

## Square Installments Loan Agreement Terms and Conditions

This Square Installments Loan Agreement (“Agreement”) contains the terms of your agreement. If you reside in Florida, Georgia, Montana or New York, you are entering the Agreement with Square Capital, LLC d/b/a Square Capital of California, LLC. If you reside in any other state, you are entering into the Agreement with Square Capital, LLC. Please read this Agreement and keep a copy.

You agree to pay the amount financed as set out in the Summary of Loan Terms and finance charges owed pursuant to this Agreement, including any additional interest accrued resulting from late or missed scheduled payments.

### 1. Definitions

**“Annual Percentage Rate” or “APR”** means the annual rate of interest applied on your loan which will be reflected in the Summary of Loan Terms. APR is equivalent to the Simple Interest Rate.

**“Average Daily Balance”** means the average of your Principal Balance for each day of a Billing Period.

**“Billing Period”** means the time period between each scheduled payment on your loan as set out in your Payment Schedule.

**“Business Day”** means all weekdays excluding public holidays.

**“Check”** means a check or money order you use to pay your loan. This includes any image of these instruments.

**“Finance Charge”** means the dollar amount the credit will cost you, as reflected in the Summary of Loan Terms.

**“Interest Charges”** means any charges to your loan based on the application of the Periodic Rate to the Principal Balance.

**“Military Borrower”** means (1) a “covered borrower,” as that term is defined in 32 CFR Section 232.3(g), and includes a regular or reserve member of the Army, Navy, Marine Corps, Air Force, or Coast Guard, serving on active duty under a call or order that does not specify a period of 30 days or fewer; or (2) a dependent of a member of the Armed Forces on active duty as described in (1).

**“Payoff Amount”** means the remaining Principal Balance plus any unpaid accrued interest.

**“Periodic Rate”** means the Annual Percentage Rate divided by 12.

**“Principal Balance”** means the amount financed, less any principal reductions that have been made over the term of the loan.

**“Summary of Loan Terms”** means Truth in Lending Disclosures provided to you prior to

executing this Agreement, pursuant to the federal Truth in Lending Act and Regulation Z.

**“We,” “us,” “our,”** and **“Square Capital”** means either Square Capital of California, LLC or Square Capital, LLC as set forth above and includes its agents, authorized representatives, successors, and assignees.

**“You”** and **“your”** means the person applying for the loan; any person responsible for paying the loan; and any person responsible for complying with this Agreement.

## **2. Disbursement of Funds, Forfeiture of Unused Loan Amounts**

You agree that we will disburse your loan funds to the party identified in this Summary of Loan Terms.

If you receive a virtual card to be keyed in by a merchant during your purchase but do not use the maximum usable amount of funds available to you when the card is used, then you agree to forfeit any unused amounts. Your payment schedule, including the amount of any monthly payments you will repay, will be adjusted in accordance with Section 7 of this Agreement.

If you receive a virtual card to be keyed in by a merchant during your purchase but fail to use it within seven days of executing this Agreement, we will terminate this Agreement.

## **3. How We Apply Your Payments**

We will apply payments in the following order:

- a. We apply payments first to accrued interest, and then to the Principal Balance.
- b. Except as expressly provided herein, we generally apply any payment more than the required minimum payment to the Principal Balance and will not consider it a payment of the next payment due.

## **4. Prepayment**

You may prepay your loan in any amount at any time. There is no penalty for early payment of all or any part of your loan.

