DK, DraftKings Sportsbook, DraftKings Casino, DraftKings Pick6
FanDuel	FanDuel Inc, Betfair Interactive US, FanDuel Sportsbook, FanDuel Casino

Merchant	Payee name variants to watch for
BetMGM	BetMGM LLC, Borgata Online
Caesars Sportsbook	Caesars Sportsbook, Caesars Palace Online Casino, William Hill
Fanatics Sportsbook	Fanatics Betting and Gaming
bet365	bet365
Hard Rock Bet	Hard Rock Digital, Seminole Hard Rock Digital
BetRivers	Rush Street Interactive
theScore Bet	theScore Bet, ESPN BET (former name), Penn Sports Interactive
PrizePicks	PrizePicks, SidePrize LLC
Underdog Fantasy	Underdog Sports
Sleeper	Sleeper Picks
Dabble	Dabble
Betr	Betr Picks

5.2 Sweepstakes and social casinos

Merchant	Payee name variants to watch for
Chumba Casino, LuckyLand Slots, Global Poker	VGW
Stake.us	Stake
McLuck, Hello Millions	B2Services
Pulsz	Pulsz
WOW Vegas	WOW Vegas
High 5 Casino	High 5 Games
Crown Coins Casino	Crown Coins

5.3 Lottery, prediction markets, and skill gaming

Merchant	Category
Jackpocket	Lottery courier
Lotto.com	Lottery courier
Any state lottery	Lottery
Kalshi	Prediction market

Merchant	Category
Polymarket	Prediction market
Skillz	Real-money skill gaming
Papaya Gaming (Solitaire Cash, Bingo Cash)	Real-money skill gaming
WorldWinner	Real-money skill gaming
Pocket7Games	Real-money skill gaming

5.4 Cryptocurrency

Merchant	Notes
Coinbase	Exchange
Kraken	Exchange
Crypto.com	Exchange
Gemini	Exchange
Binance.US	Exchange
Cash App Bitcoin	In-app purchase; shows as a Bitcoin buy in Cash App activity
Venmo and PayPal crypto	In-app purchase
Bitcoin Depot, CoinFlip, Athena Bitcoin	Crypto ATM operators

5.5 Cash advance, lending, and money transmission

Merchant	Category
Dave, EarnIn, Brigit, MoneyLion, Klover, Cleo	Cash advance repayment
Affirm, Klarna, Afterpay	Buy now pay later repayment (Tier 2)
Western Union, MoneyGram, Remitly	Money transmission
Green Dot, Netspend	Prepaid card load
Raise, CardCash	Gift card reseller

5.6 Adult content

Merchant	Category
OnlyFans	Adult content platform
Fansly	Adult content platform

6. Controls

6.1 Manual review of every claim (current primary control)

Every claim is reviewed by a Reviewer in the HotSaus admin console before any cashback is credited.

1. A claim is recorded as a pending credit when it is submitted. Pending credits cannot be cashed out.
2. The Reviewer opens the proof of purchase and identifies the payee. For claims created from Plaid, the console also shows the counterparty name parsed from the bank transaction.
3. The Reviewer checks the payee against Section 4 and Section 5. If the payee is restricted, or the Reviewer cannot tell who the payee is or what was bought, the claim is rejected.
4. Rejections use the "Invalid business merchant" reason with a note naming the restricted category (for example, "Restricted merchant: gambling"). The user receives an email stating the reason. No cashback is credited and the business is not billed.
5. The rejection, reason, Reviewer, and time are stored on the claim record and retained under the Data Retention and Disposal Policy.

6.2 Business and drop approval

1. Business accounts and drops are approved manually before they appear to users.
2. HotSaus does not approve a business or drop for any merchant in a Section 4 category.
3. If an approved business is later found to be restricted, its drops are removed and pending claims on them are rejected.

6.3 Cashout review

Cashouts are reviewed separately before money is sent. A Reviewer may hold or deny a cashout as "Suspicious activity" if the account's claim history includes restricted merchant submissions.

6.4 Plaid-sourced claims

1. Bank linking through Plaid is limited to eligible members, controlled from the admin console.
2. HotSaus scans linked transactions only for the user's own Zelle, Cash App, and Venmo payments. The user chooses which payments to turn into claims.
3. A claim created from a Plaid transaction goes through the same manual review in Section 6.1. Linking a bank never results in automatic cashback.

6.5 Planned automated screening

HotSaus intends to add automated screening ahead of manual review. The planned controls are:

1. **Blocklist matching.** The restricted merchant list in Section 5 will be stored as data in the backend. The payee or counterparty name on each claim and each Plaid-scanned transaction will

be normalized (case, punctuation, common prefixes) and matched against brand names and payee variants.

2. **Category screening.** Where Plaid returns a merchant category (for example, its casinos and gambling category) or an MCC, transactions in restricted categories will be blocked.
3. **Blocking before claim.** Matching Plaid transactions will be excluded from the list of claimable payments so the user cannot submit them.
4. **Flagging uploads.** Matching POP uploads will be flagged in the admin console and auto-rejected with the restricted merchant reason, with a Reviewer able to override a false match.
5. **Repeat-attempt alerts.** Accounts with repeated matches will be flagged for review under Section 8.

Manual review remains in place after automation as a second layer.

7. Maintaining the List

1. The Security Lead owns the restricted list.
2. Any Reviewer who finds a restricted merchant not on the list adds it, with payee name variants, within 5 business days.
3. The list is reviewed monthly for new operators, rebrands, and new payee names, and whenever a service provider (including Plaid) flags a merchant or category.
4. Changes are recorded in Section 10.

8. Account Action for Repeat Submissions

Occurrence	Action
First Tier 1 submission	Claim rejected; user emailed the reason
Second Tier 1 submission within 90 days	Claim rejected; account flagged; pending cashouts held for review
Third Tier 1 submission, or any sign of deliberate evasion (altered payee names, cropped screenshots)	Account suspended pending review; may be closed and unpaid cashback forfeited under the Terms of Service

9. Related Documents

- HotSaus Information Security Policy
- HotSaus Data Retention and Disposal Policy
- HotSaus Terms of Service (</legal/terms>)

10. Revision History

Version	Date	Author	Change
1.0	October 29, 2026	Engineering	Initial draft for legal review, following a Plaid inquiry about a gaming merchant submission
1.1	October 29, 2026	Bam Faboyede	Approved by Kelechi Ajayi, Legal Advisor, and published