## **5. Making Your Loan Payments**

Your payment must be made in U.S. dollars from a valid U.S. source in a form acceptable to us. Conforming payments can be made in the following ways:

- a. **Automatic Payment.** You may voluntarily enroll in automatic payments during the application process. Additional disclosures will be provided at the time of enrollment. By enrolling in automatic payments, you authorize us to debit, on each due date, the originally scheduled payment, the missed payment, any previously missed payments, and any additional Interest Charges due as a result of a missed payment.
- b. **Manual Electronic Payments.** You may choose to manually make electronic payments. By choosing this method, you will be required to authorize Square Capital to debit your debit card for a stated amount each time you want to make

a payment.

c. **Payment by Mail.** Send Checks to:

Square Capital Installment Payment Center  
29052 Network Place  
Chicago, IL 60673-1290

A Check must be physically received at the above address by 4:00 PM CT on a Business Day in order to be credited to your account on the same day.

d. **In-Person Payments**

You may choose to make in-person payments at the following physical address:

1455 Market Street, Suite 600  
San Francisco, CA 94103

If you wish to make an in-person payment, please contact us first at [installments@squareup.com](mailto:installments@squareup.com) so we can provide you with instructions prior to your arrival. We only accept debit cards and Checks as form of payments.

## 6. Interest Charges

The Interest Charges on your loan will be calculated as follows: the interest owed for a Billing Period will be the Average Daily Balance, multiplied by the Periodic Rate.

## 7. Scheduled Payment

- a. Your payment schedule is set out in the Summary of Loan Terms. If your payment schedule is identified as an estimate in the Summary of Loan Terms, you agree that your payment schedule is as set out in a final payment schedule we will email you before your first payment is due ("**Payment Schedule**"). You acknowledge and agree that the amounts of your monthly installment payments as reflected in the Summary of Loan Terms and/or Payment Schedule may have been rounded up to the nearest dollar.
- b. Payment reminders and/or statements for this loan are separate from other Square, Inc. products for which you may have an account and those account statements will not include the terms of this loan.
- c. You will take all necessary steps to ensure emails from Square Capital are not being filtered out of your inbox or sent to a junk folder. If you do not receive an email, your payment will still be due on your regularly scheduled monthly due date.
- d. If you miss a payment, your next payment must include the originally scheduled payment, the missed payment, any previously missed payment, and any additional Interest Charges due as a result of a missed payment.

## **8. Finance Charge**

The Finance Charge will be calculated assuming that every scheduled payment will be made on time and for the scheduled amount for the life of the loan. The total amount of finance charges you pay may differ from the Finance Charge in, and your final payment may vary from, the Summary of Loan Terms for a variety of reasons, including but not limited to late payments, missed payments, or changes to your due date. You agree to pay any additional interest accrued as a result of late or missed payments. No late fees will apply. All outstanding principal and interest will be included in the final payment.

## **9. Account Information**

Information about your account will be provided through regular monthly emails and/or an online portal that provide access to account information that will include, at a minimum:

- a. Your next scheduled payment amount;
- b. Your next due date;
- c. Information about how to obtain your Payoff Amount; and
- d. Notification of any additional information we require you to provide.

## **10. Payment Processing**

- a. We may accept and process payments without losing any of our rights. You agree we may resubmit and collect returned payments electronically. If necessary, we may adjust your loan to correct errors, process returned and reversed payments, and handle similar issues.
- b. We will only accept payments made electronically from your bank account or Check payments that you send us. We will not accept or credit any other form of payment, including cash payments. We are not responsible if your financial institution rejects a payment you make. You will be responsible for any fees charged by your financial institution.
- c. We may withdraw the funds from your deposit account as early as the same day we receive your payment.

## **11. Checks with Restrictive Words, Conditions, or Instructions**

You agree not to send us Checks bearing restrictive words, conditions, limitations or special instructions or send any accompanying communications with any payment to any address. If you send such a payment, we may reject it and return it to you. We may also accept it and process it without regard to any such restrictive words, conditions, limitations, special instructions or accompanying communications without losing any of our rights. This includes Checks marked "Paid in Full", Checks that are post-dated, or Checks that otherwise have other restrictive, conditional, limiting, or instructive language. This also includes all accompanying communications.

## 12. Closing Your Loan

The date of maturity of your loan will be the date the last payment is due as set forth in your Payment Schedule. When your loan is paid in full, your obligations under this Agreement will be satisfied. Your Payoff Amount or your final payment amount may differ depending on the timing and amount of payments made throughout the loan.

## 13. Default

- a. Unless expressly prohibited by law, you will be in default on your loan if:
  - You do not make any scheduled payment in full when it is due for your loan under this Agreement;
  - Any payment you make is rejected or not paid by your bank or cannot be processed by your bank;
  - You file or become the subject of a bankruptcy or insolvency proceeding;
  - You are unable to repay your obligations, including upon death or legally declared incapacity;
  - We determine, in good faith, that you provided us with inaccurate, untrue, or incomplete information, or you otherwise tried to defraud us;
  - You do not comply with any term of this Agreement or any other agreement with us;
  - You permanently reside outside the United States; or
  - If you are a Wisconsin resident and: (i) you have an outstanding amount of one full payment or more that has remained unpaid for more than 10 days after the scheduled due date, or (ii) you fail to observe or perform any other covenants or duties contained in this Agreement and such failure materially impairs your ability to pay any of the obligation when due.
- b. If you are in default, we may take certain actions with respect to your loan, without notifying you, unless notification is required by law. For example, depending on the default, we may take any or all of the following actions:
  - Charge you the fees disclosed in your Summary of Loan Terms, unless prohibited by law;
  - If you are enrolled in automatic payments, debit your debit card the amount of any originally scheduled payment, the missed payment, any previously missed payment, and any additional Interest Charges due as a result of a missed payment;
  - Demand that you immediately pay the entire outstanding Principal Balance, and Interest Charges owing on your loan at the time of default;
  - Continue to charge you Interest Charges as long as your balance remains outstanding;

- Bring a claim in arbitration against you, or pursue another action that is not prohibited by law. If we prevail, you agree to pay our court costs, expenses and attorney's fees, unless the law does not allow us to collect these amounts.

#### **14. Disputes with Merchant**

If you are not satisfied with the goods or services you receive from a merchant, you will make good faith efforts to resolve any issues directly with the merchant. Refunds of goods or services purchased with this loan are subject to the merchant's refund policy and, except as expressly provided herein, are not our responsibility. Any whole or partial refund issued by the merchant and received by us will be reflected in your loan as a prepayment against your Principal Balance.

#### **15. Personal Financial Information**

- a. We need information about you to manage your loan. You promise to give us personal financial information about you that we may reasonably request from time to time. This includes, but is not limited to:
  - Your legal name;
  - A valid U.S. mailing address and residential address (if different);
  - Your date of birth;
  - Your Social Security number;
  - Your telephone number(s); and
  - Your employment and income information.
- b. You promise to promptly notify us of any changes to the personal information we request from you, including but not limited to your name, mailing address, email address or telephone number. You may notify us by sending an email to [installments@squareup.com](mailto:installments@squareup.com). In doing so, you agree that you will not give us false information or signatures, electronic or otherwise, at any time. We may ask you for additional documents to verify any changes. We may take action if we cannot verify your information or if you do not provide it as requested, at which point any outstanding Principal Balance and Interest Charges will be immediately due and payable.

#### **16. Age and Residency**

By entering into this Agreement, you agree that you are at least 18 years of age or older and of sufficient legal age to enter into a contract in the state where you reside and you are a resident of the United States when you execute this Agreement.

#### **17. Communications and Contact Information**

- a. You consent to accept and receive communications from us, including e-mail, text messages, calls, and push notifications to the cellular telephone number you provide to us during your Use of Service or update the contact information associated with your account. Such communications may include, but are not

limited to requests for secondary authentication, receipts, reminders, notifications regarding updates to your account or account support, and marketing or promotional communications. You acknowledge that you are not required to consent to receive promotional texts or calls as a condition of Use of Service. Call and text message communications may be generated by automatic telephone dialing systems. Standard message and data rates applied by your cell phone carrier may apply to the text messages we send you.

- b. You may opt-out of receiving promotional email communications we send to you by following the unsubscribe options on such emails. You may opt out of any promotional phone calls by informing the caller that you would not like to receive future promotional calls. You may also opt-out of text messages from Square Capital at any time by texting STOP to the number you received a Square Capital text from. You acknowledge that opting out of receiving communications may impact your Use of Service.
- c. You may submit comments or ideas about our products and services about the Services (“Ideas”). By submitting any Idea, you agree that your disclosure is gratuitous, unsolicited, and without restriction, that it will not place us under any fiduciary, confidentiality or other obligation, and that we are free to use the Idea without any additional compensation to you, and/or to disclose the Idea on a non-confidential basis or otherwise to anyone.

## **18. Loan Purpose**

You acknowledge and agree that you will use this loan and the loan proceeds for personal, family, or household purposes.

## **19. Authorization to Obtain Credit Report and Credit Reporting**

- a. You authorize us to obtain your credit reports from one or more credit reporting agencies for any legal purpose, including: (i) to authenticate your identity; (ii) to make loan decisions; (iii) to service my loan; (iv) to send me future marketing information; and/or (v) for internal analytics and credit modeling purposes. You understand that initially submitting personal information will result in a soft credit inquiry which will not affect your credit, and later submitting an application will result in a hard credit inquiry which may affect your credit.
- b. If you believe that we have reported inaccurate information about your loan to a credit bureau or other consumer reporting agency, notify us in writing at:

Square Capital  
% Installments Program  
1455 Market Street, Suite 600, MSC 715  
San Francisco, CA 94103

- c. When you write, tell us the specific information that you believe is incorrect and

why you believe it is incorrect.

## **20. Loan Documents**

- a. The following documents (“Loan Documents”) govern your loan with us:
  - This Agreement;
  - Summary of Loan Terms/Truth in Lending Disclosure;
  - Any Payment Schedule we may send to you;
  - Any privacy notices we may send to you;
  - Any other documents and disclosures relating to your loan, including those provided to you electronically or available online.
- b. Please read these carefully and keep them for future reference.

## **21. The Law That Applies to Your Agreement**

You agree that the state that is listed in the address that you provided in the loan application is the state (“**State**”) this Agreement is made and entered into. Further, this Agreement and any dispute arising hereunder will be governed by the laws of that State and/or applicable federal law (including the Federal Arbitration Act), without regard to that State’s choice of law or conflicts of law principles that would require application of law of a different jurisdiction.

## **22. Severability**

Except as otherwise provided herein and to the extent not prohibited by law, if any provision of this Agreement is held to be invalid or unenforceable, such determination shall not affect the validity or enforceability of the remaining provisions of this Agreement.

## **23. Delay of Enforcement and Waiver**

We will not lose any of our rights if we delay or choose not to take any action for any reason. We may waive our rights without notifying you. For example, we may waive Interest Charges that you owe at a particular time without notifying you and without losing our right to impose Interest Charges that accrue thereafter.

## **24. Assignment**

- a. This Agreement will be binding on, and benefit, any of your and our successors and assigns. You may not sell, assign or transfer your loan or this Agreement to someone else without our written permission. Except as provided by applicable law, we may sell, assign or transfer your loan and this Agreement in whole or in part without your permission and without prior notice to you. Any assignee or assignees will take our place under this Agreement. You must pay them and perform all of your obligations to them and not us. If you pay us after we notify you that we have transferred your loan or this Agreement, we can return the payment to you, forward the payment to the assignee, or handle it in another



way that is reasonable.

- b. **If this Agreement is sold or otherwise transferred, the borrower's rights under the law or under this Agreement are in no way altered or impaired.**

## **25. Entire Agreement and Survival of Obligations**

The Loan Documents constitute the entire agreement between you and us with respect to this loan. The Square Capital Consumer Terms of Use (“Use Terms”) will govern all other instances of your use of Square Capital’s “Services”, as that term is defined in those Use Terms. You acknowledge and agree that no oral representations shall vary, modify or amend the terms and conditions of the Loan Documents. Any failure to exercise, or delay by us in exercising, any right or remedy shall not operate as a waiver thereof.

The obligations in Sections 21, 22, 23, 24, 25, and 26 will survive any expiration or termination of this Agreement.

## **26. Binding Individual Arbitration**

- a. This arbitration provision does not apply to Military Borrowers.
- b. **You and Square Capital agree to arbitrate all disputes arising under or in connection with this Agreement or our relationship (collectively, a “Claim”). This includes Claims made by or against anyone connected to you or us, including any of our parent company, subsidiaries, affiliates, agents, employees, predecessors, successors, or assigns and any authorized users or beneficiaries of the Square Capital program.**
- c. **Arbitration is more informal than a lawsuit in court and seeks to resolve Claims more quickly. Instead of a judge or a jury, the Claim will be decided by a neutral arbitrator.**
- d. **YOU AND WE ARE WAIVING THE RIGHT TO LITIGATE A CLAIM IN COURT AND TO HAVE A JURY TRIAL ON ANY CLAIM.**
- e. **ANY ARBITRATION UNDER THIS AGREEMENT WILL ONLY BE ON AN INDIVIDUAL BASIS; CLASS ARBITRATIONS, CLASS ACTIONS, PRIVATE ATTORNEY GENERAL ACTIONS, AND CONSOLIDATION WITH OTHER ARBITRATIONS ARE NOT PERMITTED. AN ARBITRATOR CAN AWARD RELIEF ONLY ON AN INDIVIDUAL BASIS. YOU WILL NOT HAVE THE RIGHT TO PARTICIPATE IN A CLASS ACTION OR AS A PRIVATE ATTORNEY GENERAL RELATING TO ANY CLAIM.**
- f. Individual Claims filed in small claims court are not subject to this Arbitration Agreement, as long as the Claim remains in small claims court.
- g. The arbitrator alone will have the authority to interpret the scope and enforceability of this Section of this Agreement, except that any Claim concerning the scope or enforceability of the prohibition on class, collective, or representative claims, or claims in arbitration for public injunctive relief, must be resolved by a court of competent jurisdiction.

- h. All Claims shall be resolved finally and exclusively by binding individual arbitration with a single arbitrator administered by the American Arbitration Association (“**AAA**”) according to this provision and the applicable AAA rules, which may limit the discovery available to you or to us. You can obtain copies of the AAA rule and forms by contacting AAA at 1-800-778-7879 or [www.adr.org](http://www.adr.org). Any arbitration hearing that you attend will take place in the federal judicial district where you reside as of the date you execute this Agreement. Square Capital will pay all arbitration fees.
- i. The arbitrator will apply applicable substantive law consistent with the Federal Arbitration Act, 9 U.S.C. §§ 1-16 (“**FAA**”) and applicable statutes of limitations, and will honor claims of privilege recognized at law.
- j. The arbitrator’s award shall be binding on the parties and may be entered as a judgment in any court of competent jurisdiction. While an arbitrator may award declaratory or injunctive relief, the Arbitrator may do so only with respect to the individual party seeking relief and only to the extent necessary to provide relief warranted by the individual party’s claim. The arbitrator’s decision and judgment thereon will not have a precedential or collateral estoppel effect on claims asserted by any individual or entity who was not party to the arbitration.
- k. If any provision of this arbitration agreement is found unenforceable, the unenforceable provision will be severed, and the remaining arbitration terms will be enforced (but in no case will there be a class or representative arbitration). The Arbitration Agreement shall be governed by the FAA. If a court or arbitrator decides that this arbitration agreement cannot be enforced as to a particular claim for relief, then that claim (and only that claim) must be severed from the arbitration and may be brought in court.

**27. Military Annual Percentage Rate Statement:**

- a. Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an annual percentage rate of 36 percent. This rate must include, as applicable to the credit transaction or account: The costs associated with credit insurance premiums; fees for ancillary products sold in connection with the credit transaction; any application fee charged (other than certain application fees for specified credit transactions or accounts); and any participation fee charged (other than certain participation fees for a credit card account). To hear these disclosures over the telephone, please call the following toll-free number: (855) 442-0749.
- b. The amount of your payment is determined by the amount of funds that we lend to you, the interest rate we charge, and the term of the loan.

## **28. State Notices:**

### **For ARIZONA residents:**

Notice: You may request that the initial disclosures prescribed in the Truth in Lending Act (15 United States Code §§ 1601 through 1666j) be provided in Spanish before signing any loan documents.

Aviso: Usted puede solicitar que las divulgaciones iniciales prescritas en la Ley Truth in Lending Act (15 Código de los Estados Unidos secciones 1601 hasta 1666j) sean proporcionadas en español antes de firmar cualesquiera documentos del préstamo.

### **For CALIFORNIA residents:**

- a. **FOR INFORMATION CONTACT THE DEPARTMENT OF BUSINESS OVERSIGHT, STATE OF CALIFORNIA.**
- b. This loan is made pursuant to the California Financing Law, Division 9 (commencing with Section 22000) of the Financial Code.
- c. A married applicant may apply for a separate account.
- d. As required by California law, you are hereby notified that a negative credit report reflecting on your credit record may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligations.

**For COLORADO residents:** If we prevail in a claim in an arbitration we bring against you or pursue another action that is not prohibited by law, your obligation to pay attorney's fees pursuant to Section 13(b) will be limited to 15 percent of the unpaid debt after default and only those attorney's fees for referral to an attorney that is not a salaried employee of Square Capital or such additional fees as may be directed by a court. **For**

### **FLORIDA residents:**

- a. This loan is made pursuant to the Florida Consumer Finance Act.
- b. The terms of the loan provide for interest and charges pursuant to the Florida Consumer Finance Act.
- c. This is an unsecured loan.

### **For GEORGIA residents:**

- a. You are entitled to an exact copy of all documents you execute.
- b. You have the right at any time to pay in advance the full amount due under this agreement and under certain conditions to obtain a partial refund of the interest charges.

**For LOUISIANA residents:** If we prevail in a claim in an arbitration we bring against you or pursue another action that is not prohibited by law, you will not be obligated to pay attorney's fees in excess of 25 percent of the unpaid debt after default and referral to an attorney for collection.

**For MASSACHUSETTS residents:** Massachusetts law prohibits discrimination based

upon marital status or sexual orientation.

**For NEW JERSEY residents:** The section headings of this Agreement are a table of contents and not contract terms. Because certain provisions of this Agreement are subject to applicable law, they may be void, unenforceable or inapplicable in some jurisdictions. None of these provisions, however, are void, unenforceable or inapplicable in New Jersey.

**For NORTH CAROLINA residents:** If we prevail in a claim in an arbitration we bring against you or pursue another action that is not prohibited by law, you will not be obligated to pay attorney's fees pursuant to Section 13(b).

**For OHIO residents:** If the initial Principal Balance on this loan is \$5,000 or less, this loan is made pursuant to sections 1321.01 to 1321.19 of the Ohio Revised Code. If the initial Principal Balance on this loan is greater than \$5,000, this loan is made pursuant to sections 1321.51 to 1321.60 of the Ohio Revised Code. The Ohio laws against discrimination require that all creditors make credit equally available to all creditworthy customers, and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio civil rights commission administers compliance with this law.

**For TEXAS residents: OCCC NOTICE**

For questions or complaints about this loan, contact us at [installments@squareup.com](mailto:installments@squareup.com) or (844) 500-9843. Square is licensed and examined under Texas law by the Office of Consumer Credit Commissioner (OCCC), a state agency. If a complaint or question cannot be resolved by contacting Square, consumers can contact the OCCC to file a complaint or ask a general credit-related question. OCCC address: 2601 N. Lamar Blvd., Austin, Texas 78705. Phone: (800) 538-1579. Fax: (512) 936-7610. Website: [occc.texas.gov](http://occc.texas.gov). E-mail: [consumer.complaints@occc.texas.gov](mailto:consumer.complaints@occc.texas.gov).

**For UTAH residents:**

As required by Utah law, you are hereby notified that a negative credit report reflecting on your credit record may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligations.

This Agreement is the final expression of the agreement between you and Square Capital, LLC and it may not be contradicted by evidence of an alleged oral agreement.

**NOTICE**

**ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.**

*Executed via Electronic Signature*